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Television Digest

WITH AM FM REPORTS

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FCC AIMS TO 'EQUALIZE' NETWORK HOURS: FCC steps into business side of telecasting once again by proposing to "equalize unbalanced competitive conditions" among the 4 TV networks -- direct outgrowth of its own freeze-created scarcity of stations. This week, it proposed amending network rules to limit number of hours any TV station may take from a single network.

Notice of proposed new rule, on which comments are invited by Nov. 13 and hearing may be held, was released to a surprised industry Friday, and text is published herewith as Supplement No. 71.

Hardest hit are NBC and CBS, particularly former, because they have by far largest number of commercials sold and the most station time committed.

Immediate reaction of station and network officials was that FCC was muddying up TV waters further (obvious reference to unpopular color issue) -- some claiming proposal was infringement on right of broadcaster to free choice of programs. Yet it was agreed that freeze-imposed "monopolies" in markets with less than 4 stations need adjusting. FCC has scant doubt of its power to do it via its chain regulations, once bitterly fought by the AM broadcasters but upheld by the courts.

Nevertheless, even those standing to benefit from proposed rule -- notably, ABC, DuMont and to lesser extent CBS -- aren't too happy about FCC getting into program regulation, albeit on "quantitative" rather than "qualitative" basis.

Proposal suggests that in one-station markets, of which there are now 39, the TV outlet be limited to 2 hours from one network per afternoon (1-6 p.m.), 2 hours per evening (6-11 p.m.); in 2-station markets (11) limited to 3 hours in each of those "time segments"; in 3-station markets (8) 4 hours. Only exception would be that any station could have one 5-hour segment per week from any single network to accommodate football, opera, or other "single" public event.

Rule would apply not only to interconnected stations, but also to those fed by kine-recordings or films. It would apply to sustainers as well as commercials.

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Although station time wasn't in much demand then, has enjoyed enormous surge in last few months, FCC used week of May 14-20, 1950 as example of inequities -- to prove that monopolies exist and public isn't getting free choice of network shows. Current figures on commercials sold (NBC about 39 hours, CBS 34, ABC 23, DuMont 15) plus uncounted sustainers would probably tend to aggravate "inequities," bolster FCC argument. It's common knowledge CBS has narrowed gulf between it and NBC considerably in recent months, program-wise at least, but NBC has had better fortune lining up affiliates.

NBC's dominance in TV, despite CBS's nearly equivalent current sales of sponsor hours at about same rates, is further attested by fact that its gross network TV time sales for first 8 months of this year were \$3,030,556 vs. \$1,337,780 for CBS, \$585,315 for ABC, \$552,642 for DuMont (Vol. 6:38). Moreover, NBC owns 5 stations in as many major cities, as does ABC, DuMont owns 3, whereas CBS owns only the one in New York and minority interest in 2 others in Washington and Los Angeles.

FCC calculations show that NBC programs were 68.8% of aggregate 119.41 network station-hours taken 1-6 p.m. in one-station markets during week under survey. CBS got 20.7%, ABC 10.5%. During 6-11 p.m. same week, NBC got 64.8% of 433.5 net-

work station-hours, CBS 19.3%, ABC 11%, DuMont 4.8%. Similar breakdowns are made for 2 & 3-station markets.

Proposal stems from DuMont complaint at beginning of year against NBC's 2½-hour Saturday Night Revue (Vol. 6:1,4-8), and from ABC-DuMont requests that FCC step in and equalize AT&T cable allocation (Vol. 6:38-39). In a sense, telecasters "invited" more network regulation, of which this may be only the beginning.

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Initial reactions from about dozen network and station executives reached Friday were mainly antagonistic, ran somewhat along these lines -- though it was obvious none really had had chance to study proposal:

It imposes quantitative measure, disregards quality of programs; makes networks common carriers; forces stations to promote competitors' networks; foists second-rate programs on public; penalizes NBC, which went all-out for TV long before others. Station could decide to take allowable maximum from only one or 2 networks, use other time for local and spot (which is exactly what many are doing now). What about AM? one asked; many radio markets don't have 4 stations to give choice of programs from 4 networks.

Some were even suspicious that move was retaliation against RCA-NBC for their color stand (though start of this FCC study long antedated color report); also that this rule somehow might be employed to force stations to carry CBS color if and when it's authorized and made available via networks.

COLOR DECISION DUE—FUTURE PONDERED: FCC hasn't adopted CBS color system yet, though it's expected to do so soon -- despite attitude of uncertainty manifest in its ranks as more manufacturers this week reaffirmed impossibility of meeting its proposed early-November deadline on bracket standards.

[All 36 replies to FCC are summarized in Special Digest herewith.]

With brackets out for present, FCC deadline termed impossible by unanimous industry, here are speculations and predictions currently given greatest weight:

(1) CBS will be adopted, probably next week. It will be "permissive" at the outset, with FCC waiting to see how telecasters take to it voluntarily.

(2) RCA, DuMont, Philco and/or others, judging from tenor of their replies, may try to take decision to court. Their chances are considered slim unless they can prove they're hurt. But people aren't likely to stop buying black-and-white sets, regardless of color edict, so proof of injury may be hard to show.

(3) Color sets won't be forthcoming in any meaningful numbers for many months, possibly years, because of long conversion time, higher cost, lack of components, paucity of programs, lack of telecaster enthusiasm for any incompatible system. Same sort of professionals, tinkerers and wealthy persons who built own or bought scant 8000 TVs pre-war, mere 6500 in 1946 and only 180,000 in 1947 may be inclined to go in for new wrinkle at first.

(4) RCA and/or others may perfect compatible system -- which FCC as well as industry will welcome. Then, incompatible CBS system will be abandoned as impractical. But FCC will take due credit for having spurred compatible color.

Wishful industry thinking may be apparent in such speculation. Nevertheless, it's reasonable and gained adherents after FCC meetings this week failed to bring forth a decision. And particularly after word got around that Comr. Jones had said he thought some of his colleagues were becoming "unglued."

Presumably, he was referring to what seems to be the issue now -- whether to try to force telecasters, directly or via networks, to carry colorcasts as a condition of license. Such a move, too, has implications of court actions, broadly hinted in replies of manufacturers owning TV stations, and in ill-concealed aversion of most telecasters to any incompatible system -- also being discussed freely by Washington legal representatives of TV stations.

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Tenor of manufacturers' replies on bracket standards (13 more plus Hazeltine filed this week) was same as those of last week, when there were 22 replies. We've

digested the new ones, amplified a few of the longer ones arriving at deadline last week, and printed them in the special 8-page digest herewith. Of 36 replies in all (30 manufacturers, 6 others), none said mid-November deadline could be met, some were willing to cooperate to make brackets when proved feasible, some frankly thought little of brackets, less of color decision itself.

Responding this week: Capehart-Farnsworth, Emerson, Hazeltine, Magnavox, Motorola, Muntz, Philco, Sentinel, Stewart-Warner, Sylvania, Tele King, Tele-Tone, Transvision, Zenith. Only Air King and Olympic among the larger producers didn't reply. Nor did ABC, only network which continues strict "hands off" policy on color.

Some people at Commission took heart from Emerson's closing paragraph to effect it would build color sets for any standards FCC adopts. When queried, however, president Ben Abrams said he would make sets for whatever demand there is, but it would take at least year to get a color receiver into production, and "I don't see much market for it anyhow, even in New York."

Zenith, it turns out, had same qualms as everyone else, despite president E. F. McDonald's petulant complaint to FCC that we were guilty of "mis-statement" when we reported Zenith's lack of enthusiasm for brackets (Vol. 6:38). Its statement was one of strongest filed, is particularly well worth reading. Zenith's H. C. Bonfig, known throughout the industry for his bon mots, was quoted as remarking to colleagues: "I read it [FCC Color Report] with mixed emotions. By mixed emotions I mean it's like watching one's mother-in-law drive over a cliff in one's shiny new Cadillac." He was obviously referring to turndown of RCA, yet fearful of effect on current TV business.

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That FCC was taken aback by responses is obvious. Some members have indicated pique because number of manufacturers used FCC's invitation on brackets as vehicle for lambasting color report as well as brackets, plumping again for compatibility. FCC folk seem touchy about whole subject, inclined to bristle at criticism.

Despite set makers' negative replies on brackets, chances are that certain FCC elements will still try to get idea accepted by industry eventually, even if CBS system is adopted soon. They see "future promise".

Manufacturers are trying -- by personal contact, by petition, by wire, by speeches -- to get Commission to reexamine brackets, hold off adoption of CBS system, take another look at compatible systems.

RTMA president Robert Sprague waited on Chairman Coy Oct. 3, and it's learned Philco executives talked with him last week to urge him not to put any road-blocks in present TV business. Visits were private, elicited no "reports".

Motorola's Paul Galvin wired each commissioner, asking hearing be held on brackets. RCA petitioned FCC to hold off final decision, observe improvements in its system during Dec. 5-Jan. 5 period, then reexamine all systems until June 30, by which time it promises its system will have been "brought to fruition in a commercial, fully-compatible, all-electronic, high-definition system of color television available for immediate adoption of final standards."

RCA research v.p. Elmer W. Engstrom, in speech Oct. 5 at alma mater U of Minnesota after award for "pioneering in television research," referred to FCC's procedure as an "extremely short range consideration." He added: "It looks principally at 'today' giving little thought for 'tomorrow'...What appears to be the choice of the FCC confronts the American people with a serious problem, and somehow your views should be heard in this matter...I personally feel confident that the best system will emerge as the one which will be preferred by the American people."

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Meanwhile, CBS is standing by, quietly, presumably could start color telecasts in New York immediately upon word of decision and begin fulfilling commitment to put on 20 hours of color weekly within 30 days thereafter (Vol. 6:35). There's evidence that CBS fears, as does everyone else, that an abrupt plunge into incompatible telecasts could bring black-and-white sales to a standstill, shake whole structure of TV. Even CBS-TV affiliates are bitterly opposed to "forced draft"

telecasting of CBS standards -- fearful of impact on audience, if they must color-cast during prime periods.

CBS could transmit color during specific hours promised by president Frank Stanton during hearing (Vol. 6:12) without touching sponsored time. He promised: 3 hours daily, 5 days weekly, before 6; ½-hour daily, 5 days weekly, between 6-8; ½-hour daily, 5 days weekly, after regular monochrome hours "or at such earlier time after 8 p.m. as we may elect."

Remington Rand, CBS licensee for industrial color equipment (Vol. 6:33), foresees no difficulty in producing station equipment. Its industrial TV sales chief Col. William Norvell says only electronic view-finder need be added to camera to make industrial equipment good for stations. Remington Rand doesn't have license for station equipment but has "privilege" of getting one.

If a station ordered equipment now, Norvell said, it could get delivery by first of year. Thereafter, manufacture of 10 sets of equipment per month "wouldn't be any trouble at all, since we're set up for rapid expansion." Only question mark is availability of components. He reports a number of station inquiries, but says he's holding them until final FCC action.

Eight industrial orders for CBS color equipment have been received by Remington Rand. But company has no plans for receiver manufacture -- "too competitive, too many people in it." DuMont, meanwhile, is beating drums for its own wide-band (18 mc) CBS-type industrial color equipment, taking full-page color ad in October Electronics Magazine. DuMont will show off new equipment at New York Academy of Medicine, with surgical operations, on Mondays, Wednesdays and Fridays Oct. 9-20.

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Impact of color whoop-de-do on public is still nil, if set purchases are any criterion -- and they certainly are. Absolutely no reports of "cold-feetism" are reported among public. Matter of fact, one FCC engineer just bought a set.

Newspaper reports of manufacturers' replies tended to discourage idea color sets would be available any day now. Examples of headlines: "TV Color Unit Hit As Possibly Useless" -- Washington Post. "7 More Makers Reject FCC Color TV Plan" -- N.Y. Herald Tribune. "Television Industry Lines Up Against CBS Color. Zenith, Philco Join List" -- Wall Street Journal. "Video Trade Boos FCC's Color Fiat" -- Chicago Journal of Commerce.

Editorially, comment hasn't been heavy. Said Oct. 2 Chicago Sun-Times: "Color television? Don't lose any sleep over it. Don't let the color bugaboo stop you from buying a TV set. Don't worry about it making your present set obsolete. In short, color TV still is quite a long way off. And 'long way' can mean anywhere from a year to 2 or 3 years."

Said Oct. 1 Washington Star, which owns WMAL-TV: "Although RCA, DuMont and other producers have declined to cooperate in this plan [bracket standards], it is hard to believe that the FCC will carry out its threat to go ahead with adoption of the CBS method without further consideration of competing systems. Although it has been the consensus of those who have viewed the rival demonstrations that electronically produced color is not as bright and stable as that produced by the whirling color wheel, continued research is likely to improve the quality of the electronic pictures. This research will go on regardless of the FCC attitude, and the Commission ought to keep an open mind toward these developments, with a view to giving the public the benefit promptly of any major improvement."

"The TV color question becomes menacing," Oct. 3 Buffalo News (WBEN-TV) warned, "as it appears the FCC may go through with its expressed intention to approve a noncompatible system...There is not, at the present time, a fully developed compatible system, but on the other hand, neither is there a fully developed non-compatible system...The manner in which the commission seeks to simplify the matter of forcing a noncompatible color system upon the present TV viewers and the country at large just will not stand up in practice...We speak not as one opposed to color but as one welcoming it, and hoping to be among the first to be authorized...We'd like to iterate that we care not whose system ultimately is used, if it is a good system...But we would like from the public standpoint to counsel caution..."

CAN PHONEVISION GET THE FILMS? There's talk of "crack" in motion picture industry's solid front against releasing first-run films for Zenith's Phonevision tests -- but it's unverifiable. This talk follows month's postponement of tests from Oct. 1 start because of lack of "sufficient number of good films representing a fair cross-section of Hollywood productions". Zenith letter to FCC also refers to "possible change of thinking" on part of producers, pointedly referring to final paragraph of letter from United Paramount Theatres' president Leonard Goldenson to 20th Century-Fox's Spyros Skouras (Vol. 6:39).

Talk goes something like this: Fearful of another anti-trust prosecution, enhanced by Zenith-inspired Justice Dept. "investigation", producers are said to have turned around for another good look at Zenith's project. But answer is in hands of exhibitors, who have been adamant against giving Zenith pictures. Goldenson's exact words, in letter that otherwise strongly criticized Zenith's scheme and methods: "It is my hope that enough motion pictures will be made available for this test so that all who are interested in the matter will have the results for proper appraisal and evaluation."

Words were obviously chosen advisedly, and Variety Oct. 4 intimated same thinking when it reported several big producers were making study of exhibitor objections. Variety concluded: "They might go ahead with Goldenson's suggestion if only to prove 'pay-as-you-see' system will not work."

Zenith held off postponement announcement until eve of Sat., Sept. 30, so that it was obscured in Sunday newspapers. The 300 homes with Phonevision sets were given one more month of free use; receivers are also good for regular TV. In Sept. 29 letter to FCC asking for extension of test permit from Oct. 1-Dec. 29 to Nov. 1-Jan. 29, Zenith's chief engineer J. E. Brown stated: "There is evidence that the policy of the major film producers may be changing."

Meanwhile, stock of Teco Inc. formed to promote Phonevision (Vol. 6:15-16), dropped from 22 bid, 23½ asked on Fri., Sept. 29, to 17 & 20 when market opened following Monday. It was 20 & 22 at end of this week. Teco has advised rights holders that entire issue of 100,000 shares at \$10 has been subscribed to (Vol. 6:39).

Network Accounts: American Home Products Corp., for two of its divisions, Boyle Midway Inc. (Aerowax floor wax) and American Home Foods Inc. (Wizard Wick deodorizer), has bought Thu. 4:15-4:30 segment of *Kate Smith Hour* on NBC-TV . . . Roma Wines Oct. 7 starts *Party Time at Club Roma* on NBC-TV, Sat. 11-1:30 . . . Philip Morris & Co. (Bond Street Tobacco) Sept. 27 started *Great Moments in Sports*, 15-min. following Wed. night fights on CBS-TV . . . Cadbury-Fry, America Inc. (candy) Sept. 27 started 10-week sponsorship of co-op *Small Fry Club* on DuMont outlets in New York, Boston, Chicago, Wed. 6-6:30.

Station Accounts: As part of gas industry's campaign to push appliance sales, American Gas Assn. has launched plans to sell individual gas companies idea of series of 30-minute shows on home cooking; 13-week series would be made available if minimum of 20 gas companies sign up to sponsor program locally. At AGA Atlantic City convention, idea of TV campaign was broached—with Isabel A. McGovern (Minneapolis Gas Co.) and Louis Winslow (East Ohio Gas Co., Cleveland) telling of their experiences. AGA ad agency is McCann-Erickson . . . New Toni products reported due for TV as well as radio promotion, thru Tatham-Laird, Chicago . . . GE Receiver Division has sent all stations open-end films on its TV-radio models for local distributor-dealer sponsorships . . . WPTZ, Philadelphia, new participation sponsors include Hollywood Candy Co. (Payday, Butter-Nut, etc.), thru Ruthrauff & Ryan, Chicago; R. T. French Co. (Silvo Silver Polish), thru Richard A. Foley Adv., Philadelphia; Kasco Mills Inc. (Kasco Dog Ration), thru Clark & Rickerd, Detroit . . . Shulton Inc. (All Spice shaving cream and lotion)

and Wine Growers Guild (Guild Wines) Sept. 30 started 15-min. football chatter before and after Sat. games on WCBS-TV, New York. (Shulton erroneously reported as network account in Vol. 6:38) . . . Among spot accounts reported currently using or planning to use TV: Encyclopaedia Britannica (WNBQ); Rolfs Inc. (leather goods), thru Cramer-Krasselt, Milwaukee; Illinois Meat Co. (Broadcast Brand Corned Beef), thru Arthur Meyerhoff, Chicago (WXYZ-TV); International Milling Co. (Robin Hood Flour), thru H. W. Kastor, Chicago (WXYZ-TV); R. Gerber Co. (American Pop Corn), thru Newby & Peron Inc., Chicago (WPTZ); California Lima Bean Growers, thru Mogge-Privett, Los Angeles; Gale Hall Engineering Co. (auto gauges), thru Cory Shows Inc., Boston . . . Regina Cigar Co. (Hillcrest Cigars), thru Gresh & Kramer, Philadelphia (WFIL-TV).

Oct. 1 sets-in-use, reported since NBC Research's "census" of Sept. 1 (Vol. 6:38): Washington 174,485, up 13,485; Memphis 54,593, up 5293; Dallas 43,132, up 3532; Fort Worth 33,707, up 2307; Omaha 36,671, up 6871; Miami 36,400, up 2500; Greensboro 25,000, up 5500; Des Moines (Ames) 16,295, up 1995; Norfolk 34,939, up 7039; St. Louis 184,500, up 18,500.

Third "Videotown" survey by Cunningham & Walsh (Vol. 6:26) has been printed in neat 22-page booklet, is now available from agency, 40 E. 34th St., New York 16, N. Y. Survey is based on interviews with every set owner in unnamed city of 40,000, within 40 miles of New York, covers many facets of TV's impact on families.

AM first day, TV second day, affiliates' own sessions third day—that's program of NBC's own annual convention Oct. 18-20 in the Greenbrier, White Sulphur Springs.

Telecasting Notes: Unique simulcast is Atlantic Refining Co.'s sponsorship of U of Pennsylvania grid games on Philadelphia's NBC-TV affiliate WPTZ and CBS outlet WCAU-AM, Byrum Saam announcing via both media; WCAU-TV uses another announcer on same games . . . WPTZ, probably correctly, claims Atlantic's sponsorship of Penn games for 11th consecutive season is TV's "longest unbroken station-client relationship and the industry's oldest continuous presentation of a sports event" . . . Novel use of TV in politics was New York Gov. Dewey, in WNBT studio Sept. 30, answering man-in-the-street questions; queries of passers-by in downtown areas were fed by NBC camera crews to studio monitors, and Dewey was also telecast as he replied . . . Application for Channel 8 in Las Vegas, Nev., submitted to FCC last week by publisher Donald W. Reynolds of *Fort Smith (Ark.) Southwest American & Times Record*, was returned because of technical errors, may be filed again; he's also TV applicant for Little Rock, Oklahoma City, Tulsa . . . Operators of Cuba's first TV station, newly inaugurated Union Radio (Vol. 6:39), claim 3000 receivers in Havana homes and stores already, say demand by Dec. 1 will run to 15,000; sets retail at about twice prices in U. S. . . . WBRC-TV, Birmingham, ex-Blair TV, appoints Raymer as new national rep; it's second station on Raymer list (other: KTLA, Los Angeles) . . . CBS-TV says it will cut production costs 10-15% by reason of 10-year lease of 5-story former garage at 403-15 E. 76th St., first 2 floors affording 60,000 ft. for scenery storage, third to provide rehearsal halls, other 2 storage of stage props . . . "No television coverage," is one of points made in full-page ad by WWSA, Harrisonburg, Va., in Oct. 2 *Broadcasting* . . . Third Naval District (New York area) will train reserve recruits via commercial TV starting Oct. 10, telecasting program titled *Drill Call* on WOR-TV, Tue. 8:30-9 for 42 weeks, originating from Navy Special Devices Center, Sands Point, L. I. . . . Now getting network service (Vol. 6:31), Iowa State College's WOI-TV, Ames (near Des Moines) is starting its program day at 2 o'clock Sun. thru Fri., at noon Sat.; only educationally-owned station, it operates to 11 o'clock nightly . . . More Oct. 1 rate changes: WGN-TV, Chicago, ups base rate from \$750 to \$900, 1-min. announcements from \$105 to \$150; WFBM-TV, Indianapolis, from \$220 to \$320 & \$40 to \$60; WOR-TV, New York, from \$1200 to \$1500 (Vol. 6:32) & \$250 to \$300; Nov. 1, WTMJ-TV, Milwaukee, \$450 to \$500 & \$80 to \$100.

Personal Notes: Andrew Jaeger, film director of WABD, New York, elected president of National TV Film Council, succeeding Melvin Gold. Others elected: Paul White, v.p.; Connie Lazar, Film Equities Corp., secy.; Ed Evans, RKO Pathe, reelected treas. . . . Ted Cott, gen. mgr. of WNBC & WNBT, New York, awarded French Legion of Honor for contributions to goodwill via international broadcasting . . . Don Feddersen, mgr. of KLAC-TV, elected president of TV Broadcasters of So. Calif. . . . Walter W. Gross, ex-J. Walter Thompson, named NBC-TV network sales mgr. in Detroit . . . Charlotte F. Stern rejoins DuMont Network as director of advertising & promotion . . . Maxwell A. Hage quits MBS night news desk to become TV newsreel editor for Radio-TV Dept., National Assn. of Manufacturers, headed by G. W. (Johnny) Johnstone . . . Earl R. Stanley reassigned to TV Branch, FCC Law Bureau, comes from AM Branch . . . Brig. Gen. Ken R. Dyke, ex-NBC v.p. now public relations v.p. for Young & Rubicam, has been recalled for 90-day tour of duty as liaison officer with Gen. MacArthur in Korea . . . John J. Keel, Washington consulting engineer, has relinquished his practice to join staff of President's Communications Policy Board . . . Richard M. Winslow, Harvard '43, science writer for *New York Herald Tribune*, joins RCA Information Dept., assigned to RCA Laboratories.

First Big Ten football telecasts close-circuited to United Paramount theatres in Chicago and Detroit Saturday, Sept. 30 (Vol. 6:32), resulted in disappointing attendance. For Illinois-Ohio State game, Chicago's State-Lake Theatre had 1500 in 2600-seat house; Tivoli, 1900 in 3400-seat house (admissions \$1.20). For Michigan-Michigan State game, Detroit's Michigan Theatre had 2000 in 4000-seat house (admission upped to \$2.50-\$1.80). But United Paramount officials say they aren't downhearted inasmuch as the first games were mere "breathers"; they look for true test as better games come along. Meanwhile, other theatres in Albany, Boston, Brooklyn, Queens Village, L. I. carried Chevrolet-sponsored Notre Dame-North Carolina game same day (Vol. 6:38), reported 50-60% capacity. Prices weren't changed inasmuch as game was also telecast publicly by DuMont. Large-screen pictures in Chicago and Detroit had some troubles, were, however, generally accepted as good. Color TV via closed circuit by end of football season had been planned by United Paramount, but it learned this week it couldn't get equipment in time.

Question of right to rebroadcast signals of another station, brought to FCC by Lansing's WJIM-TV (Vol. 6:29), has been made subject of proposed rule making (Docket No. 9808, Public Notice 50-1208). Using own microwave, WJIM-TV had been rebroadcasting programs of Detroit's WWJ-TV, with permission of NBC. But WWJ-TV claimed it was "originating station," under existing FCC rules, and was thus authorized to refuse rebroadcast rights. Commission noted that WJIM-TV petition "poses serious question whether [Communications Act] was intended to endow network affiliate with power to prevent the rebroadcasting of any network program in a substantially different area from that served by the affiliate." FCC is asking for comments by Nov. 13 and replies to comments by Nov. 24 on: (1) interpretation of "originating station"; (2) means of resolving conflict regarding "exclusivity"; (3) question of rebroadcasting foreign stations, something not mentioned in existing rules.

FCC adopted final rules on TV remote pickups, STLs and intercity relays this week, incorporated them in Parts 2 and 4 of rules and regulations. Order (Public Notice 50-1206, Docket 9363) assigns stations exclusive use of 7 channels in 2000-mc band, 7 in 7000-mc band, 7 in 13,000-mc band. Common carriers get exclusive use of 3 channels in 7000-mc band, 7 in 12,000-mc band. Six channels are to be shared by stations and carriers in 13,000-mc band. Report goes into details of sound channels, purpose of auxiliary stations, licensing requirements, remote control operation, operator rules, etc.

Broadcasters Advisory Council was formed Oct. 3 with NAB president Justin Miller as chairman. It will act as liaison with govt. agencies to further defense effort. Other members: Robert C. Sprague, RTMA; J. R. Poppele, TBA; Richard B. Hull, National Assn. of Educational Broadcasters; Robert E. Kintner, ABC; Frank Stanton, CBS; Mortimer W. Loewi, DuMont (C. J. Witting, alternate); Frank White, MBS; Joseph H. McConnell, NBC (Charles R. Denny Jr., alternate). Plan is to add 10 station operators from TV-radio ranks.

Singing cowboy Gene Autry told Allied States Assn. delegates at Pittsburgh convention Oct. 2-4 his TV chores were going to make his regular films more attractive than ever. He's making series of 26 half-hour westerns, sponsored by Wrigley on CBS-TV (Sun. 7-7:30). Seriousness with which theatremen take film stars' appearances on TV is indicated by *Motion Picture Herald*, which devoted full page to list of Hollywood stars on fall networks' feature programs—naming among others Gene Autry, Jimmy Durante, Groucho Marx, Eddie Cantor, Robert Montgomery, Don Ameche, Ken Murray.

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October 14, 1950

In This Issue:

- I—What FCC Color Decision Means.
- II—What the Manufacturers Say.
- III—What Distributors-Dealers Say.
- IV—What the Telecasters Say.
- V—What Press and Radio Say.

I—WHAT THE FCC COLOR DECISION MEANS: Hurly-burly following FCC's 5-2 authorization of CBS color -- announced Oct. 11 and effective Nov. 20 (for full text, with Hen-nock-Sterling dissents, see Special Color Report herewith) -- has tended to obscure these vital immediate and long-range considerations:

- (1) Colorcasting is "permissive", not mandatory -- with programs to be offered for long while via very few stations, and then mainly in "fringe" time.
- (2) FCC will wait and see how color catches on, voluntarily, before considering pressure on stations -- which would require drawn-out rule-making process.
- (3) Door is not closed to compatible systems. FCC goes out of its way, in decision, to emphasize that it will consider improvements in such systems whenever they come -- and RCA, CTI, GE and others promise them soon.
- (4) "Dual standard TV", with black-and-white dominant on all stations and with some color on a few, leaves market wide open for "buyer's choice" -- with free play of scientific, industrial and competitive forces settling issue eventually.

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Immediate effects of decision, briefly, were these:

- (1) It will be appealed to courts next week, with RCA, Pilot, perhaps others, filing suits -- despite claims of FCC lawyers that appeals have no chance.
- (2) Color converters will be made by a handful of companies -- Tele-tone, Webster-Chicago, Starrett, Celomat, plus number of tiny outfits, saying they'll turn them out. None expects to have more than samples before Jan. 1 at earliest.
- (3) Biggest set producers won't make color sets -- not in quantity, at least -- unless they have absolute proof public will permanently refuse to buy black-and-white. Even if they want to make such sets, they will be at loss until bracket standards issue is settled, inasmuch as FCC decision says hearing will be held on that subject at a later date. But eyes turned to Philco at week's end, when New York Times quoted president Wm. Balderston as stating company had conferred with CBS after decision and had decided to make sets for CBS system "if there is public demand." [See Part II.]
- (4) CBS will have to shoulder virtually all the colorcasting burden and the promotional effort, except for such assistance as the color set, adapter and converter makers may supply. New York will be key testing ground for some time, with relatively few stations joining tests at outset.
- (5) Most telecasters will wait out storm as long as possible, capitulating only if black-and-white sales are stopped cold -- regarded unlikely in view of color apparatus and servicing costs, limitation of color picture size in a field trending to larger and larger pictures, continuation of top-hole programs in monochrome.
- (6) Even those planning to transmit color will do so mainly on "off" hours, just as CBS's WCBS-TV in New York plans to do (Vol. 6:40), since they can ill-afford to disrupt revenue-bearing black-and-white schedules or ignore bulk of 10,000,000 black-and-white sets-in-use. [See Part IV.]

(7) Manufacturers will continue to concentrate on mass-production (and mass-priced) monochrome receivers, limited only by buying public's demand and availability of war-scarce materials. Distributors and dealers will soon indicate extent color has influenced demand, and war orders will soon govern TV industry's capacity for civilian output. [See Part II.]

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The burning question -- will people stop buying black-and-white? -- has no answer yet. Nor is anyone (including CBS, with its TV manufacturer-sponsors and its present and future stake in telecasting) likely to advise them not to. New York Times' Jack Gould asked CBS's Dr. Goldmark whether it would be wise to buy now:

"If I were enthusiastic about color, I'd wait," he answered. "If I were lukewarm, I'd buy."

We asked FCC Chairman Coy same question. "I'm not going to answer that question now," he replied. Had anyone else asked it? No, nobody.

Here are the reactions and information upon which foregoing projections of what-will-happen are based:

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PERMISSIVE TELECASTING: FCC chairman Coy tells us simply, "Hours of operation were not an issue in this hearing. The issue was standards. We never even discussed requirements for stations. Rule-making hearing would be required for that subject, just as it was in black-and-white. No one has asked for such rule-making in color." Obviously, Commission will "wait and see" before starting rule-making proceedings which could drag into months if not years.

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COMPATIBLE SYSTEMS: In paragraphs 16 & 17 of decision, FCC made it clear that new or improved color systems can be brought before it at any time but that proponents "will have to sustain the burden of showing that the improvement which results is substantial enough to be worth while when compared to the amount of dislocation involved to receivers then in the hands of the public."

Since it's FCC's legal obligation to consider developments of any kind, and in light of dissents by Hennock and Sterling, many industry people regard decision's elaboration of this point as indication Commission is not only willing but eager to see perfected compatible system come along if CBS system bogs down because of its incompatibility.

RCA won't stop work on its system, it made clear emphatically (see page 3). CTI's Arthur Matthews announced that his company "will continue full speed ahead with development of its new fully compatible color system, utilizing the 'Chromicon' camera, notwithstanding Wednesday's decision, in preparation for demonstration before the FCC." Of decision itself, Matthews said:

"It will impose a staggering financial burden on present TV set owners, and depreciate the value of black-and-white sets considerably....The American public will be unjustifiably saddled with an incompatible, inferior system which will impose an out-of-pocket penalty under this ruling....When this loss is fully realized by the public, CTI is confident the FCC will want to change its decision in the public interest."

Hazeltine's A. V. Loughren insisted: "I'm certain that a system employing mixed highs will eventually be used. The FCC is charged with conservation of a natural resource -- spectrum space. Mixed highs have proved their value for that purpose. To assist our licensees, we will of course supply them information on the CBS system."

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COURT TEST: RCA leaves no doubt that it will go to court, probably next week -- but venue isn't revealed. RCA contends FCC decision was "capricious" and its chairman David Sarnoff is convinced manufacturing and sales will be adversely affected and some companies forced to the wall. Pilot president Isidor Goldberg has publicly announced intention of asking injunction. His attorneys, Mnuchin & Smith, 33 W. 42nd St., New York, say they'll file next week, probably in Eastern District of New York.

RCA's Gen. Sarnoff called decision "scientifically unsound and against the public interest." He said: "No incompatible system is good enough for the American public. The hundreds of millions of dollars that present set owners would have to spend and that future set owners would have to pay to obtain a degraded picture with an incompatible system reduces today's order to an absurdity... Regardless of what anyone else may feel called upon to do, RCA will continue its efforts to advance the bedrock principles on which the sound future of color television can be built and will be built..."

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COLOR CONVERTERS, SETS, ADAPTERS: Tele-tone said it will make converters, up to 16-in. (magnified), that will work on any existing or future Tele-tone sets. Full-scale deliveries would begin "about the first of the year" at "surprisingly low" prices. Adapters aren't planned, since "we think people will want color, for just a little extra money, rather than merely continue to get black-and-white." Converters will be designed for Tele-tone sets only, at first. No difficulties are foreseen in converting sets, including consoles. Said sales manager Morton Schwartz: "We've been making our sets since March with idea of adding color if CBS system were adopted....We think we have a technique that's exclusive and we don't want to talk about it yet." No costs were mentioned.

Webster-Chicago anticipated "appreciable" production of 10-in. converters by first of year, larger sizes later. Cost of 10-in., reportedly, would be about \$100 plus installation. Company also said it would make adapters, but prime effort is obviously on converters.

Starrett said it would show samples of converters in 30 days, but would need 4-5 months to get into production; it has hired ex-CBS engineer Sidney Lidz to head color work.

Celomat reportedly will have 5 & 7-in. converters, selling for about \$15 & \$35, respectively, in a few weeks. But scanning adapter isn't included; company expects servicemen can accomplish adaptation for \$15-\$35 additional.

In Washington, McCarthy Bros., small servicing company, said it is ready to sell 12½-in. converters for \$70 installed.

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Worth noting is fact that adapters get little attention. Apparently thought is that people will go whole hog and buy converter, rather than stop with adapter.

Noteworthy, too, is fact that color sets, with disc and all enclosed, get little attention from the converter makers. Reason, of course, is that it will take many months to get any sort of production of built-for-the-purpose color sets.

Small size of CBS picture doesn't seem to worry those manufacturers promising converters quickly. Nearly everyone else is concerned about that factor. CBS is experimenting with "drum" instead of disc, to get bigger screen. Dr. DuMont has experimented with drum for months, laughs when asked about its use in home. Drum idea is simply this: Panels of drum are color filters. Picture tube is slipped into drum sideways, supported there while drum rotates.

As for projections, they have their problems. North American Philips, prime projection exponent, is sold on its 2½-in. tube, foresees registration problems if 3 patches of phosphors are placed on its face, which is way CBS achieves projection, but with larger tube. Philips is working on whirling disc with small tube but says there's severe problem of light loss.

Projections are always more costly, use more components, have not clicked with buying public. And, on top of that, lenses and mirrors will be harder to get as military steps up demand for that type of equipment, too.

Hanging over whole problem of trying to make color sets is issue of bracket standards (Vol. 6:40). Here's how Dr. DuMont looks at it:

"We regard this whole thing as a tentative decision for CBS. On one hand, they adopt the system; on the other hand, they say they'll hold a hearing on bracket standards. That means that if you tried to build color sets, they'd become obsolete when bracket standards are adopted. How crazy can you get?" Dr. DuMont reports that some dealers are scared, but he doesn't know whether fears are yet justified.

CBS's PLANS -- President Frank Stanton issued statement, also read on CBS newscasts: "Today's action...means that color broadcasting is a certainty... Although there has been understandable controversy within the industry over the color television question, CBS is confident that all segments of the industry will now unite to bring to the public this great advance in the television art and that within a few months color receivers and converters will be on the market...

"CBS will shortly announce its specific plans in a number of different areas of color television activity. These will include its color broadcast schedule which within the next 2 months will reach the rate of 20 hours weekly. Many of these programs will be made available to stations in the 45 markets connected by coaxial cable and radio relay. In addition, arrangements will be announced for public demonstrations of color television, as well as for clinics on color television for manufacturers, broadcasters, television service organizations, and advertisers and advertising agencies."

These plans may be announced next week. CBS says some stations are willing to accept color over network if schedule can be arranged. There's question whether CBS can start before Nov. 20, when new standards become effective. WCBS-TV now has 10-11 a.m. color test pattern daily, but Coy says this can't be converted to programs, even sustaining, before Nov. 20.

All-out effort by CBS, at least for awhile, seems certain. Then it, too, will have to evaluate its expenditures and see whether it's getting anywhere. CBS has denied any intention of going into receiver manufacture on own, but has been quoted as stating it will assist in forming a new \$50,000,000 corporation to manufacture color sets if present industry doesn't.

Network's news coverage of Wednesday decision was quite complete that night and next morning, and was very restrained and circumspect. It has said nothing to affiliates as yet, aside from sending them (and all other TV stations) same statement by Stanton that went to press and that's excerpted above.

CBS stock rose from 36 Monday to high of 40½ day of decision, closed Saturday at 36%. Total A & B shares traded during week was estimated at 41,800.

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RTMA president Robert Sprague issued calm statement at week's end:

"As of Nov. 20, there will be two broadcasting standards -- black-and-white and color. Present black-and-white sets will be able to continue to receive present black-and-white broadcasting...

"There are approximately 8,000,000 TV sets in the hands of the public... [They] will be unable to receive color broadcasting, under presently approved standards, either in black-and-white or in color, unless and until the owners of these 8,000,000 TV sets can purchase [and install] either 'converters' or 'adapters'.

"Because of this situation, there will be a continuing and increasing audience of 25,000,000 or more people for present black-and-white broadcasting, and, initially, at least, practically no audience at all for color broadcasting.

"For this reason mainly, most informed persons in the industry believe that color, as presently selected by the FCC, will have a very slow growth indeed.

"However, if and when a color system is available which is 'compatible' with present black-and-white broadcasting, then all programs could be broadcast in color without any loss in audience whatsoever. And those who wanted to receive the many fine programs in color would be able to purchase color receivers [when] available.

"The vast majority of the engineers and scientists in the electronic field believe that there will be available within a reasonable length of time a satisfactory commercial color system which is 'compatible'...

"It is my considered opinion that this will be in the not too distant future, as enormous strides have already been made in this direction, and I have great confidence in the ability of our many great scientists and engineers to bring this highly desirable development to an early successful conclusion.

"The FCC in its present order encourages the development of such a color system and will certainly seriously consider its adoption if and when available..."

II—WHAT THE MANUFACTURERS SAY: Aside from handful who announced they would make CBS color sets, converters or adapters (see Part I), reaction of most manufacturers -- as gleaned from replies to our telegraphed inquiries and from statements to press -- ranged from bitter anger to can't-do-it, won't-do-it, depends-on-demand. More than score replies included most top producers, though some remained silent.

What RCA's Gen. Sarnoff, DuMont's Dr. DuMont, RTMA's president Sprague had to say is quoted in Part I. Here's what others said:

Admiral's Ross Siragusa: "We do not plan to manufacture CBS color receivers or color converters or black and white adapters." Submitted also was his statement telegraphed to all Admiral distributors for relay to 16,000 dealers in TV areas:

"Regarding recent FCC color decision we urge you acquaint your customers with fact that decision allows for continuation dual-standard of telecasting which means that present excellent programming will continue black and white on all 4 major networks. Impractical, unsightly whirling disc system which Commission approved will be pushed only by CBS network owning four stations out of the national total of 107. No sponsor will make any investment color telecast for audiences which will consist mainly of CBS executives.

"It is our prediction that CBS color will fumble along for a few months, after which time compatible electronic system which can be utilized by present receivers will be perfected. Then CBS receivers will be completely obsolete. In view of these facts, I urge you reassure public that Columbia color and FCC action mean little or nothing to harm growth of television as we know it.

"Admiral is proud of way you TV dealers...have steadily increased your business in spite of obstacles bureaucrats have constantly thrown in your way."

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Air King's David H. Cogan: Replying by phone stated there's real problem in getting components. He questioned acceptability of 7 and 10-in. color sets. Though at FCC hearing he estimated 10-in. color converter (blown up from 7-in.) would cost \$100-\$125, he now says "nearer \$200." To build a brand new color set, he said, would cost \$125-\$130 more than standard 10-in. He expressed concern over risk of tooling up for color and converters -- "tremendously expensive for smaller set makers." He said bigger companies might "roll the dice" with color as a side-line, but wasn't sure he can afford to do so. He confessed he's "now worried" but said: "No manufacturer was more enthusiastic about CBS color during the hearing, or has had more experience in designing sets for it." He added he thought Comr. Sterling was right in saying public doesn't want small-screen sets, even in color.

Andrea's F. A. D. Andrea: Quoted in New York Times as expressing hope Congress will intervene. He called CBS color a "Rube Goldberg system".

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Belmont Radio's W. L. Dunn (Raytheon): "Have no immediate plans for manufacture of CBS color receivers or color converters but are taking precautionary measures of finalizing engineering design of adapter which we will try to make available during [1951] first quarter to distributors requesting at price not yet determined. Impact of decision on dealers and distributors has resulted in isolated cases of color hysteria. However, these reactions are in no way indicative of the actual effect on the market."

Bendix's William A. Mara: In statement to press asserted that "because of the huge mobilization program, mass production of color TV receivers is at least 3 to 4 years away." Bendix made some of CBS's experimental color receivers, and Mr. Mara stated technical problems in making them involve (a) space -- "scanning disc will almost double width of current sets"; (b) screen size -- "CBS system is satisfactory on 12½-in. tubes" but "current demand is for 16-in. or larger"; (c) price -- inevitably much more expensive. "The immediate problem is meeting the demand for black and white. There is an enormous amount of research ahead before we can mass produce a marketable color TV package at an attractive price."

Crosley's John W. Craig: "Cannot advise whether we will manufacture color receivers as doubtful that public will pay higher prices for a degraded color TV

system. At this time much additional use of critical materials and critical development and production manpower would be required for production of color receivers. Have no plans to produce color converters or black-and-white adapters..."

Emerson's Benjamin Abrams: "We are in process of meeting to determine plans in light of FCC decision. No comment until plans are formulated. Decision had some effect on dealer sales but not sufficient to affect company's production plans until end of year." Earlier, Mr. Abrams stated (Vol. 6:40) it would take at least a year to get a color receiver into production, adding: "I don't see much market for it anyhow, even in New York."

Freed Radio's Joshua Sieger: Press release quotes him as stating: "The mechanical sequential color system approved [by FCC] was tested and rejected many years ago in British laboratories as unsuited for home use...never used for color motion pictures." He adds: "It is a mockery of the public welfare that this antiquated system of color reproduction, discredited and repudiated for use in as simple a medium as the motion picture, should be approved by an official govt. agency for the vastly more complicated art of TV...not one single TV manufacturer is willing to invest a single cent in the manufacture of color receivers based on this antiquated system. They will be obsolete before they even reach the blueprint stage."

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General Electric's W. R. G. Baker: "Much too early to give positive answer [to question about building color sets, etc.]. Distributors report considerable confusion and public questions but no definite reports on effect on sales." In press interview, Dr. Baker called FCC action "an attempt to force a technological change ahead of time." It would be comparable, he said, to a hypothetical govt. order that "on and after Jan. 1, 1951, all railroads should be equipped with jet-propelled locomotives."

Hallicrafters' William J. Halligan: "No clear plans now but may be able to manufacture double-standard black-and-white receiver ultimately. Flying disc color receiver cost unknown...Some jobbers report their dealers are restive, but others ask us to divert to them any receivers which may be cancelled by others." In earlier statement to press, Mr. Halligan said:

"It is a craven decision brought about by misguided Senatorial pressures rather than by a true concern for the public interest...The TV industry, into whose face this decision was flaunted, showed unanimously in their replies to the FCC a greater, more sincere concern for the public interest than the Commission which has been sworn to uphold it. I am reminded of Horace, 'The mountains have been in labor, and brought forth a ridiculous mouse'."

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Hoffman Radio's H. L. Hoffman: "FCC color decision pulled rug from under TV sales both at wholesale and retail level, and manner in which news release has been handled by CBS and FCC has augmented confusion in present set owners minds as well as potential buyers. We have no current plans to manufacture CBS color...This could very well be a dilemma passed on to consumers similar to 33 1/3 & 45rpm record changers that killed radio-phonograph business, because when consumer doesn't get intelligent answer he merely goes on buying strike. Certainly, information we have so far makes it difficult to tell intelligent story to consumers."

Kaye-Halbert's Myron Blackman: Replied by phone from Los Angeles to say his company has no intention of making such sets, has felt no impact on sales due to FCC decision.

Majestic's Louis Silver: "Our position has not changed in any manner, shape or form [from what it submitted to FCC in reply on bracket standards; see Special Digest of Oct. 7]. We still feel the decision, as announced by FCC, is not only premature but almost an impossibility."

John Meck Industries' John Meck: Press release flatly states company will not switch production to color, warns that "the CBS system might mean putting a 4½-ft. disc whirling at the rate of 50 miles an hour into the TV family's living

room." Letter to dealer asserts "no manufacturer is going to do an all-out job on [CBS] color equipment." Mr. Meck added:

"The CBS system is not now and never will be practical for anything more than a 10-in. or 12-in. picture tube. Next spring, the most popular size will be 21-in. The whirling disc needed to produce color pictures from this tube would have to be about 54-in. long...would have to revolve at the rate of 50 miles an hour at its circumference. There is not enough equipment in the U.S. to perform the dynamic balancing required for such a wheel...The FCC has left the way open for a sound electronic system of color TV...This arbitrary decision has no practical effect on the situation, but only adds to the confusion."

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Motorola's Walter Stellner: Via telephone stated company has no color plans at moment, said dealers are still taking all sets turned out and merely joking about "sending us truckloads of color sets". Motorola's Paul Galvin expressed hope action would be taken to courts, and in New York Friday executive v.p. Robert Galvin lashed out against CBS color, called disc "flying saucer," predicted it "will die as soon as the public gets all the facts." Motorola has wired its distributors and dealers:

"We feel there is nothing alarming about this decision because it does not affect today's black-and-white TV...Keep in mind that the public is being increasingly well served by today's black-and-white TV standards and programs and will continue to be [for] a long time to come. Sets of today's designs and today's black-and-white TV programs will obviously remain the backbone of the TV business for an equally long time...Satisfactory color TV on the CBS standards is still a long way off...Whirling color disc [is] impractical and limits picture size to 12½-in. tube or less, which the public already regards as too small. The public has been hearing about color for almost 2 years but they have gone on buying present black-and-white sets in huge quantities. We are convinced they will continue to do so."

Olympic's Percy Schoenen: Replying by phone, stated company is working on plans for adapters, converters, color sets, but doesn't know when it can make them or how much they will cost. Company policy is to make sets for whatever system is adopted. Has had no adverse reaction from dealers yet.

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Philco's William Balderston: Stated to New York Times (Oct. 14) that company will make receivers for CBS system "if there is public demand" but added he thought FCC has made a "gross mistake"; that black-and-white will be useful indefinitely; that existing 8,000,000 sets do not face early obsolescence. Philco engineers conferring with CBS to "learn" about system. In not closing door entirely on CBS system, as have most other manufacturers, Mr. Balderston said Philco's plans necessarily were tentative and subject to change.

Sightmaster's Michael Kaplan: "Your Commission's decision favoring the CBS color system is received with deep concern by the Television Manufacturers Assn.," states message to FCC released Friday. "In the public interest, we would like to know whether CBS shares 1/100th the confidence in their incompatible system that your Commission does. We would like to see the color of CBS money invested in the chaotic manufacturing wilderness created by their system and your decision. As far as we know, CBS has not put up one dime. Why?"

Stromberg-Carlson's Sidney Curtis: "We don't know the answers. How can we figure designs and costs when we don't know whether Commission demands bracket standards, on which it says it will hold hearing later, or a simple switch, or compatibility later? How can we presume to sell a degraded picture to our customers? Maybe a plug-in for color is the answer. We just don't know -- and the Commission hasn't made things any clearer."

Sylvania's Max Balcom: "We don't know yet what we're going to do. We have made no decisions. There is no evidence yet of adverse impact on trade."

Tele King's Louis I. Pokrass: "Plans not yet made...Too early to feel results from distributors and dealers on sales."

Zenith's E. F. McDonald: Quoted in Oct. 13 New York Times as declaring he has no intention of "halting or slowing" the manufacture of black-and-white sets.

III—WHAT DEALERS & DISTRIBUTORS SAY: "Restive" is the word that pretty well describes attitude of distributors-dealers toward FCC color decision -- reflecting reactions of buying public. There are some 20,000 in TV areas, and their opinions are important, economically and politically -- the pocketbook pulse of the trade.

From replies of manufacturers to our queries about effect on trade [Part II] you could gain impression that tremendous publicity actually hasn't hurt sales of TV receivers very much -- yet. From first few days' reports on TV-boomtown Washington and other TV cities, that impression persists, though some industry leaders (notably RCA's Sarnoff) are extremely bearish about impact on trade.

Except for cancellations of small orders by some dealers, and to lesser extent by a few purchasers, there has been no great upset in today's flourishing market. Name brands are still moving; it's the smaller companies -- manufacturers, distributors and dealers -- who are worrying most because they have no backlogs of demand, no cushioning resources, as have the big companies.

A major eastern RCA distributor says dealers are "mildly upset" but haven't cancelled or refused deliveries; another big one told of 11 dealers cancelling small orders. Echoing public inquiries, dealers are asking, "What does it mean?" Manufacturers are attempting to answer, individually, and RTMA's TV committee meets Oct. 16 in New York's Hotel Roosevelt to consider FCC color report and what the industry should say to the public.

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Business reports in newspapers supported manufacturer-distributor accounts of no letup in buying. New York Herald Tribune's Oct. 13 "Buyers & Sellers" column reported crowds thronging TV departments and "buying heavily." Conclusion of that column: "No adverse effect on the sale of black-and-white sets."

Quick survey of key Washington distributors and dealers reveals there's not much public reaction, few cancellations. Two of city's largest chains sold more TVs Thursday (day after color report) than day before. Only negative reaction was from George Wasserman, owner of George's, one of country's biggest chains.

Wasserman is worried about inventory, said he was going to cancel all orders Nov. 1, won't re-order until manufacturers assure him he won't be left holding the bag if sales drop to nothing. He's "suspicious," he said, of the large number of delivery notices he's received recently -- "carload lots" -- whereas up to beginning of week he had to "sweat to get merchandise." He's afraid, he said, that in 2 or 3 weeks, when "manufacturers have cooled down" and their "labs begin working on color TV," they'll begin "jockeying for position" in color -- and the dealer take hindmost. But business is good, he admitted, and he thought it will be year before manufacturers have color sets at any reasonable price level.

Retailing Daily reported Oct. 13 that leading New York dealers have indicated they are going to cancel -- one chain store executive stating cancellations were primarily to force manufacturers to clarify confusion via big newspaper ads.

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Distributor-dealer reports indicate local newspapers, radio and TV stations leaned over backwards to get facts and present them clearly to public. For most part, first thinking that all set owner needed was \$30 gadget to get color has been dispelled; public now understands such an adapter will simply permit black-and-white reception from colorcasts, converter costing perhaps \$100 more -- plus servicing.

It's clearly understood now that converters will cost lot more than previously published prices. Trade is inclined to look on them as passing fancy (like Pilot's \$29.95 FM converter, which enjoyed short-lived vogue). Color receivers will cost considerably more than \$200 price attributed to CBS unless and until they go into mass production, seen unlikely in immediate future.

Grave doubts are raised whether servicemen are capable of adjusting present sets for either adapters or converters -- aside from the increasingly acute manpower and components problem. Consensus is that many sets will have to be taken to service shops for adapting, returned to factories for conversion. Only group publicly announcing readiness to undertake job is New York's Assn. of TV Service Companies.

Group plans to set up new training program as soon as technical information is released, according to president Joseph Laughinger Jr.

Our own early, quick survey, mainly Washington, New York & Philadelphia, is quite at variance with some reports -- such as Wall Street Journal's (Oct. 14) which headlines "Official Okay on Color Brings a Sales Tumble on Standard TV Sets" and goes on to quote dealer complaints that business is "slowing down" or "drying up." Even in Washington, a Pilot dealer is reported saying: "Everything just stopped dead yesterday. I sold exactly one receiver. Normally I'd get rid of 30-40 a day."

An eastern dealer is quoted as assailing set makers for "blurring" the color picture: "Instead of blasting the CBS color system, manufacturers ought to be telling the public the facts. Will they make color receivers? When will they reach retail stores? Exactly what will these sets do or not do? These are some of the things consumers want to know." Admiral is preparing question-and-answer flyer for point-of-sale distribution.

IV--WHAT THE TELECASTERS SAY: FCC has placed upon CBS the full, back-breaking job of "selling" its system of color TV to the telecasters. This results from Commission's failure to promulgate rules "forcing" stations into color operation.

Indirect pressures may be applied by Commission or individual commissioners, of course. Color question may be brought up at renewal time. New applicants may be asked whether their intentions towards color are honorable.

CBS is acknowledged, however, to be a past master in publicity and promotion -- in an industry where such skills are stock-in-trade. But except for a very few CBS affiliates, stations continue to show a conspicuous lack of enthusiasm for any kind of incompatible color.

Since telecasters aren't obligated to carry color under new FCC standards -- not yet, anyhow -- it's certainty that mere handful will do so at outset, and that there will be little or no colorcasts during prime hours. Only stations thus far indicating they will carry CBS color, besides CBS's own WCBS-TV in New York, are WTOP-TV, Washington (45% owned by CBS); WCAU-TV, Philadelphia; WBKB, Chicago (Paramount); maybe others, unconfirmable.

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Such is "fear complex" toward FCC, product of years of its sway and failures to break its power in court, that most telecasters (who also are AM operators of long standing) maintain discreet silence about their views -- publicly. But you can be pretty sure these have no intention of transmitting CBS color at outset: NBC's 5 stations, ABC's 5, DuMont's 3, Crosley's 3, Stromberg-Carlson's WHAM-TV, Scripps-Howard's WEWS (CBS affiliate), Milwaukee Journal's WTMJ-TV (partial affiliate), Buffalo News' WBEN-TV (partial affiliate), Washington Star's WMAL-TV, Chicago Tribune's WGN-TV. Some others didn't hesitate to talk to local newspapers:

To Louisville Courier-Journal, both WHAS-TV technical director O. W. Towner and WAVE-TV general manager Nathan Lord stated "color TV will not be seen in Louisville or in most areas in the near future." (Courier-Journal owns WHAS & WHAS-TV, CBS affiliates.) Minneapolis Tribune reported "officials of WTCN-TV and KSTP-TV predicted...that it would be several years before the public may see color TV."

Huntington (W.Va.) Herald-Dispatch (WSAZ-TV) quoted manager Lawrence Rogers: "The FCC decision will have absolutely no effect on our TV service for some unforeseeable period of time." Atlanta Constitution (WSB-TV) quoted manager John M. Outler: "Pending court action, plus the scarcity of critical material needed in the manufacture of color TV receivers, in our opinion [renders] the FCC's decision an academic one. In our best judgment sets in use today will be worn out before the necessity of converting or adapting for color TV arises."

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Another of CBS's basic affiliates said he wouldn't put out color "until it can be seen." But he thought half dozen sets in public places would warrant acceptance of some color off coaxial. He said he'd like midday show to catch people at lunch hour. Nevertheless, he still hopes for compatible system. Would he invest in studio equipment? He said he'd consider "such a \$50,000 investment, for 2 camera

chains" in light of another question, which he posed himself: "Would FCC guarantee that the equipment would be good for, say, term of my license?"

Stations could get color from CBS-New York, via network, could broadcast it without any change in own equipment -- with one catch: Suppose some stations en route want color, others don't, what then?

To originate local color, stations would have to buy equipment. NTSC Panel 8 (T. T. Goldsmith, DuMont, chairman) estimated existing camera chains could be converted in 3-4 months, at factory, for about 50% above original cost. Black-and-white chains run about \$16,000. New color chains, built from ground up, would come in about a year, cost around \$20,000. Camera chain can get color picture out on "emergency" basis. Color picture monitors would take 9-12 months; film pickup, 18 months; kinescope recordings, 2-3 years.

To all 107 telecasters, CBS president Frank Stanton extended welcoming hand, telegraphed them same statement issued to press. [See Part I.]

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Most TV stations were deluged with calls for explanations of FCC decision. WTOP-TV's Jack Hayes reported some 400 inquiries day after decision. He said set owners wanted to know when and where they could get adapters and converters. WTOP-TV will start CBS color off coaxial in about 60 days, Hayes said, and he's asked CBS for its "second camera," in order to make Washington originations. He reported that WCAU-TV's Don Thornburgh has also asked for the camera. Formal WTOP-TV statement said its officials were "highly pleased with the decision" and Washington Post carried laudatory front-page article and editorial on decision.

Television Broadcasters Assn., which like NAB has been silent throughout color imbroglio, broke that silence Friday with statement by president J. R. Poppele which had blessing of board (including CBS member) and which said that new standards "in no way interfere with the continued broadcasting of black-and-white TV programs by the nation's 107 TV stations." It reassured public that transmission of monochrome will continue "free and unhampered" and noted that production of sets and telecasting of color "will be gradual" and "the process may be slowed by the exigencies of the present national emergency."

V--WHAT RADIO AND THE PRESS SAY: Though somewhat confusing to the layman at first, press-radio reports of FCC's decision and its meaning were carefully handled, by and large, and were calculated to disturb trade as little as possible. It was front-page news in metropolitan papers everywhere, particularly in TV areas, and the radio networks also devoted considerable attention to it.

Even Edward Murrow and Arthur Godfrey on CBS took occasion to comment on color. The famed newscaster (also member of CBS board) worded his comment in quite restrained, objective fashion, as did other CBS newscasters. First CBS report broke at 6 p.m., Oct. 11, apace with bulletins in late afternoon newspapers. NBC carried news first time at 11 p.m., combining it with Gen. Sarnoff's denunciation.

First United Press story, printed in many cities, caused a ruckus. It had FCC saying it had to make decision now "to prevent public from getting stuck with any more sets that cannot receive colorcasts." This was revised later to say FCC had acted "to protect future buyers against sets that might become outdated."

Associated Press carried long reports, gave considerable space to Hennock-Sterling dissents. For several days it had separate stories on industry reactions, by its TV-radio specialist Wayne Oliver, with emphasis on fact present sets were not being obsoleted.

Among better special reports by newspapers' own correspondents, Jack Gould's in Oct. 12 New York Times stood out. In question-and-answer form, he answered obvious questions: That existing sets won't become obsolete overnight. That even CBS acknowledges programs will be offered in black-and-white "for perhaps several years". That 12½-in. size is "rapidly being outmoded." That most CBS colorcasts will be in "marginal time" -- after evening signoff, in daytime, etc.

On how good CBS color is, Gould (who has always indicated partiality to compatibility) related: "At their best, the color images are superior to the Techni-

color seen in the movies. The hues are softer and more restful. The added 'information' contained in the color images, such as identifying the jerseys of competing football players, is self-evident. The advantages of color are exemplified perhaps even more vividly in the costuming for musical revues. A few looks at color TV and black-and-white seems drab indeed."

New York Times ran photograph of color-converter set Oct. 13, Herald Tribune same day ran 3 of converted sets, 2 of adapted, one color receiver. They were much same as units demonstrated in Washington, with sliding disc, lenses, etc.

Front-page box in Baltimore Sun (WMAR-TV), adjacent to Oct. 12 Washington bureau story, stated that FCC decision "will not soon and perhaps may never materially limit the effectiveness of TV receivers now in use or on the network...

"Color is coming and it will add to the attractiveness of many of the programs, but regularly scheduled programs in black-and-white will continue, probably indefinitely, just as black-and-white motion pictures continue to outnumber those in color...The public will do well to remember that plans other than those developed by CBS may be developed and found acceptable by the FCC, so that today's decision may at some future time be subject to reconsideration." Sun's WMAR-TV, one of the 40 TV stations owned by newspapers, is headed by ex-FCC Comr. E. K. Jett.

* * * *

First cartoon at hand was on front page of Oct. 13 Washington Star (WMAL-TV), which devoted considerable space day before to press association reports and extremely careful local reporting of reaction. Cartoon showed FCC Chairman Coy leaning on TV console, screen of which is covered by sheet of paper on which is inscribed, "FCC Color TV Ruling". Coy is remarking to J. Public: "Now, you can see it in color, John." To which disgruntled retort is: "All I can see is red."

Washington Post Oct. 13 also carried Herblock cartoon showing TV antenna atop modest house, outside which man is pointing to rainbow surrounded by dark clouds labeled "color television disputes"; caption has man saying "See It?" And Scripps-Howard cartoonist Talburt Oct. 14 had one with 2 TV sets facing each other, one labeled "FCC" and other "Set Manufacturers", with irate old codgers on screens shouting at each other.

Washington News captioned Oct. 13 color story, "It Seems CBS Color TV System is 'Combatible'" and reporter Milton Berliner states: "As of now, Washington's WNBW, WTTG and WMAL-TV do not intend to broadcast color at all...WTOP-TV, a CBS station, may do a bit of it in the off hours."

NEXT STEP TOWARD ENDING FREEZE: All 13 members of Ad Hoc Committee, composed of top-hole engineers and organized under FCC aegis in 1948 to study vhf propagation and service areas, are due to testify as initial witnesses at FCC en banc hearings on general TV issues. First of hearings aiming at ending freeze (Vol. 6:35-36) starts Monday, Oct. 16, in Dept. of Commerce Auditorium. Purpose of calling Ad Hoc members is to clarify their points of disagreement on committee report (Vol. 6:26, 37). Differences are reported so acute that, unless Commission holds each to minimum, their testimony could occupy exorbitant time.

Revised list of appearances issued Oct. 12 by FCC includes 9 additional witnesses to those listed in our Supplement No. 70 of Sept. 29, eliminates one (WCOP, Boston) which withdrew. New list also adds category on interference & propagation, with 8 appearances to be heard right after first part on rules & standards.

Ad Hoc committeemen: Edward W. Allen, FCC technical information chief, chairman; Stuart L. Bailey, George H. Brown, Thomas J. Carroll, Paul A. deMars, Ralph N. Harmon, Frank G. Kear, Albert F. Murray, Kenneth A. Norton, Chester H. Page, Robert P. Wakeman, Raymond M. Wilmette, Jay W. Wright. The 9 added witnesses: RCA; KSJB, Jamestown, N.D.; WBTB, Charlotte; WHDN-FM, New Brunswick, N.J.; WEEX-FM, Easton, Pa.; WHYN, Holyoke, Mass.; WJDA, Quincy, Mass.; WSAN, Allentown, Pa.; WTTV, Bloomington, Ind. The 8 witnesses on interference, propagation, etc.: Communications Measurements Lab, New York; Kear & Kennedy, Washington; RTMA; WBTB, Charlotte; WJR, Detroit; WPIX, New York; WSM-TV, Nashville; WTIC, Hartford. Digests of their comments are included in our Supplements No. 67 to 67G.

Telecasting Notes: New owner of Don Lee properties, it seems reasonably certain, will be Hoffman Radio Corp., up-and-coming Los Angeles TV-radio manufacturer which has gone great guns postwar on West Coast, now distributes nationally. President H. Leslic Hoffman's bid of \$11,200,000 for Don Lee Network (including TV outlet KTSL and \$5,000,000 cash assets) will have to be exceeded by 10% to be considered before probate approval, so Oct. 20 deadline is expected to see Hoffman group ready to take over, subject to FCC approval . . . Mr. Hoffman says he has no intention of disposing of any of properties, which excludes reported purchase of TV outlet by CBS, understood to have been part of General Tire-Yankee Network bid plans; that bid was reported at \$10,900,000. Oilman Ed Pauley, investment bankers Blyth & Co., and WOR were in Hoffman syndicate, but they won't participate in control. There's good prospect Mr. Hoffman will retain Lewis Allen Weiss to run things . . . Mr. Hoffman's reason for buying Don Lee, as stated to us: "This is another bet by Hoffman on the future of radio and TV and on future of the West, and gives our company a greater diversification within the electronic industry" . . . CBS now faces necessity of probing elsewhere to purchase much-wanted Hollywood outlet of own; it owns 49% of KTTV with *Los Angeles Times*, but exerts virtually no voice in operation. Hollywood speculation is that it may try again to buy KFI-TV, reportedly "not for sale", or reopen negotiations for Mrs. Dorothy Schiff's KLAC-TV (Channel 13) . . . WCBS-TV, New York, Oct. 16 starts its telecast day at 11 a.m. Mon. thru Fri., at same time CBS-TV network starts its daytime schedule at 1:30 p.m., adding 2 hours daily . . . WKY-TV, Oklahoma City, has expanded to minimum of 9 hours daily, signing on at 2 p.m. with one-hour disc jockey show . . . WTOP-TV, Washington, Oct. 16 begins its weekday schedules 1:30 p.m. . . . ABC is dividing its Spot Sales Dept. into 2 independently operating entities as of next Dec. 31—TV Spot Sales and Radio Spot Sales, each with own manager, both reporting to Ralph Dennis as mgr. under Murray Grabhorn, v.p. for owned-and-operated stations . . . Fire broke out Wednesday at 500-ft. level of WOR-TV's 760-ft. tower in No. Bergen, N. J., caused by short circuit and igniting only non-metal object in 12-ft. sq. metal house containing microwave relay equipment—a wooden bench. Short but spectacular blaze could be seen for miles around . . . New York City's WNYC, municipally owned, authorized this week by Mayor to seek TV outlet, support efforts to reserve channels for non-profit educational stations.

Channel 9 in Minneapolis-St. Paul is sought by George Storer's Fort Industry Co. in 355th TV application on file with FCC (for details see TV Addcna 11-N herewith). Fort already operates stations WJBK-TV, Detroit; WSPD-TV, Toledo; WAGA-TV, Atlanta, and is applicant for Wheeling and Miami where it has AM outlets. It will drop one application when FCC begins to act after freeze is lifted, since rules limit ownership to 5 stations. Minneapolis-St. Paul have 2 stations now operating, 3 applications now pending (see *TV Directory No. 11*).

CP for WJAX-TV, Jacksonville, was deleted this week when FCC denied request for reconsideration of earlier opinion refusing to extend construction time (Vol. 6:31). This leaves only single CP—for WCON-TV, Atlanta, due to become WSB-TV (see TV Addenda 11-N herewith).

Personal Notes: George Whitney, Don Lee sales mgr., rejoins KFI & KFI-TV Nov. 1 as gen. mgr., succeeding Wm. B. Ryan, now NAB . . . John Williams promoted to mgr. of TV sales, NBC Western Div. . . John J. Keel, who has accepted temporary post with President's Communications Policy Board (Vol. 6:40), has not relinquished his Washington consulting engineering practice . . . Mike

Jablons, ex-WNYC and MBS, recently partner in program-package firm of Gainsborough Associates, named special asst. to FCC Comr. Frieda Henneck . . . A. A. Schechter, MBS v.p. in charge of news, special events & publicity, has resigned . . . Arch Shawd has resigned as sales mgr. of WJR, Detroit . . . J. Frank Gilday named TV director of Cecil & Presbrey Inc., assisted by Leo M. Langlois, ex-Campbell-Ewald, as executive producer; William Patterson, ex-CBS, production supervisor; Joseph Lamneck, commercial production . . . Jack Murphy, ex-WABD, appointed WPIX sports director . . . Kolin Hager, ex-SESAC, has joined Progressive Broadcasting System as Eastern mgr.

Network Accounts: Lucky Strike's Jack Benny show starts Oct. 28 on CBS-TV, Sat. 8-8:45, thereafter every eighth Sunday, time not yet set; Anheuser-Busch (Budweiser) agreed to forego its *Ken Murray Show* for Benny's Oct. 28 opening . . . Texas Co. sponsors *Metropolitan Opera* opening Nov. 6 for third successive season on ABC-TV, plans to telecast at least 3 other Met offerings this season . . . Manor House Coffee Oct. 20 starts *Stud's Place* on ABC-TV, Fri. 10:30-11 . . . Colgate-Palmolive-Peet Oct. 14 begins sponsoring remaining U of Pennsylvania home games on ABC-TV, Sat. 1:45.

Station Accounts: Nearly 100 banks in 37 TV cities are sponsoring local telecasts, according to tabulation in September *Television Magazine* . . . Metro-Goldwyn-Mayer to test TV trailers first time in November promotion of film *King Solomon's Mines* . . . DuMont has released to distributors and dealers for local sponsorship series of open-end film spots covering TV line . . . Gimbel Brothers, New York, signs with WNBT for year's use of varying one-minute spots, station breaks, programs, starting Oct. 30 . . . Milwaukee Gas Light Co. buys WTMJ-TV half-hour weekly *Milwaukee Newsreel* . . . In Detroit, Kroger grocery chain is using film spots on WWJ-TV to advertise for employes, films illustrating advantages of working for company; Federal Dept. Store chain buys 1:30-2 daily strip on WXYZ-TV for man and woman shopper team commenting on merchandise and newspaper advertising of the chain . . . On Richmond's WTVR, big Colonial Food chain with Hotpoint dealers sponsoring Mavis Gibbs, food editor of *Southern Planter*, in weekly show *Adventures in Cooking* . . . WCBS-TV, New York, reports following new business: Williams Oil-o-Matic Div., Eureka-Williams Corp., thru Casler, Hemsted & Hanford, Chicago; Rhodes Pharmacal Co. (Umdrin), thru O'Neil, Larson & MacMahon, Chicago; Wilson & Co. (Ideal dog food), thru Ewell & Thurber, Chicago; Life Magazine, thru Young & Rubicam; Robert Hall Clothes Inc., thru Frank B. Sawdon Inc.; Stahl-Meyer Inc. (Ready-to-Eat Meats), thru Dowd, Redfield & Johnstone; Rybutol Div., Vitamin Corp. of America, thru Byrde, Richard & Pound . . . Among other sponsors currently reported using or planning to use TV (agencies N. Y. unless otherwise specified): Anahist Co., thru Foote, Cone & Belding; B. T. Babbitt (cleansers), thru William Weintraub Inc.; Wiscon Products Inc. (Dri-Cool Briar Pipes), thru Hamilton Adv. Agency, Chicago; Fisher Nut & Chocolate Co. (salted-in-shell peanuts), thru Goodman Firestone, Minneapolis; Baconette Products Co. (Skittles Bacon Flavoring), thru Jordan Co., Los Angeles; Home Test Products (Roll-a-Ray reducing methods), thru Huber Hoge & Sons; O. W. Siebert Co. (baby carriages), thru Cory Snow Inc., Boston; Cluett Peabody & Co. (Arrow men's wear), thru Young & Rubicam; Newly Weds Baking Co. (Ice Cream 'N Cake Roll), thru Russel M. Seeds, Chicago; Durkee Famous Foods, thru Meldrum & Fewsmith, Cleveland; Berks-Lehigh Cooperative Fruit Growers Inc. (Red Cheek Apple Juice), thru St. Georges & Keyes; Eppens, Smith Co. (Holland House Coffee), thru St. Georges & Keyes.

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October 21, 1950

NOTE: With this issue, our Trade Reports, heretofore printed as a separate section (on white stock), will appear as a regular Section of this Weekly Newsletter. See pages 11-13.

FCC PINNERS MOVE? COAXIAL PROBE NEXT: On top of its proposed limitation on amount of TV network time affiliates may take (Vol. 6:40), FCC this week ordered hearing Nov. 20 (Examiner Hugh Hutchinson sitting) on AT&T's allocation of coaxial-microwave facilities to networks during final 1950 quarter. Hearing is based on ABC-DuMont complaints (Vol. 6:38-39), compounds onslaught on NBC's admitted No. 1 TV network position -- NBC got 160 hours of AT&T-allocated time vs. CBS 114, ABC 49, DuMont 36.

FCC's latest move sets forth as issues the propriety and justification of AT&T's circuit assignments, asks for comments from networks and stations by Nov. 1. Inasmuch as AT&T made its allocations after consulting stations for preferences -- after the networks had failed to agree -- it looks like telecasters will become just as involved in this proceeding as in the one on limitation of hours.

NBC is preparing to fight this, as well as limitation-of-hours proposal, with some of its affiliates lining up at its side. Comments on latter are due Nov. 13, when hearing will be asked. Certain major stations are known to take position that proposed network-time rule denies their responsibility for programs, contravenes 1941 Supreme Court dictum (upholding FCC chain regulations) that stations must control programs. They claim FCC now proposes program control via traffic control.

If FCC puts across rule limiting stations to no more than 2 hours out of each segment of 5 from any one network, some stations say they will stick to basic network, fill most other time locally, which pays off better anyhow. Strong second runner in TV, CBS has almost as much to lose by both FCC moves as hardest-hit NBC but, in view of its thumping victory in color, may not oppose FCC at this time.

COLOR ISSUE BEFORE PUBLIC & COURTS: Complex interplay of forces in the color issue -- economic, legal, political, labor, military, scientific, psychological -- renders any prediction of final outcome foolhardy at this juncture. Most critical immediate question is:

What will happen to black-and-white sales? There's no real answer yet, may not be for weeks if not months. (For state of market, see Trade Report, pp. 11-13).

Only thing certain is that you'll be hearing and reading about the color imbroglio for months to come. Consider these factors:

(1) Court tests. RCA-NBC and Pilot filed for injunctions in Chicago and New York, respectively. But Pilot dropped suit late Friday, said it would ask to intervene in Chicago instead. Commission had said it would "vigorously oppose" suits. FCC color decision could be tied up in courts for months, so that Nov. 20 effective date may be considerably deferred.

(2) Politics. The trade was flooding perplexed Senators and Congressmen with protests. Senator Johnson endorsed decision, saying FCC has met its responsibilities "to the fullest extent possible." On the other hand, Rep. Robert Crosser (D-Ohio) said he will place color issue before his House Interstate Commerce Committee when Congress reconvenes Nov. 27, let members decide whether to pursue it. All this also augurs delay.

(3) Publicity. CBS rocked trade, if not public, with first broadsides --

radio speech by president Frank Stanton and full-page ads by CBS and Tele-tone. The industry, collectively and individually, is girding for full-scale propaganda war, with RTMA president Sprague replying to Stanton on same CBS network and others preparing their own publicity. (For full texts of broadcasts, facsimiles of ads, reprints of editorial comments, see Special Color Report herewith.)

(4) Military demands. Rate of govt. procurement continues to increase; shortages of raw materials and components continue to grow worse, and trade gossip is that resistors alone will soon be insuperable bottleneck. Of course, if public stops buying black-and-white sets, civilian materials might be available for beginnings of color production.

* * * *

Plaintiffs in Chicago Federal district court are RCA, NBC and RCA Victor Distributing Corp. Their complaint, in essence: Decision is arbitrary and capricious, does irreparable injury, is based on advice of biased engineer.

Complaint said decision jeopardized sale of \$10,000,000 of the company's receivers "now in process of manufacture," that company has contracted for \$55,000,000 worth of parts. NBC asserts its \$8,000,000 investment in TV is endangered.

"Biased engineer" charge is aimed at E. W. Chapin, head of FCC lab and co-inventor of Chapin-Roberts switch (Vol. 6:35), useful for adapting receivers so CBS system can be received in black-and-white. FCC quickly issued statement quoting at length from hearing record to effect that Commission wasn't influenced by staff in reaching its color decision.

Pilot's charges in Federal district court in Brooklyn were similar to RCA's, claiming injury due to cancellation of orders, need for retooling, etc.

Before Pilot withdrew, FCC had asked Chicago court for change of venue in RCA case, wanted it in Southern District of New York. RCA's choice of Chicago had result of "harassing" Commission, it averred. There's still chance FCC will ask case be sent to New York.

FCC and Dept. of Justice are working together on case, with indication latter will let FCC counsel carry load. There's said to be less than enthusiasm for the case in Attorney General McGrath's department (he's former chairman of Democratic National Committee) and both Democratic and Republican political influences seem to be mostly on side of "outraged" distributors-dealers, if not big set makers.

Commission has 60 days to answer complaints, but will do so quickly -- perhaps next week. There are bound to be additional motions, counter-motions, etc., adding up to delay and more time for the "compatibility" forces. However, law requires courts give such cases high priority.

FCC case will be handled primarily by asst. gen. counsel Max Goldman; for Justice Dept., John F. Baecher, special asst. to Attorney General, has been assigned. CBS counsel Richard Salant will undoubtedly ask, and probably get, court's permission to intervene.

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RCA is likely to complain further against FCC's action this week denying NBC's WNBW, Washington and WNBT, New York permission to test RCA compatible color during regular operating hours. RCA-NBC had asked for year's renewal of existing authorization, under which it colorcasts short periods daily; it also asked for permission to charge for programs, receivable on existing sets in black-and-white.

Commission granted 90-day renewal, but stipulated colorcasts could come only during off-hours and that charges couldn't be made.

Coming in wake of rough color decision and proposed new network time rules hitting NBC hardest (Vol. 6:40), impression prevailed that new restrictions take on character of pique and reprisal.

RCA plans color demonstrations with newly improved equipment in Washington beginning Dec. 5, with licensees to be invited first. It may also hold demonstrations for Congressional committees. FCC ruling thus cramps its style, to some degree, although it could revert to uhf or closed circuit. In wires to its patent licensees, RCA said it would show improvements to date, including color converter.

Though Senator Johnson patted FCC on the back, he also noted, as we pointed out (Vol. 6:41), that CBS type colorcasting is "permissive, not mandatory" and that door isn't closed to compatible systems.

"Manufacturers organized a sit-down strike," he stated. "The obvious and sensible thing, of course, would be for them to abandon their political activity and their announced propaganda campaign, and put their heads together to develop a color TV system more to their liking.

"The hue and cry," he added, "is that by the end of this year about 10,000,000 black-and-white sets will be in use and their owners will either have to buy converters and adapters or not receive color broadcasts. The only way the Commission's order affects them is to make it possible for them to have color TV if they want it. What is so wrong about that?...Stripped of all the cooked-up hurricane of confusion the Commission's orders merely insist upon a 'buyers choice.'"

* * * *

That CBS has elaborate and ingenious plans, no one doubts. Oct. 21 Billboard seems to have fair idea of CBS plans for what it calls "Operation Rainbow." Network is encouraging manufacturers in every possible fashion, is apparently willing to underwrite some of their color costs.

Belmont (Raytheon), Muntz and Television Equipment Corp. this week announced intentions of making color converters and sets, joining the several (notably Tele-tone) who came forth immediately after decision (Vol. 6:41). Muntz said he'll back CBS system "to the hilt," promised "Color for Christmas" with a "low-cost companion set" to existing Muntz receivers.

Belmont said that future Raytheon sets will have plug for addition of converters and adapters; that kits will shortly be available to convert sets made since January; that new converters will be in production first half of 1951.

Television Equipment Co., one of the smaller industry entities, said it will have converter samples in 2 weeks, production will start in 10 weeks, cost of converter will be about \$50, complete color set will cost "no more than \$50 higher than" 12½-in. monochrome sets.

Rash of "color plugs" may be expected -- a jack on back of set labelled "color" and having various connections. Bendix is equipping its sets with plug, plans kits for existing Bendix sets, states: "If and when color programming and customer demand for color warrant the extra investment, color can be added by plugging a color conversion receiver unit into present Bendix sets equipped with this connection." Video Corp. of America reported that its sets have been so equipped for past year, and that it would be "among the first to make adapters, converters and color sets when the present confused situation is clarified."

None of the larger companies has announced adapters, converters or sets, though most are known to be studying them and several have stated they will make "what the public demands."

* * * *

CBS programming plans are said to include "color repeats" and "color simulcasting" -- thus making use of big names like Arthur Godfrey. Still big problem, of course, is getting shows on when people can watch them and "selling" idea to televasting stations. Some sponsors are said to be interested, primarily for publicity value at first and for getting in on ground floor. Tide Magazine names General Mills, Congoleum-Nairn, Bates Fabrics and Tintair as "definitely" interested.

In promotion activities, there's talk of installing 1000 color sets in public places. Via CBS-TV, of course, you can expect more newscasts and special programs about color, such as Monday night interview with Tele-tone president S. W. Gross and showing of mock-ups (see footnote to facsimile of Tele-tone ad in Special Color Report).

To counter CBS's promotion, TV committee of RTMA discussed \$1,000,000 war chest for publicity, put public relations counsel Selvage & Lee back on payroll (RCA also hired Carl Byoir), asked Philco's James Carmine to head campaign committee. You

can expect flood of ads also from individual manufacturers, distributors, dealers.

Though CBS system is repugnant to virtually all name brand makers, many of them say they'll meet public demand -- regardless what it is -- but plainly intend to wait out CBS promotions designed to create that demand. Few expect any big demand when public learns precisely what it will get in way of color programs, let alone inevitably high cost (while they're still not mass-produced) of adapters, converters, receivers.

* * * *

Hopes and fears of both CBS and set makers have unusual facets:

(1) CBS encourages color manufacture, on the one hand, yet on the other it tries to sooth public by saying black-and-white sets are good for a long time. Stanton's broadcast reference to "waiting for 6 months," however, did not conduce to happy feelings among the manufacturers and merchandisers.

(2) RCA may need to show drop in sales to bolster court case. Yet manufacturers need continued good market to stay in business.

(3) Every black-and-white set sold now, assuming decision sticks, makes CBS system that much more incompatible. September TV sales were at record peak, sets-in-use as of Oct. 1 reached 8,269,400 (see p. 14). Production pace (better than 175,000 TVs weekly) continues; distributors-dealers are loaded for holiday trade.

* * * *

Anti-TV forces are said to be delighted. AM operators who missed the TV boat are relaxing as confusion mounts. Rumors abound that certain movie interests are getting in their jabs. But programs grow better and popular enthusiasm for TV continues high.

TELECASTERS' COLOR PLANS (IF ANY): Still largely non-existent or nebulous are plans of telecasters to carry CBS color -- albeit CBS adherents claim half network's affiliates are willing to accept some color from New York via coaxial.

But only handful indicate any such intention at moment. New York's WCBS-TV (CBS-owned), due to be the test station with promised 20 hours per week; Washington Post's WTOP-TV (part CBS-owned), Philadelphia Bulletin's WCAU-TV are the only ones whose managements are all out in their expressed enthusiasm.

A few others have indicated they're willing to give it try, notably the Baltimore Sun's WMAR-TV; Balaban & Katz's WBKB, Chicago; possibly others, who prefer for time being to refrain from public comment.

* * * *

Why some stations toy with idea of transmitting color:

(1) Comfortable "bank balance" of black-and-white audience already built (near half the homes in such areas as New York, Philadelphia, Baltimore, Washington) has placed some stations in profit column at long last. So there's feeling of fiscal security, such as major AM stations enjoy, after long operation in red.

If monochrome set sales are slowed down, or even stopped cold, some feel they can continue to make living out of present audience. This is vastly different condition from year ago, when FCC color hearing started, when most stations were losing money hand-over-fist and afraid of anything that would stop audience growth.

If black-and-white sales were halted permanently, stations might consider that in itself a good reason to telecast color -- so as to hasten advent of color sets, sales, resumption of audience growth.

(2) Cost of colorcasts, taken off network, isn't great. Network station need buy no equipment, merely has to keep transmitter on air -- and pray black-and-white audience won't resent jumble of signals from incompatible colorcasts.

Buying color gear for local origination is something else -- quite expensive. And there are technical and manpower problems at staging end. You can be sure stations must be convinced they'll get their money's worth before they dig very deep into exchequers that are still amortizing early operational losses.

(3) Publicity and promotional value of color. As one manager puts it: "We want to show we're an aggressive and progressive station."

(4) Fear of FCC reprisal. Though no hint of force is contained in FCC's decision, some stations will be leery of a "Blue Book" type of license renewal proceeding, wherein rival applicant might come along and say: "This station isn't putting on color; give us the channel and we will."

In fact, some applicants are already alert to issue. This week, Humboldt Greig, ex-DuMont Network sales chief, now operating CBS affiliate WHUM, Reading, Pa., wired CBS: "We can understand transmitter manufacturers may desire stall color until can sell all successful new applicants for VHF...black-and-white setup. WHUM is a complete believer in the future of color...WHUM prepared advise FCC of desire for VHF color grant instead of black-and-white."

Present Commission majority, it's felt, will plump for color on all occasions -- if only to support its much-controverted decision. Moreover, "mandatory color" hangs like Sword of Damocles over the industry; steps toward invoking it could be started at any time -- and it's no secret that mandatory rather than permissive color was in minds of some when FCC issued first color report (Vol. 6:35).

* * * *

Foregoing speculation comes from the "comfortable" telecaster -- the relatively few who can rest on present audience. But most can't, must grow. Moreover, 28 of the 107 stations aren't interconnected, would have to buy equipment before they could do anything. Remington Rand, for one, says it could equip stations at rate of 10 a month or better after first of year (Vol. 6:40).

Most objectors to CBS system seem convinced that a better color system, compatible, can be perfected and integrated smoothly into today's TV structure. They complain about CBS's low resolution, brightness, small screen sizes, as well as incompatibility. There are other bases of objection, too:

"Public is being made the goat," says Crosley's James D. Shouse (WLWT, WLWC & WLWD), epitomizing reactions of many telecasters. Speaking in Cleveland Oct. 17 to meeting of Newspaper Controllers and Finance Officers, he asserted:

"The 8,000,000 present set owners deserve paramount consideration, not the next 8,000,000 set owners who have not contributed a dime toward TV in any way and who have refused to buy sets. The vast majority of these 8,000,000 owners are not rich people, but working people who financed their purchases largely through denial of other things in order to get TV into their homes.

"Anybody who messes up what these people have come to rely upon as one of the great vital forces in the broadening of their lives, is in for real trouble. TV is not a gadget with these people, but something that has almost a personal entity within these families.

"The Commission [is] inducing a climate wherein the public may be at the mercy of fly-by-night promotional manufacturers who will seek to capitalize, profit-wise, at the public's complete confusion on this situation."

* * * *

We were about to survey all 107 stations, but Hallicrafters has already done it. It asked for "date at which you plan to commence color telecasting."

Of 63 responses to date, 54 said "no plans for color," 3 said they'd transmit it, 6 gave "no comment". Those predicting dates gave from 2 to 10 years.

Naturally, non-interconnected stations have the easiest out. Salt Lake City's KDYL-TV wired: "Are you kidding? How could we telecast color and who would receive it if we could?"

Typical of other responses: "Have no plans whatever for color telecasting plus no equipment...No public clamor hereabouts for color. Everyone seems happy with black-and-white. We think this color plan premature and impractical."

Six were sufficiently concerned over present set owners to say such things as: "It seems to us our first obligation is to the 160,000 people in this area who have bought black-and-white receivers."

Fear of FCC motivated 6 others, who had such comments as: "Will transmit CBS

color standards when required to do so by the FCC." "Do not contemplate any color broadcasting on CBS standards unless forced to do so by govt. order."

Two CBS affiliates replied that they didn't want to transmit color and didn't have any time available anyway.

* * * *

Checking newspapers around the country gives good picture of what public is learning about local station plans.

Baltimore Sun features article ("Shall I Buy A TV Set Now?") by E. K. Jett, WMAR-TV director. "The answer is 'yes'," he says, pointing out that colorcasting is permissive, that it will be in fringe time, that door isn't closed to compatible systems, that sets can be adapted when color comes. "If, however, you are interested only in color," he concludes, "it would be advisable to wait."

Mr. Jett, ex-FCC commissioner, and its onetime chief engineer, tells us he'll take some color, but not during any good time. He has suggested to CBS, with which WMAR-TV is affiliated, that colorcasts be at noon, said he can't afford to take them at night.

Memphis Commercial Appeal quoted WMCT manager H. W. Slavick: "We have had no word as to what we are to do, or how we are to do it but it is a foregone conclusion it will be months before equipment will be available. We will, of course, give Memphis color TV when color is generally accepted by the industry."

Oklahoma City Daily Oklahoman quoted extensively from statement prepared by WKY-TV manager P. A. Sugg. He said that color is 1-2 years away, that sets can be converted, that other systems may come, that today's sets will "continue to give you years of satisfactory service."

In Birmingham Post-Herald, WAFM-TV president Thad Holt said simply that he hadn't heard from CBS yet, that "I don't have any idea how the situation will affect us locally."

Los Angeles papers say merely that CBS officials haven't heard anything, and that apparently there are no plans for color there.

Dallas News (WFAA-TV) checked leading distributors and dealers, came up with headline: "Dealers Agree TV Color Decision Means Little Here."

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Charlotte Observer carried half-page ad signed by WBTB manager Charles H. Crutchfield. He said: "On talking yesterday with Dr. Frank Stanton, president of CBS, I obtained the official information on the basis of which I can assure the public that there is little likelihood of any appreciable schedule of color telecasts in the WBTB area within the next 2 or 3 years...You may be sure that black-and-white cable TV will constitute 98% of our operation for at least 2 years after the first color TV begins in the large metropolitan centers. We estimate that it will be 5 or 6 years before as much as 50% of our schedule will be colorcasts..."

Milwaukee Journal's WTMJ-TV went on air, shortly after decision, with statement by manager Walter Damm: "FCC's decision...doesn't mean that color TV will immediately be available to the public in those cities now enjoying black-and-white TV. It has already been announced that the decision will be taken to the courts for final adjudication...When it becomes evident through the development of adapters, converters and receivers that the set owners in our area will not be deprived of at least black-and-white reception during periods of color TV transmission, the Journal Company will bring color TV to Milwaukee just as it has brought other developments in radio and television."

In Buffalo News, publisher Edward H. Butler, also president of WBEN-TV, assured owners and prospective buyers that sets will be good for years, that he has hopes for a compatible system, that station is eager for color but can't tell when it will come, that "until the situation changes materially, we shall see that [set owners] continue to receive black-and-white TV programs without a degradation in clarity and definition."

TV DOMINANT TOPIC AT WHITE SULPHUR: Try as NBC executives might to underline bread-winner radio's importance in their scheme of things, they couldn't keep TV in what they considered its proper place. TV occupied most of NBC affiliates meeting at White Sulphur Springs, Oct. 18-20. Even in what were supposed to be strictly radio sessions, TV loomed large. And corridor talk throughout 3-day affair was largely TV -- color, FCC proposal to limit number of hours from one network, cost of station operations, profits, etc.

How TV insinuated itself into radio sessions, may be gleaned from emphasis on "companion purchase" plan, whereby NBC hopes to sell sponsors on worth of combined TV-radio packages. Again, in NBC's rotating radio pitch, 2 of 4 plans involve TV. One combines half-hour TV show and half-hour radio show at single fee. Other is tape recording of highlights of TV show for radio repeat.

Outstanding in its 1951 TV plans is NBC's new program idea, consisting of (1) series of 15 or 16 "high budget" movies made for TV by an "outstanding film producer," alternating every other week with (2) live dramatic productions -- of which half would be telecast from regular legitimate theatre with an audience, other half to be original TV dramas produced in studios.

Other noteworthy items from conclave: NBC reported it has \$35-40,000,000 invested in TV plant, including construction under way. All evening hours have been sold, afternoon time is going fast, morning time next target of sales force. Network TV philosophy is "shows which all people will like some of the time, rather than shows which some people like all the time." Extensive survey is planned in 1951 in major TV market -- 6000 interviews to determine sales effectiveness, program trends, daytime TV acceptance, cost compared with printed matter, etc.

Pitches for radio stressed fact it is still most economical mass advertising medium -- repeated again and again by chairman Niles Trammell, president Joseph McConnell, executive v.p. Charles Denny. McConnell also revealed NBC has spent \$9,000,000 on radio talent and properties so far this year.

FIRST LEG OF ANTI-FREEZE HEARING: Fair start on allocations hearing, aimed at ending freeze, was made during 4 days of FCC en banc sessions this week. But corridor prognosticators have learned lesson from color hearing, don't predict end with any confidence. Certainly, this phase (hearing on individual cities comes later) will run into many weeks.

Conceding need for more channels, observers are nonetheless grumbling about "another black box for your set" as they contemplate uhf, in addition to color converters, adapters, possible bracket standards. Week was featured by:

(1) Testimony that uhf can provide satisfactory service, even in such cities as Philadelphia. (2) Worries over intermingling of vhf and uhf stations in same city. (3) Industry pitch for allocation of entire 470-890 mc band to TV. (4) Internal wrangling about multiple interference factors among Ad Hoc Committee members. (5) Comr. Hennock's aim to give educators vhf channels as well as uhf. (6) Questions whether to eliminate some uhf problems through allocation or set design or both.

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High regard for uhf was expressed by Philco. Frank J. Bingley testified that measurements of RCA-NBC's 12-kw (ERP) station in Bridgeport showed such power good enough for community that size. Philadelphia would get "perfectly adequate service" with about 120 kw, he said, but New York "would represent a difficult problem." Consultant Dr. Albert Murray gave details of field tests on which conclusions were based.

Intermingling problem came up during testimony of DuMont's T. T. Goldsmith. His plan (Supplement No. 68) envisions far fewer cases of vhf-uhf towns than FCC's; he contends that intermingling would foster monopoly, vhf stations dominating.

Comr. Jones and technical information chief Edward Allen had some ideas on subject. Jones was worried about giving manufacturers incentive to make vhf-uhf sets. He wondered whether it might be good idea to assign uhf channels in big cities

to manufacturers, thus provide incentive. He said he thought manufacturers' lack of enthusiasm for FM had crippled that service.

Allen was concerned about small uhf towns within range of big-city vhf stations. How could they build audience? He suggested that if large city had both vhf and uhf, nearby small towns would get powerful assistance.

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Whether TV will get all or most of uhf is still guesswork; most of industry claims it's necessary to adequate service, prevention of monopoly. FCC's allocation plan (Vol. 5:29) proposed to quarry 42 channels (252 mc) out of 420 mc available in 470-890 mc band, leave rest for experimentation. There's current talk that military wants a chunk -- but military plans are never verifiable. Bell Labs, of course, is still pitching for 470-500 mc to be used for common carrier (Vol. 6:15,22-24).

Ad Hoc Committee's differences center about charges that its report is an "inverted pyramid" -- a mass of statistics erected on a tiny base. Some members asserted report is too complicated to be considered; others say it has to be complicated before it can be simplified; third camp, headed by Paul deMars, is out to re-open old FM battle, discredit Bureau of Standards' Kenneth Norton and FCC's Allen.

Sigh of relief came from audience when concluding Ad Hoc witness, CBS's Jay Wright, testified that multiple interference is scarcely worth all the hair-pulling, that single co-channel signal will still turn out to be main thing to worry about in practical allocations. Likewise calming was statement of Dr. Frank Kear that powers of 100 kw or better, which he advocated, would minimize multiple signal problem.

Comr. Hennock made it clear she'll fight for educational channels. Conceding schools haven't money to compete with commercial applicants, she feels that channels (vhf and uhf) should be reserved for them. She also suggested that manufacturers might donate station equipment to schools.

Oscillator and image interference, extremely serious at uhf frequencies, can be licked two ways, FCC was told -- through allocation and receiver design. Question is how to distribute burden: If most of solution is achieved by allocation, some spectrum space may be wasted; if most is done in receiver design, sets can become exorbitant in cost. At the moment, compromise seems to be in the air.

Hearing got through Ad Hoc Committee, TBA, Philco, most of DuMont. DuMont is due to continue at hearing resumption Oct. 24. Attendance ranged from about 150 opening day to 40-50 later in week -- mostly Washington attorneys and engineers.

DON'T SELL UHF SHORT; IT'S NOT FM: It's unrealistic to look down on uhf as "just another FM situation" -- a characterization loosely tossed about ever since FCC proposed adding some 42 uhf channels to make up for obvious inadequacy of the mere 12 available vhf channels No. 2 to 13.

Uhf won't start out as a full-fledged service, certainly -- not even if FCC adopts standards and allocates channels in a few months. And, certainly, uhf would have a rough time getting started during industry's conversion to military output.

But a number of extremely important factors point to far happier prospects for uhf than FM has experienced:

(1) Uhf is television, and as such will enjoy many times the demand FM has. It's pretty well agreed now that FM's failure is largely attributable to fact that there's plenty of AM broadcasting, and the public has generally regarded FM as just another way to provide the same kind of services.

(2) Uhf will provide the only TV service for many cities. In fact, FCC's proposed allocation (TV Directory No. 11) would give vhf to only 207 cities, uhf to all others. If people have choice of uhf or no TV, you can bet your boots it will be uhf. Some very sizeable cities will have to make that choice (Vol. 5:29); e.g., Ft. Wayne, Atlantic City, Asheville, Durham, Harrisburg, Galveston, Madison.

(3) Even where uhf is added to vhf city, uhf will provide an additional service -- duplicating nothing, bringing networks and programs otherwise unavailable. True, if uhf channels are in minority in city with several vhf channels, going will be rough for awhile; some actually may not survive difficulties of converting

existing receivers and getting production of new ones with both bands. Good testing grounds for intermixed cities, because of varying proportions of vhf and uhf, should be such cities as Philadelphia, Cleveland, Louisville, Toledo.

(4) If uhf stations are built, receivers probably will follow -- depending on the sort of promotion the uhf telecaster undertakes, and the cooperation he gets from manufacturers and distributors. Only 20 of top 50 markets are proposed to be vhf-only. This differs considerably from FM's plight, wherein few FMs brought service that AM didn't already supply. TV stations, vhf or uhf, simply can't cover vast areas, as do some AMs and FMs.

(5) Uhf is gradually proving its practicability (Vol. 6:5,14,26), and indicating it can serve attractive markets. True, it doesn't look as good as vhf -- yet. With present transmitter powers and receivers, medium-sized cities in relatively smooth terrain can expect fair uhf service. But there's every indication that higher powers will eventually extend horizons, tend to fill in valleys.

What it all comes back to, however, is fact that uhf will be TV -- and TV is in great demand in present non-TV areas. If you want proof of that demand, consider the crescendo of complaints against the freeze; consider, too, the eager efforts in fringe and rural areas -- or even in big non-TV cities like Hartford, Atlantic City. Otherwise, why are people putting hundreds of dollars, even thousands, into tall towers and complex antennas to pull in far-away stations -- far-away in TV coverage being more than 40-50 miles?

TV EYESTRAIN—WHAT THE DOCTORS SAY: Most thorough TV-eyestrain survey to date, covering real or fancied complaints, comes from Ohio State U's Institute for Research in Vision. Co-directors Arthur M. Culler and Glenn A. Fry sent 2125 questionnaires to Midwest ophthalmologists and optometrists, received 535 useful replies, came up with some pertinent statistics but only a few cautious generalizations.

Prime conclusion: "It can certainly be concluded...that there is no widespread belief among optometrists and ophthalmologists that [eye injuries] are actually produced by TV viewing."

Only about half the eye specialists thought that eye troubles of any kind could be associated with TV and this was largely simple eyestrain. Only a very small fraction believed permanent or semi-permanent damage might be done. About 2% felt development of nearsightedness could be associated with viewing; about 1.5% mentioned development of astigmatism.

Principal complaints came from older patients, frequently over 60, who want clearer images. Their trouble, says report, is simply farsightedness of type associated with age (presbyopia). About 30% of respondents say they prescribe special glasses for such cases. Another 10-15% prescribe tinted glasses for eyestrain cases.

Most frequently mentioned factors affecting viewing are: distance from screen (60-65%), brightness of area surrounding screen (40-50%), length of viewing time (15-20%).

Study is highly technical, requires eye specialist for full interpretation. It covers professional men in area bounded by these TV cities: Rochester, Milwaukee, Rock Island, St. Louis, Louisville, Huntington, Johnstown. Copy may be obtained by writing Dr. Fry, director of OSU's School of Optometry, Columbus, O.

Personal Notes: William F. Brooks, NBC v.p. for news and special events, promoted to v.p. in charge of public relations, with TV director Carleton D. Smith due to be named station relations v.p. for both AM & TV . . . Fred M. Thrower, ABC sales v.p., named ABC-TV sales v.p., while Eastern sales mgr. Charles T. Ayres becomes radio sales v.p. . . . Noran E. Kersta, who quit as NBC-TV chief in January 1949 to join William H. Weintraub & Co. as v.p. and TV-radio director, has resigned and has not announced future plans; Harry Trenner takes over his duties temporarily . . . Edgar B. Stern Jr., partner in WDSU & WDSU-TV, called up for Army reserve duty in Washington; stations will continue under gen. mgr. Robert

D. Swezey . . . Theodore K. Broiso, president of Adsel Inc., joins WNBT, New York, as mdsg. supervisor . . . Mitchell Benson, mgr. of packaged programs & talent contract, promoted to NBC-TV asst. mgr. of talent & procurement . . . Harry Woodworth, ex-ABC, joins Lennen & Mitchell as business mgr. of radio-TV dept. . . . Herald Beckjordan joins H. B. LeQuatte Inc. as v.p. and supervisor of radio-TV operations . . . H. Austin Peterson, Hollywood partner of Ted Bates & Co., Nov. 1 transfers to New York office to become supervisor of TV-radio . . . J. Gerald Mayer and Scott G. Rigby announce new law partnership with F. Hamilton Seeley under firm name of Mayer, Rigby & Seeley, Denrike Bldg., Washington.

Network Accounts: Longines-Wittnauer Watch Co. will sponsor CBS-TV's coverage of Nov. 7 election returns, Tue. 10:30-11, 11:10-12 . . . Wildroot Co. sponsors comic Sam Levenson Oct. 28 on CBS-TV, one time Sat. 8:45-9, following Lucky Strike's *Jack Benny Show* . . . Borden Co. Nov. 23 starts Peter Lind Hayes in unnamed show on NBC-TV, Thu. 8:30-9, time previously occupied by Ballantine's *Believe-It-or-Not*, dropped Oct. 12 . . . Gerber Products Co. (baby foods) Oct. 18 started *The Most Important People* on DuMont New York & Washington hookup, Wed. & Fri. 7:30-7:45.

Station Accounts: Big Joske's dept. store, San Antonio, sponsoring local high school football on KEYL, has contracted for additional 260 one-minute spots on that station . . . New York's WPIX is testing ground for local Clara Lane Friendship Center's use of TV, sponsoring *Your Saturday Night Date* . . . Fanny Farmer Candy Shops Inc. buys new puppet show titled *Buffalo Billy Show* on WCBS-TV, New York, Sun. 4-4:30, thru J. Walter Thompson . . . New accounts reported on KTTV, Los Angeles: Farmers Insurance Co., thru Ted H. Factor, Los Angeles; French Sardine Co., thru Rhoades & Davis, San Francisco; Wilbur-Suchard Chocolate Co., thru Foltz-Wessinger Inc., Lancaster, Pa.; Zenith Radio, thru Critchfield & Co., Chicago; Converted Rice Inc., thru Leo Burnett Co., Chicago; Soil-Off Co., thru McCann-Erickson, San Francisco . . . Among other advertisers reported currently using or about to use TV (agencies N. Y. unless otherwise indicated): A. C. Gilbert Co. (toy railroads), thru Charles W. Hoyt Co.; Sinclair Refining Co. (gasoline), thru Morey, Humm & Johnstone Inc.; Lectricovers Inc. (electric blankets), thru Walter Weir Inc.; Fairmont Canning Co. (Saladettes), thru Patton-Hagerty-Sullivan Inc., Chicago; Comet Rice Mills, thru Leche & Leche Inc., Dallas; Kirsch Beverages Inc., thru Grey Adv. Agency; International Minerals & Chemical Corp., thru BBDO, Chicago; Storm Windows of Aluminum Inc., thru Howard Swink Adv. Agency, Marion, O.; Tasty Tooth Paste Corp., thru Victor Van Der Linde Co.; Tilbest Foods Inc. (Quick Mixes), thru Keck-Franke Adv. Agency, Oconomowoc, Wis.

NLRB will hold hearings Oct. 25 in Los Angeles to determine whether motion picture actors making TV films should continue to be represented by Screen Actors Guild or by TV Authority, overall live and film TV union (Vol. 6:16, 18). If NLRB decides TV Authority has case, elections will be authorized to permit actors in 121 Hollywood producing companies to vote on affiliations. Meanwhile, eastern performers have authorized TV Authority to call strike if current negotiations with networks fail. TVA has asked for \$70 minimum for 15-min. program, \$85 for half-hour, \$115 for hour, plus \$6 per hour for rehearsals. Network proposals were \$40 for commercial program, regardless of length, with following rehearsal fees: \$10, up to 6 hours; \$24, up to 15 hours; \$37.50, up to 25 hours; \$50, up to 40 hours. For actors speaking 5 lines or less, networks offered \$20 plus same rehearsal fees.

Kinescope-inventor and RCA elder-statesmen in research, Dr. Vladimir K. Zworykin holds that color must be compatible, free from flicker—which is how movie industry developed color pictures. Addressing Lake Placid convention of Society of Motion Picture & Television Engineers Oct. 16, Dr. Zworykin saw compatible, flicker-free color TV developed by "dot-simultaneous" system and tri-color tube. He received SMPTE's Progress Medal, honorary membership.

Tightened credit restrictions—25% down, 15 months to pay (Vol. 6:41)—impelled Lacy's, big Washington chain, to reinstitute system first used in 1948 whereby customer pays installments to dealer until amount of down payment is accumulated. He then gets delivery of set.

Financial & Trade Notes: Third quarter reports of Admiral and Motorola, both record achievements, were cynosure of TV-radio industry this week, reflecting phenomenal upsurges in both sales and profits—derived largely from TV.

Admiral's net earnings for quarter ended Sept. 30 were \$5,253,685 (\$2.63 per common share) on sales of \$63,629,146. Earnings for same 1949 period were \$1,475,884 (74¢) on sales of \$23,967,745. For first 9 months of 1950, Admiral's consolidated net earnings were \$13,176,417 (\$6.59) on sales of \$166,924,994, against earnings of \$4,631,574 (\$2.32) on sales of \$77,078,151 for first 9 months of 1949.

President Siragusa pointed out that earnings were computed after provision for estimated additional taxes in accordance with new tax law.

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Motorola third quarter earnings were \$3,825,000 (\$4.78) on sales of \$54,225,000 vs. \$732,100 (92¢) on \$18,610,610 for same 1949 quarter. First 9-months earnings were \$9,025,000 (\$11.28) on sales of \$124,575,000 vs. \$2,658,068 (\$3.32) on \$52,903,322 for same 1949 period. It was largest single quarter in Motorola history, president Paul Galvin reported, with each of 4 divisions—radio, auto radio, communications and TV—operated at increased volume.

President Galvin forecast more military demands for 1951, estimated these "will quite likely reduce our civilian production by approximately 20% [which] should be about the pattern for the entire industry."

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General Instrument Corp. reports net income of \$228,357 (47¢ per share) on sales of \$5,548,139 for quarter ended Aug. 31, against deficit of \$76,591 for same 1949 period. For 6 months ended Aug. 31, net income was \$487,167 (\$1) on sales of \$10,823,503 against net loss of \$264,431 on sales of \$4,563,154 for same 1949 period. Oct. 2, stockholders meeting voted to increase authorized common stock from 700,000 to 1,500,000 shares, president R. E. Laux reported in Oct. 16 letter to stockholders.

Work on new tri-color tube, different from those of RCA and Lawrence, is reported by National Video Corp., Chicago. President Asher Cole says tube has great promise, may be perfected by next spring, is quite satisfactory in matters of resolution, brightness, registration, etc. He said development is in collaboration with one of company's customers. There's some speculation other organization is American Television Inc. (U. A. Sanabria, president).

Westinghouse has raised prices \$10 to \$35 on 7 sets in line (Vol. 6:25, 38). These are the new prices (increases in parentheses); for description of sets see *TV Directory No. 11*: 16-in. rounds: 628K16, \$319.95 (\$20); 629K16, \$339.95 (\$15); 627K16, \$339.95 (\$10). 17-in. rectangulars: 636T17, \$259.95 (\$10); 633C17, \$499.95 (\$30); 634C17, \$525 (\$35). 20-in. rectangular: 638K20, \$449.95 (\$10).

GE has added 5 new sets to line (Vol. 6:28). Sets are: Model 16T5, 16-in. rect. mahogany table, \$259.95 (replacing 16T3); 16C103, same in console, \$279.95; 16C104, same in blonde, \$299.95; 17C101, 17-in. rect. mahogany console, doors, \$349.95; 17C102, same in blonde, \$369.95.

Crosley has raised price on its Model 11-459MIU, 16-in. rect. table, from \$249.95 to \$259.95.

Trade Personals: Joseph S. Jacoby Jr., ex-RCA, has joined Capehart-Farnsworth as asst. chief engineer under Antony Wright . . . John F. Byrne, ex-Airborne Instruments Lab, now with Motorola as associate director of research, Communications & Electronics Div. . . . Arnold S. Rose, ex-RCA, joins ITE Circuit Breaker Co. as chief of research and development lab.

(See also Color Topics & Trends, page 13)

TRADE 'CONFUSION WORSE CONFOUNDED': Great confusion, still greater apprehension -- that's the TV trade picture at end of first 10 days of mulling FCC's color decision.

It all depends who's talking, whether you get story of "business as usual," which is what most of the big companies with plentiful backlogs of demand tell you. Or "catastrophe," which is what many medium-sized and small manufacturers and their distributors report.

At dealer level, the situation is "shaky," to say the least -- judging from country-wide reports.

It's an axiom of retail trade that you have to give a customer 10 reasons to make him want to buy, whereas only one reason why not to buy suffices -- and in the promise of color-in-a-hurry, he may have found that reason. This, despite specious claims of color's immediacy, cheapness, convenience, etc.

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"This wasn't just a bombshell," said one of the industry's most important figures. "It was an atomic bomb. The TV industry has been wrecked, just when it was really getting going nicely.

"Public confidence has been seriously undermined. Next year's models, and next year's orders, about which we should be thinking and planning at this time, will undoubtedly be down. I won't even be surprised if sales are 25% less between now and the end of the year than they might otherwise have been."

His was an extreme pessimistic view. It should be considered coupled with (a) the indubitable facts of higher prices for receivers due to components shortages; (b) newly tightened Regulation W (Vol. 6:41) and its inevitable impact on low-income buying; (c) higher income taxes; (d) new 10% factory excise that must be added to price of sets from Nov. 1.

Some dealers are reported "feeling the credit pinch" already, but it's really too early to say that any real impact on "banking" of inventories can be discerned. (It's noteworthy, though, that local bankers are prominent among those attending various distributor-dealer meetings around country.) From one big city, this calm view comes by personal letter dated Oct. 19 from a major distributor:

"The color business is a bit messy, but so far our buddy John Q has shown what seems to be native American intelligence, and isn't buying CBS sight unseen. We know it looks good, and when he sees it there may be a different story, although the equipment is an abortion that few would give houseroom."

All these trade factors, added to the exaggerated, complicated and easily misunderstood promises of color-in-a-hurry must inevitably leave their trade scars.

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Among distributors and dealers, the feeling is bitter against FCC -- so much so that its edict may well be reflected in political reaction. In TV areas alone, these are some 20,000 or more big and little business men of their communities.

All sorts of motives are ascribed to FCC, most without foundation, many unprintable. Distributors and dealers are not only "just plain sore," but they're apprehensive of what's ahead in their trade after current pre-Xmas trade reaches its normal slackening-off period. Many are "loaded" with merchandise; but it's much too early to tell whether demand will diminish to point of distress, though some are inclined to foresee the worst.

"If you've been slapped in the face, it hurts until someone comes along and kicks you in the shins. Then you forget all about the first slap and how it hurt." This is quoted from a letter from one of the oldest and most important Philco distributors in the country, referring first to "bracket standards," then to color

edict. The young scion of this family business added wryly: "We're calling a meeting of our board to discuss returning to the hardware business, such as our grandfather had -- gas mantles -- those were the things!"

Dealers and distributors are looking to the manufacturers and local telecasters to tell them what to tell their customers. It's not a simple story to tell and, with some exceptions, the set makers haven't simplified things in their usually reassuring but sometimes quite complex messages to the trade.

Nor can the tradesmen take much comfort from what CBS is saying and doing (see Special Color Report herewith); or from Senator Johnson's statement (supporting FCC); or from what FCC members say or won't say.

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Washington News asked 6 of the 7 commissioners then in town to answer what it called the "\$300,000,000 question":

"Would you advise the public to buy black-and-white receivers now, or to wait for color sets?"

The commissioners were approached individually, so there was no comparing of notes. This is what they replied, as reported Oct. 19:

Chairman Wayne Coy: "I wouldn't answer that question for you. No comment at all on it."

Commissioner Jones: "I wouldn't advise them. I'd tell them to make up their own minds."

Commissioner Hennock: "I don't want to get into any controversy. I was against the decision. It didn't seem the right time. There are so many factors -- war priorities, engineers in war work...if the public demands color, they'll get it ...I really don't know what to say."

Commissioner Hyde: "The Commission hasn't ordered anyone to broadcast color. Having participated in the ruling to this effect, the only answer I can make consistent with it is I'd ask for a set with service on the new basis or get a dealer to agree to provide that service in the future. That is, unless the buyer is going to be content with the present operation. Probably get a lot of fun out of black and white. I just believe in giving the buyer his choice. Personally I'd ask a dealer to get me a set capable of getting latest developments or susceptible of getting it installed without substantial rebuilding."

Commissioner Walker: "Well, now listen, I don't think we as commissioners ought to be drawn into that. I don't think we have to pass on these things officially. If I'm going to be quoted it might be misconstrued. If a friend of mine came to me and asked me (about buying a set) I'd tell him but I wouldn't make a pronouncement about it. We have no jurisdiction over buying or not buying. This is a country of free enterprise. We can't say anyone should or shouldn't buy. We've given them the opportunity to do what they want to do about it. The report is self-explanatory."

Commissioner Sterling: "I wouldn't want to advise the public what to buy. All we do is make decisions in the public interest in the field of interstate communications. I'd have no hesitancy in telling a friend of mine to go out and buy a set. He could convert it later, but he'll get substantial returns from the black-and-white system now. It will take Columbia considerable time to develop color broadcasting in terms of choice hours."

Receiving tube production is ample to meet military and civilian demands at present, but shortages of raw materials may play havoc in matter of months. That was consensus of most significant meeting so far between military and NPA officials with subcommittee of Munition Board's Electronic Industry Advisory Committee at Pentagon Oct. 19. Critical, and expected to get even more acute, are such raw materials as nickel, copper, steel, even glass. Measure of radio receiving tube capacity was given in these figures: During January-August 1950, 225,000,000 tubes were produced--25,000,000 more than were made in all of 1949.

RTMA bought \$2500 worth of spots on 5 CBS (AM) stations Oct. 22 to promote President Robert Sprague's broadcast on color that evening (see Special Color Report). CBS president Frank Stanton checked language of spots personally, rejected one.

Nielsen Television Corp., Norwalk, Conn. (H. V. Nielsen, president) has filed petition in bankruptcy in U. S. District Court in New Haven, proposing 15% payment of creditor claims, listing liabilities of \$164,212 (including \$55,060 secured claims and \$79,032 unsecured claims) and assets of \$148,535, mainly real estate and machinery. Lack of capital is given as reason for company's troubles.

Color TV Topics & Trends: Most observers agree that any slowdown or stoppage of TV set-buying due to color decision will hit smaller manufacturer first—and hardest. That's confirmed in statements from small producers Sightmaster and Rembrandt.

Said Sightmaster's Michael Kaplan: "We are not going into further TV production for the time being . . . Eventually, we may turn our whole efforts to processing glass for other TV manufacturers and drop set making entirely." (Sightmaster is affiliated with Lectrovision Inc., tube maker.)

Said Rembrandt's Robert G. Kramer: "This confusion has stopped our progress cold. We were looking forward to October, November and December as our best months; now they're going to be our worst. It's not healthy for us. We're going to try and stay in business—we'll make color converters and adapters if that's what the public wants—but it's going to be a rocky road."

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Proposed "war chest" of \$1,000,000 to publicize manufacturers' side of color TV imbroglio, assuage public's uneasiness over FCC decision, urge continued buying of black-and-white receivers, was revealed by RTMA president Robert C. Sprague Oct. 18 at New York-New Jersey distributors meeting. He's quoted as stating campaign will stress: (1) Good, compatible color system is on way. (2) Black-and-white telecasts will continue for years. (3) Color will be telecast only in fringe times. (4) CBS system is limited—picture size, whirling disc, etc. Proposal is to use pooled contributions from manufacturers for broadcasts, ads, brochures, reprints, etc.

Stromberg-Carlson New York distributor Ben Gross set tone of affirmative, non-belligerent meeting of 600 New York-New Jersey distributors in Barbizon-Plaza Hotel Oct. 18 when he remarked: "We are not here to denounce FCC or anyone else." But he urged telegrams be sent to Sen. Lehman (D-N. Y.) and Rep. Crosser (D-Ohio), who heads House Interstate and Foreign Commerce Committee, to ask for Congressional investigation. He also urged waiting for RTMA publicity campaign material before dealers undertake own answers to public's current questions: Will my set be obsolete? Shall I buy a TV set now? Can I get color on my set? Group was addressed by RTMA president Robert C. Sprague, who talked about FCC decision (see above, and reprint of his radio talk in Special Color Report herewith).

New York dealers heard CBS v.p. Adrian Murphy assure them that growth of color TV would take period of years, that present monochrome telecasts would be continued for long time. Meeting this week of New York Retail Radio-TV & Appliance Dealers Assn. voted (a) to ask FCC for "unequivocal statement" that existing standards were not obsolete; (b) to ask manufacturers to assure public that sets on market are not obsolete, can be converted for color.

"All the explaining in the world won't keep the public from contending that color is here and 'I'll wait,'" says Oct. 16 *Bulletin* of Washington Electric Institute. "A tremendous hazard has been placed in the path of TV sales, now that the public is convinced that color is a reality by government order." It has called Washington distributors-dealers for meeting Oct. 23 to discuss what to do about color decision.

"The Color Television Blunder" is what Hallicrafters is calling decision in ads in Oct. 22 *Chicago Tribune* and Oct. 23 *Chicago Daily News*. Ad lambasts "5 Men Against the American Way," states faith in development of all-electronic, compatible system. Company says it is starting to equip all new sets with connector, making possible later addition of converter for either compatible or CBS system.

Magnifier makers see new lease on life in color TV, coming forth with ads offering lenses to blow up small pictures (as was done with now virtually obsolete 7 & 10-in. sizes). Marvel-Lens Industries Inc., Philadelphia, wired distributors Oct. 16: "Marvel-Lens will be absolutely essential to color TV conversion which furnishes only approximately 5 to 7-in. picture which will require magnification." He called attention to ad in Oct. 18 *Retailing Daily* inviting inquiries on \$24.95 lens for 7 & 8½-in. tubes, \$29.95 lens for 10, 12½ & 14-in.

Curious dilemmas and anomalies afflicting everyone, including CBS, in the color confusion, are illustrated by a few headlines. Caption from CBS press release: "Present Black-and-White Television Sets Will Get Programs for Considerable Period After Color Broadcasting Starts, CBS President Reassures 7,000,000 Set Owners in Broadcast." *New York Times* headline on reports of Stanton speech: "CBS Head Warns on Buying TV Sets." *Washington Post* headline on same: "Stanton Denies Non-Color TV Sets to Become Useless."

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Sales head of one of Washington's biggest outlets for TV-radios, reporting TV sales last 3 days of this week has dipped 75% under same time last year, gives his opinion that these were reasons—in this order: (1) Prices of sets went up too fast and too high in recent months. (2) Tightening of credit restrictions. (3) Furore over color. (4) Scare buying last 60 days has caused "uneven" buying tempo, and many people have loaded themselves up with other merchandise such as automobiles, furniture, appliances. This executive isn't ready, though, to write off TV sales prospects: "Another few weeks and we'll know for sure," he said.

Buffalo Admiral distributor Ben Kouick, Faysan Distributors Inc., thinks what TV set owners should do is "contact their Congressmen or Senators to compel the FCC to let the manufacturers develop color TV in an orderly manner without jeopardizing the present investment." And, at "indignation meeting" called Oct. 18, Lee A. Wells, Buffalo Crosley distributor added: ". . . A penny postcard to Congressmen or the FCC might be helpful in delaying the action." Bergman Co.'s Richard Levy (Philco) observed: "I'm afraid it's like the NRA and other misguided legislation which have been declared unconstitutional . . . The FCC appears to have over-extended itself."

Unreadiness of TV servicemen to handle color conversions, etc., is stressed by Federation of Radio Servicemen's Assns. of Pennsylvania. After recent meeting in Scranton, Pa., servicemen voted to petition FCC not to release any color system now since "the TV servicing profession is not adequately prepared with knowledge or equipment for this new development . . . Servicing industry is already over-burdened with the black-and-white problem."

Set maker John Meck, who sells under own brand name and also to dept. stores and for private label, says color edict has roused "no alarm" yet in his trade. There have been no cancellations of Meck receivers, but a few of Scott brands from smaller, outlying districts, he stated. It's his belief furore over FCC decision will die down. He has no present plans to make adapters-converters, but will do so if forced by demand and competition.

CBS color system won't work well with present "black" tubes and changes in existing set circuits will void Underwriters Laboratories' approval. So states Chicago TV Installation Service Assn., in Oct. 18 press release which finds nothing to approve in FCC color decision.

TV volume of giant New York Davega chain is down about 5%, according to v.p. Jules Smith, who expects dip to be even more after Nov. 1 excise tax goes into effect.

Telecasting Notes: Application for Channel 8 in Las Vegas, Nev., returned 3 weeks ago because of technicality (Vol. 6:40), was resubmitted this week by publisher Donald W. Reynolds of *Fort Smith (Ark.) Southwest American & Times Record*, making 356 now on file (see TV Addenda 11-O herewith) . . . KOOL, Phoenix, Ariz., has asked FCC for STA to operate experimental TV station on Channel 7, using 25-watt pulse-type transmitter to locate proper site . . . WSFA, Montgomery, Ala., preparing to file TV application . . . Four of NBC's 5 TV stations (all save Hollywood's KNBH) reported well in black, with New York's WNBT doing bigger gross than its AM counterpart WNBC has ever done . . . AM business at high peak, too: Detroit's WJR (Richards) reports \$2,526,653 sales for 9 months ended Sept. 30 vs. \$2,361,472 sales for same 1949 period, but net went down from \$415,468 profit (82¢ per share) in 1949 to \$363,401 (72¢). Two new studios and 3 more film preview rooms being added to ABC's Television Center in New York, making 7 studios in all . . . WHAS-TV, Louisville, this week started program day at 12:30 p.m. CST, expanding to 67 hours per week³. . . *Ross Reports on TV*, published by Wallace A. Ross, states that by Nov. 1 all 4 TV networks will be almost completely sold out of Class A time; as of Oct. 15, of possible 116 hours of 7-11 p.m. time weekdays and 6-11 Sundays, 77 are sponsored, remaining 39 filled with locally-sponsored programs . . . National Assn. of Manufacturers, 14 W. 49th St., offering TV stations, without cost, series of 13 films titled *Industry on Parade* . . . Now in the black, KLAC-TV, Hollywood, is definitely "not for sale," according to owner Mrs. Dorothy Schiff, who also is publisher of *New York Post* . . . Baltimore's WMAR-TV raises base rate Nov. 1 from \$450 to \$550, one-min. announcements from \$80 to \$100; WAAM rate goes up same, except announcements are upped from \$70 (film-only) to \$90 . . . Blair TV Inc. adds KEYL, San Antonio, to rep list, replacing Adam Young . . . Second AT&T circuit between Indianapolis and Louisville went into operation Oct. 21 to serve both WHAS-TV and WAVE-TV in latter city; added channel is ready 5 weeks before scheduled . . . "The TV look" is what Detroit's famed landmark and tallest building, the Penobscot, will soon wear as workmen erect new 54-ft. spar with 4-bay batwing antenna of WWJ-TV and new flashing neon airways beacon (40 times per minute) replaces big flashing ball (12 times per minute).

General Tire and CBS raised bid for Don Lee properties to \$12,320,000, or 10% over Hoffman Radio bid (Vol. 6:41)—and probate court Oct. 20 confirmed sale. General Tire's Yankee Network thus acquires, subject to FCC approval, 45-station regional network with 4 outlets of its own, plus TV station KTSL, plus 19% additional ownership of Mutual Network—along with \$5,700,000 cash and liquid assets. CBS will take over KTSL, will presumably rename it KNX-TV and operate it in conjunction with its 50-kw Hollywood key KNX.

Operating an illegal TV station is charged against Sylvania in FCC statement Oct. 20. Commission claims Sylvania tube officials had constructed \$7000 transmitter on Whittemore Mt., 1½ mi. from Emporium, Pa., to pick up and rebroadcast on Channel 7 NBC programs from WJAC-TV, Johnstown, 90 mi. away. It also charged this was not only without FCC authority but with full knowledge such authority would not be forthcoming due to freeze. Station began operating Sept. 1, FCC said. Robert Merkle, Sylvania Tube Division office manager, is reported to have said station was built because "plant officials needed broadcasts." FCC noted law imposes penalty of \$10,000 fine or 2 years imprisonment, or both.

TV competition will force Hollywood to drop current 400-odd films a year production to 100-150, producer Samuel Goldwyn recently told U of Denver panel.

Count of TV Sets-in-Use by Cities

As of October 1, 1950

More TV sets were sold during September than any month of year—in fact, than any month in TV history—despite fact FCC issued its first color report Sept. 1. TV sets-in-use went up 739,700 during September to reach total of 8,269,400 as of Oct. 1, according to NBC's monthly "census" report estimating TV receivers within 40-mi. service areas (.5 Mv). September sales compare with 587,700 in August (Vol. 6:38), previous high. NBC no longer publishes family figures, but those here listed are best available (1948) estimates of families within 40-mi. radius of city; note, however, that there are overlaps, so that family figures are sometimes higher than number actually served.

Interconnected Cities

Area	No. Stations	No. Families	No. Sets
Ames (Des Moines)	1	126,000	19,400
Atlanta	2	233,000	62,300
Baltimore	3	732,000*	222,000
Birmingham	2	196,000	22,600
Boston	2	1,175,000*	525,000
Buffalo	1	323,000*	135,000
Charlotte	1	171,000	28,800
Chicago	4	1,438,000	670,000
Cincinnati	3	384,000*	178,000
Cleveland	3	695,000	315,000
Columbus	3	225,000*	95,000
Davenport-Rock Island	2	133,000	23,500
Dayton	2	291,000*	95,000
Detroit	3	839,000*	321,000
Erie	1	112,000*	30,700
Grand Rapids	1	182,000*	38,700
Greensboro	1	165,000	25,000
Huntington	1	132,000	24,000
Indianapolis	1	281,000*	70,500
Jacksonville	1	94,000	20,000
Johnstown	1	250,000*	37,800
Kalamazoo	1	143,000*	17,500
Kansas City	1	275,000	61,600
Lancaster	1	85,000*	63,700
Lansing	1	168,000*	25,000
Louisville	2	188,000	52,400
Memphis	1	177,000	54,600
Milwaukee	1	327,000	151,000
Minneapolis-St. Paul	2	333,000	141,000
Nashville	1	151,000	8,500
New Haven	1	557,000	102,000
New York	7	3,597,000*	1,670,000
Norfolk	1	196,000	33,500
Omaha	2	132,000	35,300
Philadelphia	3	1,184,000*	600,000
Pittsburgh	1	742,000*	145,000
Providence	1	1,011,000*	86,900
Richmond	1	130,000*	42,500
Rochester	1	208,000*	51,100
Schenectady	1	258,000*	107,000
St. Louis	1	474,000	185,000
Syracuse	2	199,000*	71,300
Toledo	1	241,000*	55,000
Utica	1	127,000*	24,800
Washington	4	691,000*	174,000
Wilmington	1	183,000*	44,700
Total Interconnected	79		6,982,700

Non-Interconnected Cities

Albuquerque	1	22,000	5,000
Binghamton	1	131,000*	23,100
Bloomington	1	104,000*	9,500
Dallas	2	277,000*	43,100
Fort Worth	1	269,000*	33,700
Houston	1	217,000	43,100
Los Angeles	7	1,372,000	690,000
Miami	1	117,000	36,400
New Orleans	1	225,000	37,400
Oklahoma City	1	138,000	48,200
Phoenix	1	49,000	16,900
Salt Lake City	2	93,000	27,400
San Antonio	2	130,000	28,800
San Diego	1	113,000	58,000
San Francisco	3	825,000	99,000
Seattle	1	307,000	43,200
Tulsa	1	125,000	43,900
Total Non-Interconnected	28		1,286,700

Total Interconnected and Non-Interconnected	107		8,269,400
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* Family figures are based on estimates of 1948 population. Note that following coverages (hence total families) overlap: Bloomington-Indianapolis; Grand Rapids-Lansing-Kalamazoo; Detroit-Lansing; Detroit-Toledo; Syracuse-Rochester-Utica-Binghamton; Binghamton-Utica; Philadelphia-Wilmington; Rochester-Syracuse-Schenectady-Utica; Pittsburgh-Johnstown; New York-Philadelphia; Boston-Providence; Buffalo-Rochester; Cincinnati-Columbus-Dayton; Washington-Baltimore; Lancaster-Baltimore; Dallas-Fort Worth.

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GIRDING TO FIGHT EXCESS PROFITS TAX: Facing possible excess profits tax inequities because they're "growth" industries of recent vintage, with poor earnings bases, the telecasters through TBA and manufacturers through RTMA are moving for better legislative breaks when Congress convenes. Both associations this week named committees. RTMA president Robert C. Sprague is already scheduled to appear Nov. 1 before Joint Congressional Committee on Taxation (Room 1011, New House Office Bldg., 10 a.m.).

Proposed base period of 1947-48-49 in O'Mahoney Bill would hit telecasters particularly hard because their capital investments were high and they generally operated at loss in those inceptive years. (In 1949 alone, FCC reported the 97 stations had aggregate capital investment of \$55,900,000, showed operating loss of \$25,100,000.) Only this year are they beginning to show profits, usually quite small. Hence they feel they deserve special consideration in any excess profits bill, and will present case through committeemen John A. Kennedy, WSAZ-TV, Huntington, chairman; George Storer, Fort Industry Co.; Jack O. Gross, KFMB-TV, San Diego; Hebert Levy, WAAM, Baltimore; Richard Borel, WBNS-TV, Columbus.

Manufacturers similarly face complex tax problems because they pioneered new industry that mushroomed from \$50,000,000 worth of TVs in 1947 (factory value) to \$230,000,000 in 1948, \$580,000,000 in 1949, possibly more than \$1 billion this year. Presumably, they will plump for flat rather than excess profits tax through committee headed by Mr. Sprague and including: Allen B. DuMont; Ray F. Sparrow, Mallory; Larry F. Hardy, Philco; H. C. Bonfig, Zenith; Earnest Searing, International Resistance; Benjamin Abrams, Emerson; Robert C. Tait, Stromberg-Carlson; J. B. Elliott, RCA Victor; Paul V. Galvin, Motorola; Lloyd H. Coffin, Hytron; Max Balcom, Sylvania.

EFFECT OF NPA ORDER ON TV-RADIO: "Just a fishing license" is what TV-radio and other electronics manufacturers were inclined to regard National Production Authority's 70-80% limitation order on copper, nickel, aluminum (due in week or two). For TV-radio production would have been adversely affected anyhow by diminishing supply of those and other raw materials.

Some manufacturers, following Oct. 26 meeting with NPA administrator Gen. Wm. H. Harrison, smilingly agreed they'd be happy to be able to maintain 70% supply of such materials -- copper for wiring, nickel for magnets and receiving tube bases, aluminum for chassis. Information is that cobalt, used in alloys for speakers, may be cut completely from civilian use.

Reason they feel that way is that present critical shortages of many raw materials and components render outlook for 100% supply dubious in extreme. Current 800,000-per-month TV and 1,300,000-per-month radio production is using components made earlier this year, and nobody expects pace to keep up as manufacturers dig into bottom of components barrel.

NPA's limitation order permits use of obtainable raw materials in any way desired. If manufacturers want to use components for TVs, that's okay. Order will plug at 70-80% of still undetermined base (probably average of January-September 1950 usage) the non-military uses of the 3 metals. It will affect components makers primarily -- but they've been on allocation from their suppliers long time anyhow.

Whatever the initial impact of NPA order, it's plainly only first step in defense program's curtailment of non-essential uses of critically short materials

(Vol. 6:28-37). Consensus is that it won't be long before further more stringent limitations are applied.

Savings from curtailments are for military stockpiles, as well as immediate military procurement. Limitation will apply to all users of the 3 metals. Electronics group was told first, but consumer durables (refrigerators, ranges, etc.) were also informed same day. Substitutions may be utilized, but experience last war indicated that no sooner is satisfactory substitute found than it too becomes critical, and it usually isn't as good; e.g., silver was used in lieu of copper during war but it was second-best material at its optimum.

The manufacturers told Gen. Harrison about some of their current problems -- color, uhf, pinch on engineers. Gen. Harrison said he'd look into them but didn't promise anything. "Task force" committee to meet with NPA officials was immediately authorized, its first job to recommend base dates. List of those attending on p. 10.

UHF—GOOD, BAD OR UNPREDICTABLE? RCA-NBC gave vhf-uhf allocations hearing something of a jolt this week when network's Raymond Guy gave unusually bearish report on uhf service during allocation phase of FCC's end-of-freeze hearings.

Exhaustive study of Bridgeport test installation (Vol. 6:39), he testified, indicates that:

"You are going to have great difficulty in giving adequate television service on the ultra-high frequencies...Based upon the facts and not any loose conclusions, it will be most unfortunate if TV expansion has to go into the uhf band...the responsibility that the Commission carries in that respect is a very great one.

"Uhf is not a completely bad part of the spectrum," he added. "I do not mean to imply that it is no good for anything, because that is not so. But where you have terrain problems you must recognize the problems, and tailor-make your transmitting station to meet the requirements."

With 13.9 kw ERP, and 330 ft. above average terrain, he said, Grade A service (as defined by FCC; Supplement No. 64) reached out only 3 miles; Grade B only 7 miles. Then, he added, excellent service (as judged by observers) was received by only 59.1% of locations from 0-5 miles; 26.3% at 5-10 miles; 5% at 10-15 miles.

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But strong contradiction of Guy's opinion came from other experimenters -- even those who drew their conclusions from measurements of Bridgeport itself. DuMont's T. T. Goldsmith, like Philco's F. J. Bingley (Vol. 6:42), was quite happy about Bridgeport coverage.

Far more optimistic results were predicted by consultant James McNary, testifying about his measurements of pulsed transmissions in Bethlehem, Easton and Harrisburg, Pa. for Steinman stations (Vol. 6:10,31). He used war-surplus transmitter on 515 mc, 39 kw ERP, operated in rougher terrain than Bridgeport.

He produced coverage maps indicating rather respectable service areas, and said he expected similar results at upper end of uhf band.

Why did he differ so much from Guy? he was asked. His answer:

"I naturally cannot differ in any way with the facts that he produced...but I would like to see his results analyzed in a different manner. I think a different picture might be shown...Analysis of the results we have here might show equally pessimistic a picture if done in the same way.

"He does too much averaging. It is admittedly a very scientific method, but I think it results in an unrealistic picture."

Realistic conclusion, he felt, is that "coverage area generally conforms to the area within line of sight, except for areas served by reflected signals."

McNary admitted ghosts and similar vagaries wouldn't show up in his measurements, since he used no picture.

Less sanguine picture came from consultant Andrew Inglis, drawn from experience with pulsed transmitter in New Brunswick, N.J., using 680 mc and 40 kw ERP.

"At first glance," he said, "the results [seem] to be very discouraging... On the other hand, because of the greater variability of the uhf signal, there will

normally be areas of considerably higher signal intensity than the median value within any limited area. If TV set owners are willing to undergo the expense of installing a carefully located antenna, a region of sufficiently high field intensity could probably be found in most locations."

* * * *

Other principal topics at hearings, now very sparsely attended either by commissioners or industry people: (1) Vhf-uhf intermingling. (2) How much uhf for TV? (3) Co-channels and adjacent-channel separation. (4) Offset carrier and directional antennas -- for allocation purposes or for improvement of service after allocation? (5) Will decision on general issues precede or follow hearing on specific cities? (6) More power and/or height for stations.

The two schools on intermingling seem to be clear cut. One favors keeping vhf and uhf apart in order to equalize competitive situation in each city. Other feels manufacturers will have little incentive to produce uhf or vhf-uhf sets unless big cities have both. DuMont, NBC and CBS are in former, ABC and West Coast experimenter John Poole (Vol. 6:21,27) are in latter.

Worry over freezing out future developments, such as Stratovision or Polycasting, concerns FCC, if counsel Harry Plotkin's questions are any criterion. Most witnesses leaned towards allocating all of uhf now, feeling that it's needed for equitable allocation, also that new developments haven't shown sufficient promise.

On station spacing, testimony generally was that FCC shouldn't be rigid, should take into account special circumstances where economics or terrain clearly indicate need or possibility for more stations. DuMont and CBS also plugged for cut in adjacent-channel distances to 70-75 miles, in vhf, from FCC's 110.

Coolness towards offset carrier, as an allocations tool, on part of consultant Dr. Frank Kear, testifying for ABC, surprised many engineers. He likes offset, but felt that it isn't sufficiently reliable yet. JTAC's Donald Fink and most of those who've used offset claim they're delighted with results thus far.

Concern whether general issues decision will precede or follow hearing on specific cities fosters these two camps: (1) What's the use of arguing about each city unless you know exactly what channels are there to fight over? (2) FCC can't possibly have full understanding of effects of general issues decision unless it has heard general run of individual cities' problems. But FCC isn't saying what it intends to do -- if indeed it yet knows.

CBS plugged for increase in vhf antenna height to 2000 ft. (with 100 kw), endorsed theory of future horizontal power increases, stating this would increase interference little, if any. ABC reiterated its belief in higher powers.

NO WOLDS BARRED IN COLOR STRUGGLE: The color war is really total now -- yet its predictability remains almost nil. Same imponderable factors reported at length last week (Vol. 6:42) continue imponderable, with added indications that powerful political forces in both parties are lining up heavily against FCC decision.

Congressional action is likely, spurred as much by local distributors and dealers as by the manufacturers. There will be lots more noise about color when Congress convenes, now expected shortly after Nov. 7 elections.

This was week of assurances, warnings, promises and "statements of position" -- bringing only a partial answer to central question: "What is happening to set sales?" Generally, there has been recovery from first flurry, but post-holiday trade is real worry of set makers and merchandisers alike (see Trade Report, p. 8).

FCC intends to reply Oct. 30 to RCA's suit for injunction against color decision, filed in Chicago Federal court (Vol. 6:42). Argument before 3-judge court is scheduled Nov. 8. Then court makes next move, deciding whether to grant temporary injunction, set full hearing, etc.

Fireworks between RCA's John Cahill, CBS's Sam Rosenman and FCC's Max Goldman should be particularly brilliant.

Hallicrafters, as well as Pilot, has indicated intention of intervening. Others may join in Chicago case, or file new suits there or elsewhere. In New York,

Sightmaster started own suit against CBS, saying it has been forced out of set-making business, asking \$750,000 damages; it also intends to intervene at Chicago.

Whether Nov. 20 effective date of FCC decision will be stayed, is anybody's guess. Meanwhile, more companies announced color "jacks", adapters, converters, sets, "guarantees" of various kinds -- with varying degrees of enthusiasm.

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"If and when color broadcasting reaches your market," Westinghouse stated, "We'll make available an adapter-converter package for installation of Westinghouse black-and-white sets..." (Westinghouse was one of 3 CBS licensees announced several years ago, others being Bendix, Federal. Only recent one is Remington Rand.)

Some news stories interpreted Westinghouse release as "lining up with CBS" but its position seems to be about same as most others. Generally, producers say they'll make adapters and converters whenever demand is manifested -- whether they've advertised to that effect or not. But there's conspicuous lack of enthusiasm among the majors. As one of biggest put it: "Sure, we'll make them. We'll make a thousand and that will be the last thousand. You can always sell a few of something."

Cost of adapters, etc. is something that won't be known until units are actually installed, paid for and working. On one hand, you hear "a few bucks" for adapters; Television Equipment Corp. promised one for \$12.95 in stores by Nov. 10. Yet DuMont's T. T. Goldsmith, answering question by Comr. Hennock during hearing this week, estimated \$135 "to do a good job."

Comr. Hennock: "You don't accept the figure of \$30?"

Dr. Goldsmith: "I certainly will not. I would like to buy some that will sell at that figure."

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Recently-formed Commander Television Corp. (Vol. 6:38) stated it will begin shipping internally-adapted sets within 10 days. It promises converters, too, but doesn't say when.

Full-page ads burgeoned throughout country. Pitch from manufacturers usually was: Black-and-white will continue as backbone of TV; color will come slowly; CBS system may be replaced by compatible system; if you want color when and if it comes, you can get a converter -- so buy now with confidence. Among the big advertisers were GE, Stromberg-Carlson, Raytheon, Motorola, Hallicrafters.

GE captioned full-page ads: "Nobody is going to obsolete over \$100,000,000 worth of TV entertainment." Many more such ads are known to be in the works, and nearly all newspapers in TV areas (40 owning TV stations) carried own as well as trade's ads, plus special articles -- mostly aimed at reassuring present and prospective set owners.

Muntz found a natural in color, advertised in full pages: "Color Color Color is here with Muntz TV. As a Muntz TV owner, present or future, you can relax in the comforting knowledge that your present set is ready...on a moment's notice...for low-cost application of the FCC-approved CBS color system. Production activity on the new Muntz color unit has already begun."

Two film outfits spoke up. Gene Autry reported he'll shoot 2 color films for his CBS show. Ziv said it would color-film 52 "Boston Blackie" episodes.

* * * *

Some dealers devised "persuaders," several quite remarkable. Dynamic Stores, eastern chain, advertised: "Buy your TV set now! Dynamic guarantees to furnish a color converter and/or adapter as required, when they are available, at price of \$49.50 or less!" It reported fourfold increase in volume, day after ad ran, over best day in preceding 2 weeks.

Others were more cautious. New York's Vim chain promised to convert "at cost" all its customers' sets, past and future, "when parts are available."

"Color exchange schedule" was set up by Minneapolis' Gabberts. If color-casting starts in Twin Cities within 3 months, purchaser is guaranteed 100% of what he paid as trade-in allowance on color set. Figure is 92% for 4-6 months, 85% for 6-9 months, 76% for 9-12 months, 69% for 12-15 months. But ad states: "Frankly, we

and other TV authorities, believe that it will be some time before color TV will be available to you in the Twin Cities..."

Nearly everyone is promising easy conversion, when necessary. Color jacks will shortly appear in back of many sets. Arvin and Sears are among latest.

* * * *

Publicity has been deafening. Most important single action occurred Oct. 23, when Arthur Godfrey told his huge CBS simulcast audience to wait 6 months before buying TV set. It was easily most damaging action yet, distributors-dealers say, not so much for its effect on the TV audience but via the 150-175 AM stations carrying it and reaching non-TV owners. It sparked country-wide outcry. In Buffalo, one distributor has asked WGR for time to reply.

Next night, NBC's Milton Berle burlesqued color fracas, cracking: "I'll believe color TV when I see it in black-and-white."

* * * *

After RTMA president Sprague used CBS's air Oct. 22 (Vol. 6:42), CBS president Stanton shot back with press release charging:

"Mr. Sprague's statement is further proof of the bad faith of the RTMA in violating its sworn commitment before the FCC [to accept any decision made.]

"We question whether the RTMA really wants compatibility. We suggest that what it really wants is to hold back color...To provide compatibility under the CBS system is easy, quick and inexpensive...It is not too late for the manufacturers to turn away from their destructive course which is confusing the public and hurting all segments of the industry...We appeal to the statesmen in the RTMA to return to RTMA's original commitment that it would accept the Commission's color decision..."

RTMA's publicity campaign, if any, hasn't shaped up yet. During first meeting of publicity subcommittee in New York Oct. 27, Larry F. Hardy, Philco radio-TV division president, was named chairman. Public relations counsel Selvage & Lee gave its ideas on campaign, but committee has adopted none yet, will meet again next week. "War chest" of \$1,000,000, if raised, will come from voluntary contributions rather than assessments.

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One new station mentioned color. Cincinnati's WKRC-TV said it would put color on during fringe time when available. An applicant, Denver's KLZ, told FCC it would like to amend its application to stipulate both monochrome and color. Both are basic CBS affiliates.

As for station equipment, Remington Rand reports orders for camera chains from 5 stations. It isn't quoting prices yet, since some changes must be made in industrial equipment it is now selling for \$25-\$30,000. Company officials are bubbling with excitement over public reaction to color demonstrations this week at National Business Show in New York's Grand Central Palace, reporting some 25,000 visitors daily. Pressure on company to go into manufacture of color sets and converters is "terrific," says TV sales director Wm. Norvell.

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Columnists and editorial writers have been having a field day on subject. New York Times' Jack Gould devoted entire page to it Oct. 22, with excellently organized articles aimed at clarifying things for the layman. He concluded:

"Neither the public, the set manufacturer nor CBS have a very clear idea of where they are. It is time that the FCC commissioners spelled out how they intend to implement their approval of CBS color, which presumably they now are bound to do, and for once told in straightforward, everyday language what lies ahead as they now see it. It is not reasonable that they should expect everyone but themselves to live with their decision."

John Crosby's Oct. 24 column syndicated by New York Herald Tribune was rather reassuring to the layman, showing difficulty of getting stations to carry CBS color, pointing out continued usefulness of present sets, etc. Here's how column leads off:

"And God said, Let there be light: and there was light.

"And God saw the light, that it was good: and God divided the light from the darkness.

"And the FCC saw color and said, 'Let there be color,' and there was color. Or at least there was an edict decreeing color. And the public tried to divide the black and white from the color and discovered only confusion. Next to the FCC's, God's problem was comparatively simple."

ENGINEERS vs. FCC—THE BREACH WIDENS: FCC has alienated the great body of electronic engineers to an extremely serious degree. Whether it's aware of that fact -- indeed, whether it gives a hoot -- is unknown. But it's a disturbing fact nonetheless, subject of conversations that would make ears of the Commission and its technicians burn if they could hear them.

Situation stems not solely from adoption of CBS color system. It's result of year's cavalier treatment of engineering and industry witnesses during color hearing by some commissioners and staff members -- as if they were partisans in a conspiracy to thwart the Commission's purpose.

Then, too, the "bracket standards" fiasco didn't conduce to winning much respect for the Commission and its staff.

Even aside from manufacturing engineers, you can scarcely find a consulting engineer -- or radio lawyer, for that matter -- who goes along either with the color decision or the too-clever "either-or" brackets proposition (Vol. 6:35-40).

Generally patient men, the engineers are seething, have found expression in their journals. Donald Fink, editor of Electronics Magazine, member of the Condon Committee, an important witness at the hearing (who once was even approached to consider job of FCC chief engineer), unburdens himself thus in November issue:

"The Commission elected to act on what it saw, rather than on what it fore-saw. This may turn out to be a mistaken judgment of the first magnitude. But it may also be a correct judgment, if the promise of the compatible systems fails to be realized...The Commission was under crushing political pressure to make the decision now. It bowed to that pressure, and in so doing it took a calculated risk.

"Such risks are a conspicuous feature of the Commission form of governmental regulation. They must, we feel, be accepted as one of the costs of a much larger benefit, the democratic form of government..."

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Two things worry Mr. Fink even more than decision itself -- the bracket standards squeeze-play and Comr. Robert F. Jones:

"We are alarmed," he writes, "that the Commission has attempted to extend its jurisdiction to a part of the body politic over which the statutes give it no authority...The radio industry was asked to underwrite the CBS system before it was finally and officially adopted...an attempt to force the industry into accepting responsibility for the decision in which it had no part. This is 'commission politics' at its worst. A clearcut decision was called for with no ifs, ands, or buts."

Then he takes up Comr. Jones and his 80-page annex to FCC's First Report:

"The burden of this opus is that the industry committees which have testified...have systematically obstructed the introduction of color television by 'sham engineering testimony'...According to Jones, none of the members of these groups, excepting the two CBS members, have presented consistent, reliable, and trustworthy testimony during the past 10 years.

"We wonder whether the worthy Commissioner knows the men he so recklessly and immoderately attacks. The combined membership of these committees comprises 121 men, 45 of whom are fellows of the IRE, 25 directors, past and present, of the IRE, the present president of the IRE and 8 past presidents, 6 men who hold the IRE Medal of Honor and 4 others who have won the IRE Morris Liebmann Memorial Prize.

"An indictment of these men is an indictment of the whole profession of radio engineering...When one man aligns himself against a whole profession, fair-minded men will conclude that the man is wrong. The only 'systematic' aspect of the

record presented by Jones is his own systematic rejection of any testimony which disagrees with his own notions. Moreover, the testimony is rejected not merely as wrong, but as intentionally dishonest.

"This is demagoguery. Any claim that all contrary testimony on a given subject has as its object the exploitation of the public is rubbish. While Jones' views stand, he disqualifies himself as a judicial servant of the people."

[To which we would add: Mr. Jones totally ignored fact that 6 of the 10 years he surveys were war and/or reconversion years; that 3 years were years of "crawling" effort to build up the brand-new TV trade; that TV didn't really hit its stride until mid-1949 prices brought sets within reach of average pocketbook; that during postwar years it was entirely natural that the industry should be concerned more with the "cake" than with the frosting.]

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"Absurd and destructive" is how Tele-Tech Magazine editor O. H. Caldwell, member of original Federal Radio Commission, characterizes FCC's color decision in his November issue. It's not in public interest, he says:

"To obsolete 10,000,000 present TV sets in which the public has invested \$3 billion dollars. To require future TV purchasers to spend \$40 to \$130 extra for gadgets they may never use. To degrade TV picture quality, and limit pictures to small sizes which the public has already discarded. To risk plant shutdowns, unemployment and financial disaster for manufacturers, distributors and dealers. To force upon the public an incompatible color system which cannot even be launched without driving away existing audiences. To promote color-TV at a time when color gadgets and circuitry must siphon off radio parts and components needed by the military. To disrupt the entire TV industry."

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Milton Sleeper, editor of FM-TV Magazine, attacks difficulty of appealing FCC decisions. He quotes recent speech of Comr. Sterling to effect that: "If all fact questions could be reviewed in detail by the Court of Appeals, we might well toss off decisions with a lighthearted air, knowing that the Court was always there to hit the pitches we missed." Says Sleeper:

"There, for the first time, we have an official explanation of the power of the FCC under which the Engineering Department can fabricate 'substantial evidence' to support findings of facts which are not subject to appeal in any court..."

"In his remarks about the industry's radio engineers, Comr. Jones said 'that their economic interest blinded their engineering judgment.' We'd like to observe that public interest, convenience and necessity would be served to much better advantage if the FCC were not so top-heavy with lawyers, and so lacking in engineers of intellectual ability and integrity."

Station Accounts: Prudential Insurance Co., which sponsors *Family Playhouse* dramatic show on CBS-TV alternate Tuesdays, has signed for special hookup of Los Angeles' KTTV and San Francisco's KPIX to telecast Pasadena Tournament of Roses Parade New Year's Day . . . New daytime accounts on WNBT, New York: Maltex Co. and Gravy Master Co., participations in *Kathi Norris* programs, both thru Samuel Croot Co.; Florida Citrus Commission, spots in *Josephine McCarthy* program, thru J. Walter Thompson . . . Fruit Industries Ltd., Los Angeles (Aristocrat brandy, Ambassador, F.I. & Guiasti wines, vermouth, champagnes) has bought 9 one-minute announcements on WABD, New York, thru Merchandising Factors Inc., San Francisco . . . WABD also reports signing A. Davis & Co. (women's coats) sponsoring columnist Danton Walker and mother of movie star Gene Tierney in the *Belle Tierney Show*, Wed. 10:30-10:45 p.m., thru Lane Adv. Agency . . . Among new accounts reported by WDTV, Pittsburgh: Landers, Frary & Clark (Universal household helps), thru Gould & Tierney Inc.; Venice Maid Co. (spaghetti sauces), thru Schoenfeld, Huber & Green, Chicago; W. R. Feemster Co., Brooklyn, Mich. (kitchen

tools) . . . Among other advertisers currently reported using or planning to use TV (all agencies N. Y. unless otherwise specified): Ideal Novelty & Toy Co. (Toni & Blessed Events dolls), thru Atlantic Adv. Co.; Kalamazoo Stove & Furnace Co. (electric & gas ranges), thru Fulton-Morrissey, Chicago; Vette Co. (Whiffen Puffs), thru Calkins & Holden, Carlock, McClinton & Smith Inc., Los Angeles; Helbros Watch Co., thru Ray-Hirsch Co. Inc.; Myer 1890 Beverage Co. Inc. (sodas & ginger ale), thru Joseph Katz Co.; Monarch Wine Co. (Manischewitz kosher wines), thru Donahue & Coe; Burham & Morrill Co. (B. & M. baked beans, sea foods, etc.), thru BBDO; Gowns by Venera Inc., thru I. R. Stemple Adv. Agency; Emerol Mfg. Co. (Marvel lubricating oils), thru Williams & Saylor Inc.; Pomatex Co. (hair dressing), thru Kenneth Radio Co.; Sylmar Packing Corp. (spaghetti & meat sauce), thru Mogge-Privett, Los Angeles; Humpty-Dumpty Co. (circus toys) thru Barlow Adv. Agency, Syracuse; Hachmeister Inc. (asphalt floor tile, plastic wall tile, etc.), thru Walker & Downing, Pittsburgh; Zippo Lighters, thru Geyer, Newell & Ganger.

HOW THEY PLAN TO 'BURY THE TAX': Two schools apparently will prevail when it comes to passing on to the consumer Uncle Sam's new 10% factory excise tax on TV receivers, which becomes effective Nov. 1:

(1) Adding tax onto list prices, but rounding out lists to nearest commercial prices; i.e., to an even figure.

(2) Lumping tax with warranty into one figure, and continuing to advertise present lists "plus tax and warranty" -- latter presumably also round figure.

In neither case is it contemplated that anyone should make profit on the tax, or even be compensated for "handling more money for nothing" -- albeit this latter factor admittedly works hardship on some distributors-dealers.

Prime exponent of first school is RCA, which this week posted new lists all along its extensive TV line; Crosley, DuMont, GE, Olympic and Stromberg-Carlson are among others reported for it, too.

Emerson was first to declare for second method (Vol. 6:41); Philco also has announced for it, and trade reports are that Admiral, Majestic and Motorola will also. Most other set makers were keeping plans to themselves at this writing, but Nov. 1 deadline is so close that their distributors-dealers will doubtless have been informed by time you read this.

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The way RCA has worked things out can be thus illustrated: One 19-in. console presently retailing at \$425 sells at factory at \$254.36. Henceforth, billing to distributor on this item will be \$254.11 plus \$25.41 Federal excise, or \$279.52. Suggested price to dealer is \$322.62 and suggested list is \$450 (including tax). At retail level, prices are all rounded out. All 3 parties gain or lose a matter of pennies, according to the particular set. In only one instance, says RCA, is the differential as high as \$1. All items over \$200 hereafter will be quoted in even figures at retail; no more of those \$449.95 quotations.

In lumping with warranties, other manufacturers will simply continue present prices plus one figure for installation, service and Federal tax. Nobody contemplates merely adding "tax extra" for reason that nobody wants spread between factory and retail price disclosed.

All receivers in stock are exempt from the tax; it applies only to new production from Nov. 1. In view of 800,000-plus sets turned out in 5-week September, nearly that many expected off line in 4-week October, it's good guess that at least month's supply will be free from tax, for it's commonly estimated in trade that there's about month's lag from time set rolls off line until it goes into home.

CREDIT CONTROLS HIT TV HARDEST: Tighter Regulation W (now 25% down and 15 months to pay) is having much worse effect on TV sales than talk about color, according to best available advices. It's estimated some 70% of TV set sales are on time-payment.

Another adverse factor will be new 10% tax at the factory, effective Nov. 1, which should raise retail prices at least 6%.

Coming on top of recent price increases forced by materials shortages and higher labor costs, adverse pressures are at work both on demand and supply. Added to foregoing factors, some set makers have ordered second and third rounds of \$5, \$10 and sometimes greater price hikes per unit.

Brakes on supply may press even tighter after holidays. Yet nobody expects trade to slow to halt, or even to snail's pace -- regardless of increasingly heavy military demands on materials (see p. 1), continuing threats of components bottle-necks, probable shorter supply of receivers next year.

Outlook for smaller manufacturers, who don't enjoy backlogs of demand of

brand-name companies, let alone financial resources, isn't too rosy unless they succeed in getting good share of defense contracts.

At retail levels, TV's momentum is so great at moment that it seems to be over-riding adverse factors such as publicity about color, higher prices and more stringent credit controls. On other hand, stories still circulate about cancellations of orders from distributors and manufacturers, about hesitant buyers (waiting for color), about inventories so great that repetition of last winter-spring wave of price-cutting and distress-selling may be in store. Actually, anyone can prove any point regarding today's market; it's much too early to see or foresee a trend when trade reports range from "business as usual" to such bearish ones as:

"Video Set Sales Decline at Stores. Some Retailers Cancel Orders as Inventories Pile Up -- Promotion Increased." -- Headline in Oct. 22 New York Times.

"Price cutting at the retail level is developing rapidly...On TV sets, discounts ranging up to 25% are being offered freely by retail dealers, even those with limited financial reserves, in an effort to move their inventories. The FCC order of Oct. 11 authorizing the CBS system of color TV had cut sales sharply even before credit terms were tightened." -- From Oct. 22 New York dispatch to Chicago Journal of Commerce.

"Set Sales Recover a Little from Credit Curbs, Color Go-Ahead. Rush to Get Under Tax Wire Buoys Business; Chicago Firm's Sales Top Normal. But Dallas Store Has 75% Dip." -- Headlines in Oct. 28 Wall Street Journal.

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Maybe it's temporary, stimulated by urge to beat Nov. 1 excise tax, but same thread runs through all reports telegraphed to us Thursday and Friday by telecasters in such diverse and scattered cities as Syracuse, Binghamton, Buffalo, Memphis, Omaha, Tulsa, San Francisco, Seattle -- namely, that "dealers are selling all the sets they can get." Some added, though, that wholesalers-dealers are deeply concerned over Regulation W and color publicity -- Arthur Godfrey simulcast on CBS is most frequently mentioned -- and are holding local "indignation meetings."

Major Washington distributor probably best expressed attitude of that segment of the trade: "Things are still holding up. I've had some cancellations, but there are other dealers who will take the sets off my hands. However, I'd hate to have a carload of TV sets delivered to me now. Then I'd really be in the soup."

Color isn't important -- it's the shortage of receivers that will get more acute after Nov. 7 elections, when military procurement will be accelerated. That was the word telegraphed to Zenith distributors-dealers this week by president E. F. McDonald. He stated he wasn't asking for more orders since Zenith sets are already on allocation, but wants to spark dealers into planning how to handle TV next year.

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TV receiver production hit all-time peak second week in October, rising to 203,436 units from 183,031 first week. Third week figures aren't completed yet, but they're understood to go even higher. These are projected RTMA figures, covering entire industry's estimated output. Second week radio output was 352,651 sets vs. 353,171 first week, both also records.

Trade Personals: Frank Freimann elevated from executive v.p. to president of Magnavox at board meeting this week, Richard A. O'Connor becoming chairman of board . . . Jack Crossin, Air King field mgr., appointed mgr. of new Defense Products Div. . . Henry H. Carlisch, ex-Fada and Vim, now controller of Tele King . . . John William Walt, asst. adv. mgr., promoted to Admiral sales promotion mgr. . . M. S. Klinedinst new mgr. of industrial equipment sales, RCA Engineering Products Dept., succeeding P. B. Reed, now v.p. in charge of new Govt. Service Dept. . . Dr. Vladimir K. Zworykin, of RCA Labs, left Oct. 28 on 7-week air tour of South America to discuss TV-electronics developments and address technical societies.

New no-glare bulb was shown by Corning Glass to tubemakers in New York and Chicago demonstrations this week, with promise it will be in full-scale production after Jan. 1. To eliminate annoying reflections on viewing screen, Corning's new face plate is designed with cylindrical contour in lieu of usual spherical shape. By tilting new tube to imperceptible downward angle, reflections are directed well below viewer's eye level. Bulb requires no extra processing, will be offered at cost of conventional bulbs, Corning stated.

Description of adapted sets, to get CBS color in monochrome, occupies 6 pages of November *Electronics*. CBS's own adaptations and Chapin-Roberts switch are included.

Topics & Trends of TV Trade: Better Business Bureau of New York City, which has taken lead in watchdogging TV-radio sales and servicing practices, this week circularized trade and advertising media with this preliminary bulletin on new Nov. 1 manufacturers' sales tax (see story p. 8):

"It has been observed that various advertisers of TV receivers both in newspapers and on the air have been urging the public to buy now because of the 10% excise tax effective Nov. 1. This tax is 10% of the manufacturers' price, not of the retail price, and recent advertising has not made this point clear. The implication may be confusing or misleading to the public.

"There has been no indication from most manufacturers whether their retail prices will be increased to include the new tax, or whether it will be charged to the consumer as a separate amount.

"The BBB will issue further recommendations on this subject, shortly after Nov. 1, when the pricing policies of the industry are known. In any case, however, whenever reference to the tax is made in advertising, the BBB recommends that the '10%' not be used unless it be clearly described as 10% of the manufacturer's price to the trade.

"Descriptions such as '10% manufacturer's excise tax' are not sufficient of themselves. There is, of course, no objection to advertisers informing the public that an excise tax becomes effective Nov. 1, but this should be stated in such a way that the consumer is not led to believe that the tax is 10% on the retail price of TV sets."

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U. S. collected \$40,638,870 in 1949 from 10% manufacturers excise tax on radio and phono sets, \$32,616,395 during first 8 months of 1950. (Included was tax imposed on radio portion of TVs.) August was highest month yet, collections amounting to \$4,760,964. Addition of TV as of Nov. 1 is estimated to mean that extra \$70,000,000 will be collected, at current rate of production. This includes small amount already being collected on radio portion of TV sets. Sum may not add up that high, it's believed, because of parts shortages and exigencies of military production which are bound to cut production from present highs.

September receiving tube sales reached new record total of 37,031,373, surpassing previous peak of 36,269,435 achieved in August (Vol. 6:39), according to RTMA. Total for first 9 months was 264,804,746—compared with 198,753,295 for all 1949. Breakdown of September sales: 30,092,789 for new sets, 5,828,446 replacements, 941,688 export, 168,450 govt.

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Color issue has fostered amalgamation of TV service organizations into National Alliance of TV & Electronic Service Assns., formed Oct. 23-24 at Washington's Hotel Statler. Position of servicemen is that they aren't ready for color, have had no instructions, technical information, etc. They claim to be closest to consumer when problems of adaptation, conversion come up, want FCC to postpone Nov. 20 effective date until more information is available for service technicians. Chosen president was Frank J. Moch, Chicago. Other officers are: Albert M. Haas, Philadelphia; James Husted, Omaha; Bertram L. Lewis, Rochester. Directors are Arthur Rhine, New York; E. J. Barton, Detroit; Howard Goodhue, Los Angeles. Counsel is Mayer, Rigby & Seeley, Washington.

TV industry needs 10,000 additional servicemen to care for estimated 2,000,000 sets to be sold next 2½ months, RCA Service Co.'s E. C. Cahill told 200 servicemen at Boston Electric Institute meeting Oct. 19. He based estimate on increased rate of TV set production, time it takes to train technicians, govt. calls on electronics experts. He disclosed RCA had already expanded its training program.

Majestic's third price increases were posted this week—upping 7 of its 17 models (Vol. 6:20, 40) \$5 to \$10. New increases come within 2 weeks of second price rise (Vol. 6:41). New prices (increases in parentheses being from last price): 14-in. rectangulars: Model 141, \$209.95 (\$10); 142, \$219.95 (\$5); 1400, \$259.95 (\$10). 16-in. rectangulars: 162, \$229.95 (\$10); 160, \$259.95 (\$10); 1600, \$299.95 (\$10); 1605, \$299.95 (\$10). For descriptions of sets, see *TV Directory No. 11*.

Bendix has added two 17-in. rectangular sets to line (Vol. 6:20, 25), each \$20 more than 16-in. models they replace. It has also increased price of Model 6003, 16-in. rect. console from \$279.95 to \$299.95. New sets are: 2070, 17-in. rect. table, \$259.95; 7001, 17-in. rect. console, doors, \$319.95. They replace models 2060 & 6001.

New Muntz line and prices: 16-in. round walnut table, \$169.95; console, \$219.95; 16-in. rect. walnut table, \$189.95; console, \$239.95; 17-in. rect. walnut table, \$209.95; console, \$259.95; 19-in. round walnut console, \$349.95; console, AM-FM-phono, \$499.95. All sets in mahogany are \$10 extra.

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Plant expansions: National Video Corp., Chicago tube-maker, to break ground about Jan. 1 for new \$1,200,000 plant whose 175,000 sq. ft. will more than double capacity; reports it's now operating around the clock 6 days week, turning out 2500 tubes per day . . . Radio Craftsmen Inc. (John H. Cashman, president) leases 12,000 sq. ft. at 4401 N. Ravenswood, Chicago, for custom-built TV and radio chassis and assembly; present plant at 1607 S. Michigan to be used for production of tuners, amplifiers, contract accounts . . . Trad Television Corp., Asbury Park, N. J., acquires control of Wil-Ray Products Co., Marlboro, N. J., maker of TV cabinets, and has changed name to Trad Cabinet Corp. . . . Arvin now fully occupying its new ultra-modern TV-radio manufacturing plant in Columbus, Ind., 300x260-ft. with 180x90-ft. mezzanine bringing total floor space to about 103,000 sq. ft.

Among larger military contracts for electronics equipment announced by Commerce Dept. for week ending Oct. 25 and let through Signal Corps Procurement Agency, Philadelphia: Telectro Industries, Long Island City, \$489,871, recorder-reproducers; Federal Telephone & Radio Corp, \$400,000, telegraph terminals (419); Molded Insulation Co., \$150,000, radiosondes (68,692).

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Electronics executives met immediately after NPA session Oct. 26 (see story, p. 1) in Washington office of Joint Electronics Industry Committee counsel John L. Sullivan, ex-Secretary of Navy. Among those who attended NPA meeting with administrator Gen. Harrison were: Benjamin Abrams, Emerson; William Balderston, Philco; Leonard Cramer, DuMont; H. A. Ehle, International Resistance; Ray C. Ellis, Raytheon; Paul Galvin, Motorola; R. A. Graver, Admiral; G. E. Gustafson, Zenith; E. L. Hall, Pilot; David R. Higgins, Hallicrafters; A. P. Hirsch, Micamold; John Kruesi, American Lava; F. R. Lack, Western Electric; Franklin Lamb, Tele King; Arie Liberman, Talk-A-Phone; W. A. MacDonald, Hazeltine; A. D. Plamondon Jr., Indiana Steel; R. C. Sprague, Sprague Electric; E. H. Vogel, GE; David Wald, DeWald; W. W. Watts, RCA; William E. Wilson, Acme Electric.

Extra Newsletters

Extra copies of the Newsletter-only portion of the services of *Television Digest* (excluding TV-AM-FM Directories, Addenda, Supplements etc.) may be procured by subscribers, mailed to any address, at \$75 per year.

Financial & Trade Notes: Effect of any new taxes on the TV-electronics group may be less severe than feared, reports Television Shares Management Co. in current memorandum. This sponsor-distributor of Television Fund Inc., open end investment trust, gives as its opinion:

"There is a distinct possibility that the tax bill enacted by Congress in 1951, while bearing the name 'excess profits,' will for practical purposes amount largely to an increase in the tax rate and not be in a form that penalizes growth companies such as the television and electronics group. These companies, whose securities have been capitalizing earning power at a low rate, may be in a relatively favorable position simply because of their present high earnings which give a larger cushion to absorb the higher tax. There is also evidence that the government would prefer to build up productive capacity rather than merely curtail civilian production to obtain military equipment. Thus from both the tax and the volume points of view, the electronics industry may be in a strong position."

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Third quarter gross income of RCA was \$146,957,033 compared with \$88,415,679 for same 1949 quarter. Net profit for period was \$12,422,994 (84¢ per share) vs. \$3,973,138 (23¢) for third quarter 1949. Nine-month gross amounted to \$395,741,391 compared with \$275,673,666 for same 1949 period; net profit was \$33,384,637 (\$2.24) against \$14,095,186 (85¢) for same 1949 period. RCA thus not only showed earnings in third quarter that it took 9 months to achieve last year, but indicated it probably will for first time exceed \$500,000,000 gross business this year.

Mainly due to TV components and set sales, but also reflecting strong demand for lamps and bulbs, Sylvania reports sales and earnings for third quarter were largest in any 3-month period in company's history. Sales for quarter ended Sept. 30 were \$44,692,219, up 91% from the \$23,375,692 for same 1949 period. Net earnings for the quarter were \$2,869,627 (\$1.90 per share) on 1,456,550 shares outstanding vs. \$356,530 (18¢) on the 1,381,458 shares outstanding at end of third quarter last year. For first 9 months of 1950, sales were \$105,778,320, up 45% from \$73,041,240 for same 1949 period; earnings were \$5,129,080 (\$3.31) compared with \$1,911,597 (\$1.10) for same period last year. Said president Don G. Mitchell in Oct. 25 report to stockholders: "An improved earnings situation will continue, perhaps not to the degree shown in the third quarter, but certainly on a more satisfactory basis as compared with previous years."

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Hoffman Radio during 9 months ended Sept. 30 enjoyed sales of \$21,031,765, nearly twice its \$11,987,000 total for all 1949. Net income after all charges was \$1,713,477, or \$3.01 per share on 569,098 shares of common stock now outstanding. Earnings for same 1949 period were \$222,844 (87¢) on 255,051 shares then outstanding. For third quarter, sales were \$9,802,135, profit before taxes \$1,453,208 and after adjustment for new higher rates will be \$783,208 (\$1.38).

Magnavox third quarter net income was \$780,621 (\$1.09 per share on 704,934 shares of common stock), with sales of \$10,213,838 for period. This compares with profit of \$48,684 (7¢ each on 659,898 shares) and sales of \$4,324,898 during same 1949 period. Share earnings are after dividend requirements on \$1 Class A stock.

Olympic Radio & Television Inc. sales for 9 months ended Sept. 30 reached record high of \$13,648,538, up 172% from \$5,018,278 for same 1949 period. Net earnings were \$895,920 (\$2.65 per share) vs. \$198,037 (58¢). Third quarter sales were \$5,946,161, earnings \$416,785 (\$1.23), compared with \$1,618,150 & \$35,078 (10¢).

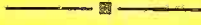
Emerson Radio has declared 10% stock dividend payable Dec. 15 to stock of record Nov. 20. Similar stock dividend was paid in December, 1949. Company paid 25¢ dividends in July and October, following 2-for-1 split last May, prior to which 30¢ was paid quarterly. Usual quarterly cash dividend will be acted on in December. Common shares presently outstanding total 1,759,610 . . . Magnavox 25¢ dividend on common is payable Dec. 15 to stock of record Nov. 25; same on "A" preferred payable Dec. 1 to stock of record Nov. 15 . . . Avco dividend of 15¢ payable Dec. 20 to holders of record Dec. 1.

Wilcox-Gay Corp. filed SEC registration statement this week covering 500,000 shares of \$1 par common, to be offered thru Gearhart Kinnard & Otis Inc., New York, and White & Co., St. Louis. Proceeds will be applied to payment of \$749,429 fund to cover unsecured creditors as of May 26. Company now controlled by Majestic (Vol. 6:32).

Raytheon has placed privately, with New England Mutual Life Insurance Co. and State Mutual Life Insurance Co., new issue of \$2,000,000 promissory notes due in 1962, proceeds to be used in expansion. Handling issue were Hornblower & Weeks and Paine, Webber, Jackson & Curtis.

American Phenolic Corp. reports net sales of \$8,857,700 for 9 months ended Sept. 30 and net profit of \$722,710. This compares with \$7,358,615 and \$410,740, respectively, for same 1949 period. For 3 months ended Sept. 30, sales were \$3,140,644, profit \$264,899.

Stewart-Warner earnings for first 9 months of 1950 were \$3,030,694 (\$2.35 per share) on sales of \$54,739,447, compared to \$1,296,284 (\$1) on \$40,445,152 in same 1949 period. Third quarter net profit was \$1,279,715 (99¢) vs. \$499,720 (38¢).



Remington Rand disavows any intention of going into manufacture of color TV receivers, but Oct. 25 *Wall Street Journal* reports its officials estimating "conservatively" that next year the company may get \$4,000,000 of new business from sale of CBS color equipment (Vol. 6:40). It reports orders already for 5 camera chains costing between \$25,000 and \$30,000, expects to have about 10 produced by Jan. 1 and volume production thereafter.

TV sets will be included for first time in Bureau of Labor Statistics' revised consumer price index, due in few months. Issued monthly, CPI has been based on buying habits in the '30s, will now include such modern items as frozen foods, home permanents, nylon hose, etc. Revision was planned for 1952, but economic stabilization program, plus use of CPI in recent wage contracts made it necessary to put out up-to-date listing in hurry. Old index will continue to be published through 1951.

Lots of talk about British "invasion" of American market with its TV sets—but nothing has come of it yet. However, big British radio brand, Murphy, is planning to offer its AM sets, which have gone well in Latin America, in our Southern states, has appointed International Manufacturers Corp., International Trade Mart, New Orleans, as export representative. Table models are to sell for approximately \$40, \$60 & \$80, one console around \$100.

Greatest problems facing 146 TV dealers surveyed for John Meck Industries in Chicago, Detroit and Cleveland (rated on points): price cutting, 853 points; short discount margins 678, shortage of sets 662, uncertainty about color 648, increasing prices 581, rising costs of doing business 554, shortage of repair parts 553, shortage of skilled service personnel 452, excise tax 408, credit controls 390.

Los Angeles manufacturer Kaye-Halbert is expanding into eastern markets, its TV sets enjoying heavy advertising in New York newspapers last 2 weeks.

Telecasting Notes: Details aren't disclosed yet, but it's reasonably certain CBS will pay well over \$2,000,000 for KTSL, Don Lee's TV outlet in Los Angeles, only part of Yankee Network-CBS \$12,320,000 package purchase (Vol. 6:42) it really wants. Generally overlooked in appraisal of estate, probably going to CBS, too, if FCC approves, is pre-war, pre-freeze application for Channel 2 in San Francisco, which was excluded from competitive hearing there several years ago on grounds that channel was "reserved" for Don Lee . . . President of Cuba formally inaugurated Union Radio TV, Havana's first, Oct. 24; it operates on Channel 4, reports 1000 sets-in-use already and about 2000 available for sale (mainly RCA, DuMont, Majestic) . . . Detroit's WXYZ-TV, ABC-owned, this week began 7-10 a.m. programming . . . Cleveland's WEWS (Scripps-Howard) building fourth studio to handle expanded local programs . . . TV critic Philip Hamburger, *New Yorker Magazine*, elected to board of George Foster Peabody Radio-TV Awards . . . WFAA-TV, Dallas, Oct. 1 raised base rate from \$250 to \$300, 1-min. announcements from \$37.50 to \$45. WBAP-TV, Ft. Worth, Nov. 1 raises 1-min. from \$36 to \$45. KFI-TV, Los Angeles, Oct. 17 raised base from \$500 to \$750; KECA-TV Nov. 1 goes from \$700 to \$900 . . . DuMont has asked FCC for experimental uhf TV station in New York City, using 5 kw in 700-720 mc band, transmissions to be compared with regular Channel 5

Prosecution of Sylvania officials for alleged operation of illegal TV transmitter at Emporium, Pa. (Vol. 6:42) will be pushed, with FCC and Justice Dept. attorneys due soon to submit case to Federal grand jury in Scranton, Pa. Conviction carries \$10,000 fine and/or 2-year imprisonment of guilty officials. Company in Oct. 21 press release denied doing anything illegal, said it believed transmissions "were not of a type which came under control of the FCC."

September network TV billings (excluding DuMont) totaled \$3,516,897, nearly double August's \$1,855,361 (Vol. 6:38), bringing first 9 months of 1950 to \$20,880,815. Comparative 1949 figures were \$989,054 for September, \$6,495,346 for 9 months. Network (AM) radio for September was \$13,931,561, up from August's \$12,553,503 (Vol. 6:38) but down slightly from September 1949 figure of \$14,082,718. For first 9 months of 1950, network radio ran \$135,722,285 vs. \$139,112,898 for same 1949 period.

Most significant aspect of these Publishers Information Bureau figures, aside from comparative standings of the networks, is fact that TV billings for September reached 25% of radio billings—and there's every indication that, despite fact there are only 107 TV stations and not all are on networks, this percentage will continue to increase. The PIB figures:

NETWORK TELEVISION				
	September 1950	September 1949	9 Months 1950	9 Months 1949
NBC	\$2,145,554	\$470,080	\$11,830,309	\$3,500,636
CBS	888,431	271,938	6,164,692	1,609,718
ABC	482,912	155,480	2,885,814	740,795
DuMont	*	91,556	*	644,197
Total	\$3,516,897	\$989,054	\$20,880,815	\$6,495,346

NETWORK RADIO				
	September 1950	September 1949	9 Months 1950	9 Months 1949
CBS	\$ 5,849,786	\$ 4,997,280	\$ 51,068,664	\$ 46,301,592
NBC	4,416,328	4,829,768	46,348,095	47,226,275
ABC	2,418,934	3,077,282	26,417,997	31,874,690
MBS	1,246,463	1,178,388	11,887,529	13,710,341
Total	\$13,931,561	\$14,082,718	\$135,722,285	\$139,112,898

* Not available.

End-of-Freeze Transcripts

Verbatim transcripts of FCC's current TV allocations hearings, as well as all other phases of its end-of-freeze hearings, may be purchased in whole or part from official reporter. Write Electroporter Inc., 1760 Pennsylvania Ave. NW, Washington, D. C.

Network Accounts: General Foods Nov. 1 starts *Bert Parks Show* on NBC-TV, Mon.-Wed.-Fri. 3:30-4; musical variety is expected to start trend to top-caliber entertainment on afternoon TV . . . Lever Bros. (Spry) reported ready to simulcast *Aunt Jenny* on CBS-TV, Mon. thru Fri. 12:15-12:30 . . . DuMont reports Great A. & P. Tea Co. (Bright Sail) signed as participant in *Your Television Shopper*, Tue. 11-12 a.m. & Fri. 11-11:30 a.m. . . . Rexor Corp. (Sip-N-See Straws) Nov. 7 starts as participant in DuMont's *Magic Cottage*, Tue. 6:30-7, and on *Captain Video*, Fri. 7-7:30 . . . ABC's *American Forum of the Air*, cooperative, hitherto heard and seen separately on radio and TV, will be simulcast starting Nov. 5, Sun. 2:30-3.

Three applications for TV stations were filed this week, indicating mounting interest in end-of-freeze and definite plans for new outlets. City of St. Petersburg's WSUN filed for Channel 7, making 5 pending from Tampa-St. Petersburg area, now assigned 4 channels but allotted 6 (all vhf) under proposed FCC allocations. Erie Television Corp., half owned by WIKK and *Erie Times* interests (George J. & John J. Mead) filed for Channel 3 in Erie, Pa., whose only assigned channel is now occupied by Edward Lamb's WICU. (Mr. Lamb publishes *Erie Dispatch-Herald*, while WIKK is half-owned by Keith Kiggins, ex-ABC, now with Edward Petry, and half by Donald W. Reynolds, publisher of *Fort Smith* (Ark.) *Southwest American* and *Times Record*.) WJLS, Beckley, W. Va., applied for Channel 4; owner Joe L. Smith Jr. is also applicant for Charleston, W. Va. (WKNA). [For details about applications, see *TV Addenda 11-P* herewith.]

Does TV construction fall under NPA ban on new buildings for amusement, recreational or entertainment purposes? That question is worrying telecasters, some of whom have had new construction under consideration for some time. NPA order Oct. 26 listed 44 types falling under ban, plus blanket category covering "any other recreational, amusement, or entertainment purpose, whether public or private." Qualms are also being felt that this may be applied to new station construction—if not now, at later date.

Personal Notes: Easton C. Woolley, leaving NBC post of station relations chief Nov. 1 to become executive v.p. of Salt Lake City's KDYL & KDYL-TV (Vol. 6:37), was presented with gift of new car by NBC affiliates meeting at White Sulphur Springs last week . . . ABC promotes Ernest Lee Jahncke, stations v.p., to v.p. for radio, both network and O&M stations; Joseph A. McDonald, v.p. & gen. attorney, and Robert Saudek, public relations v.p., to assistants to the president; Ted Oberfelder, adv. mgr., to mgr. of WJZ; Clarence Doty to mgr. of WJZ-TV . . . Henry Brenner, ex-Standard Brands, named mgr. of newly-created trade promotion at CBS under Louis Hausman, adv.-sales promotion v.p. . . . A. A. (Abe) Schechter, ex-MBS v.p. in charge of news, joins Crowell-Collier Publishing Co. . . . Frank Junnel, formerly with Southwest radio stations, succeeds Sherrill Edwards, resigned, as commercial mgr., KEYL, San Antonio . . . H. Dean Fitzer, gen. mgr. of WDAF & WDAF-TV, elected to board of directors of *Kansas City Star* . . . Myron Broun, ex-Sterling Adv. Agency, joins Demby Co. as TV-motion picture v.p. . . . Henry Folts named asst. gen. sales mgr. for national spot, WLW & WLWT, Cincinnati . . . Gerald Vernon new ABC-TV Central Division sales mgr., Robert McKee handling network radio sales . . . James S. Pollak, ex-WPIX program mgr., now TV program mgr., Souvaine Co., packaging firm . . . Howard A. Chinn, CBS chief audio-video engineer, wins 1950-51 John H. Potts Memorial Award of Audio Engineering Society . . . Adrian Murphy, CBS v.p., speaks on "Color Television" at Waldorf-Astoria luncheon meeting Nov. 2 of New York Radio Executives Club.

TRENDS IN TUBE TYPES, SIZES & SUPPLY: Busy though they are with flourishing current trade, set manufacturers and tubemakers simply can't blink problems of picture tube simplification -- indeed, must face them before they decide on such new 1951 receiver models as defense demands will permit them to introduce to the trade at the usual January-February marts.

Tube sizes must be simplified, or else market will continue to be confused by plethora of different types. Tele-Tech Magazine says there are now 20 types of 16-in. rounds, four of 16-in. rectangulars, seven of 19-in. rounds, two of 19-in. rectangulars -- none in any given size directly interchangeable.

"Such a variety of available tube types which do the same job," says the authoritative Tele-Tech, quite aptly, "is certainly inconsistent for efficient mass production and completely out of line when considered in the light of the current national emergency. Distributors, dealers and servicemen are confronted with either heavy inventories, shortages, or loss of consumer good-will because adapting can be costly. Yet, oddly enough, the differences between the various types in any given size are relatively small, only involving a slight change in physical dimension... standards could well restrict...types to no more than 2 for any given tube size."

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From discussions with tubemakers and glass people, it's apparent that not only must types be standardized but trend also is toward fewer sizes. RCA's decision to emphasize 17 & 21-in. metal-coned rectangulars in 1951 (Vol. 6:37) has many proponents, notably DuMont which is going to do same thing. That looks like the basic post-Xmas trend -- but the 19 & 20-in. (actually 20.3) rectangulars are coming along, the 24-in. round (GE) promised soon, the 30-in. round (DuMont) emerging in December.

Right now, everything's selling, especially the 16, 17 & 19-in., as fast as the 30-odd tube factories can turn them out. The 10 & 12½-in. are dying out, practically out of production, replacement inventories fast diminishing. The 14-in. isn't moving very fast, either from the blank factories or the tube factories; it, too, apparently will soon be a dead number.

But everybody isn't sold on 17-in. For one reason, because its "squattiness" brings it too near chassis of present design. For another, in words of Sheldon's snappy little house organ "Mis-Information": "Sure, the 17-in. is larger [than 16 rectangular]...so slightly larger where it counts that the difference is negligible. Because of the shape of a 17-in. rectangular you can put the larger space inside your pipe and smoke it. The industry needed 17-in. tube like a hole in the head..."

Metal-coned vs. glass, round vs. rectangular competition continues keen, each with its staunch protagonists. Glassmakers say they're operating at capacity (in fact, Corning is just now opening new plant in Albion, Mich.), while the metal cone spinners face probable curtailments if steel is rationed.

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Rectangulars passed rounds in numbers sold to set makers in August, RTMA reports; 51% were rectangular. Breakdown of month's 767,051 sales: 329,112 (43%) were 16 & 17-in. rect.; 262,905 (34%) were 16-in. round; 73,457 (9%) were 19-in. or larger rounds; 60,847 (8%) were 14-in. rect.; 39,124 (5%) were 12½-in. rounds. There were also 739 rounds under 10-in., 797 round 10-in., 24 rect. 18-in. or more, 46 projection types. Factory value of all shipments, including renewals, oscillographs, camera pickup, govt. and export, was \$22,000,648. August's total compares with 341,940 sold in July, 566,942 in June, 599,667 in May (Vol. 6:27,32,37).

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There are no shortages of picture tubes. All the tubemakers seem to be doing well -- in fact, Rauland and Arcturus raised prices as of Oct. 1 on all sizes

they make. This may touch off general price increases, though the bigger companies say they have no such plans now.

Corning's 20.3-in. glass tube is proving popular; big glass firm can't make enough of them. American Structural Products Co. (Owens-Illinois) is concentrating on its 16, 17 & 19-in. rectangulars, admits 14-in. demand diminishing. ASPC has called meeting of its tubemaker customers at Warwick Hotel, Philadelphia, at 11 a.m. Friday, Oct. 20, to discuss their tube ideas. ASPC has resigned from RTMA avowedly for failure to "do something" about standardization, says it hopes this will prod association into action.

"Mystery tube" is one for which Spincraft is making 24-in. wide, 16-in. high, 9-in. deep metal rectangular envelopes, which means tube face just about newspaper size, for unnamed customer or customers. GE's 24-in. is metal-coned round; only set maker yet to announce that size receiver is Stromberg-Carlson. DuMont's much-discussed 30-in. (Vol. 6:12,21,27,28,36) will be in neatly styled cabinets of own by Xmas, but tube won't be ready for others before end of next March.

RCA has circularized its manufacturer customers to say that warranty on all picture tubes has been cut to 6 months. DuMont is doing same.

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As for receiving tubes, Sylvania's Max Balcom still says total supply is sufficient, though some types haven't caught up with demand yet. Sylvania is concentrating on those in tight supply. Except for defense demands and hoarding, Mr. Balcom thinks that by end of year there ought to be "sufficient tubes of all types to take care of the necessary sockets." He thinks letdown after Korea will discourage hoarding, make people think shortages aren't so bad, release trade from artificial shortages. By same token, public may not buy as many TVs and radios.

New small but important source of scarce miniature tubes is seen in opening of plant at Elmsford, N.Y. by Sonotone Corp., hearing aids maker. Sonotone's new 20,000 sq. ft. plant near White Plains was dedicated this week, and part of its production will be "key types of tubes with special characteristics" -- the hard-to-make, tuner-type miniatures now in tightest supply. Company also makes gun mounts for picture tubes, phono pickups, etc., and during last war made acorns for Govt. Deliveries of miniatures have begun, and company says it's swamped with orders.

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Critical shortage of replacement tubes for TV-radio has been growing steadily worse in recent weeks, reports Oct. 4 New York Times. Plenty of picture tubes were found, but receiving tubes are big problem -- 50% of those commonly needed in repairing sets are hard to get, said head of Associated Radio-TV Servicemen of New York Inc. Owner of one shop told of set maker paying retailers as high as \$4 for tube normally costing him 40¢. Even Cortlandt St. offered little hope for tube hunters. Cited as showing "low odds" of being able to obtain any replacement tube, is August RTMA report (Vol. 6:39) showing 7,017,115 tubes sold for replacements; that's approximate number of TVs now in existence, which would allow only one replacement tube per receiver. That's the TV story alone, doesn't even take into account the millions of radios. (Of course, it refers to only one month's allocations for replacements.)

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Third September week's TV output was 166,556, radios 302,942, up from second week's 124,348 & 197,485 and first week's 163,860 & 235,284 -- auguring production for 5-week month equal to or better than August's record 702,287 TVs (Vol. 6:39).

Mobilization program's demand on electronic industry's manpower is given merest hint in Commerce Dept. announcement of war contracts for week ending Sept. 29. For Navy's Bureau of Ships only, contracts for technical professional services of electronics field engineers went to Philco, \$1,450,000; Raytheon, \$250,000; GE, \$150,000.

Among larger military contracts for electronics equipment announced by Commerce Dept. for week ending Sept.

29 and let through Wright-Patterson Field, Dayton: Sylvania, \$2,473,200, power junction boxes for radio transmitters (no. units not given). Let through Navy Electronic Supply Office, Great Lakes: Raytheon, \$875,000, electron tubes (2680 units). Let through Signal Corps, Philadelphia: RCA Victor, \$430,000, radio sets (10,291); Tung-Sol, Newark, \$264,000, electron tubes (120,000); Chatham Electronics Corp., Newark, \$155,925, electron tubes (90,000).

Topics & Trends of TV Trade: Except for possible leveling off of tube types and sizes (see story, p. 1), few if any fundamental changes in TV receivers are in prospect for 1951. Fewer models seem inevitable—no more 30 and 40-set lines. Prices are in the laps of the war gods, trending up and pushed higher by 10% factory excise that goes into effect Nov. 1 (Vol. 6:39). Most companies are still struggling with problem whether to incorporate tax in suggested lists, quote it as part of warranty, or quote it as a "plus." One or other, or both, of first 2 ideas probably will prevail; the "tax extra" isn't very popular (1) because it presumably reveals factory price to customer, and (2) because it's a war excise and there's no disposition on the part of anyone in these days to buck it. Best guess is that radio precedent will prevail.

Foregoing is quick summary of top trade thinking at this writing—about which we'll have much more to report later. Meanwhile, pointing up long-range planning by manufacturers, Zenith's schedule of production, as included in its reply to FCC on "bracket standards" (see Special Digest), may be indicative of what other major manufacturers are planning:

"The sets that are currently running in production were designed almost a year ago . . . We have had in design for several months new TV chassis. Our timetable on these designs calls for engineering release Nov. 1, 1950, pilot production to start Feb. 1, 1951, and large scale production May 1, 1951 . . . Such a long timetable is necessary because under present conditions procurement time is long on many items. For example . . . materials for our present line of sets are purchased through January, 1951 . . . [and] we are told by many of our suppliers that our competitors in the TV receiver business procure much farther ahead than we do."

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Crosley raised prices second time in five weeks on 19 of its 24 models (Vol. 6:34). Increases range from \$10 to \$60, with 12½ & 14-in. prices remaining unchanged. These are the new prices, the increases (listed in parentheses) being from prices announced at time of last increase (Vol. 6:35); for description of sets see *TV Directory No. 11*:

16-in. rectangular: Model 11-459MU, \$259.95 (\$10); 11-465WU, \$309.95 (\$20); 11-445MU, \$319.95 (\$20); 11-475BU, \$339.95 (\$20); 11-447MU, \$409.95 (\$20); 11-477BU, \$429.95 (\$20).

16-in. round: 11-446MU, \$359.95 (\$20); 11-476BU, \$379.95 (\$20).

17-in. rectangular: 11-472BU, \$289.95 (\$10); 11-453MU, \$369.95 (\$20); 11-483BU, \$389.95 (\$20); 11-460MU, \$419.95 (\$20); 11-470BU, \$439.95 (\$20); 11-444MU, \$529.95 (\$60); 11-474BU, \$549.95 (\$60).

19-in. round: 11-443MU, \$439.95 (\$20); 11-458MU, \$469.95 (\$20); 11-484BU, \$489.95 (\$20); 11-454MU, \$489.95 (\$20).

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Stromberg-Carlson raised prices for second time on 2 sets, for first time on 7, added 4 new 17-in. rectangulars as replacement for 16-in. models. Raised for second time were these 19-in. rounds (increases in parentheses being from last price; Vol. 6:31): Model 119CM, \$445 (\$15); 119CDM, \$525 (\$25). Raised for first time were following 19-in. rounds: 119M5M, \$795 (\$45); 119M5A, \$825 (\$50); same, hand decorated, \$925 (\$50); 119M5I, 119M5D, 119M5R, 119M5G, \$895 (\$30). New sets are: 17TM, 17-in. table, \$279.95; 17TDM, same, doors, \$299.95; 17CM2, same, console, \$339.95; 17CD2, same, doors, \$415. Priced was 24RPM, 24-in. console, AM-FM-phono, doors, \$925. For description of sets, see *TV Directory No. 11*.

Olympic has added 6 new sets to line, raised price on one, discontinued all four 12½-in. models. New sets, all 17-in. rectangular, are: Model S752 Riviera, deluxe mahogany table, \$249.95; S752B, same, blonde, \$259.95; S764 Broadmoor, mahogany console, doors, \$349.95; S764B, same, blonde, \$369.95; S766 Catalina, mahogany console, AM-FM-phono, doors, \$469.95; S766B, same, blonde, \$489.95. Sets replace comparable 16-in. rect. models. Model 755 Challenger, 16-in. rect. table was raised \$10 to \$229.95.

Majestic has added 5 new sets to line (Vol. 6:20): Model 7P1, 17-in. rect. mahogany console with phono, two-third doors, \$399.95; 7P2, same, French Provincial, \$399.95; 7P3, same, blonde, \$429.95; 902, 19-in. mahogany console, doors, \$429.95; 903, same, blonde, \$459.95.

New Firestone private label sets: Model 13G44 Strand, 14-in. rect. table, \$219.95; 13G45 Meridian, 14-in. rect. console, \$259.95. Model 13G46 Avalon, 16-in. rect. table, \$269.95; 13G47 Hemisphere, 16-in. rect. console, \$299.95; 13G48 Broadmoor, 16-in. rect. console with AM-FM-phono, \$399.95. Console has 27 tubes, 3 rectifiers; others, 22 & 3.

Spiegel's Xmas flyer reflects present trend toward higher prices, with sets in its "Aircastle" line quoted at \$10 to \$50 higher than similar models in recent fall-winter catalog. Line starts with 14-in. table at \$180 and ranges up to \$380 for 17-in. console with AM-FM-phono. Sets are reported made by Jackson Industries.

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Zooming TV demand is indicated in Washington Electric Institute tabulation showing 10,216 distributor sales to retailers during August compared with 3234 same month last year. First eight 1950 months, deliveries were 47,848 vs. 19,491 . . . Air King says it will turn out 175,000 TVs this year—many more than the 100,000 estimated by Television Shares Management Co. early this year (Vol. 6:8) . . . Meck Industries, Plymouth, Ind., hitherto concentrating on Midwest markets, plans moving into New York market soon. Will reduce manufacture of private brands but won't eliminate it entirely.

Bendix is planning 18,000 TVs a month first 4 months of 1951, W. A. Mara, Radio-TV division general manager, said in interview this week. He views first 1951 quarter "with optimism," he said. Hope for more than 18,000 TVs a month was dashed when it was necessary to divert 80,000 sq. ft. addition to plant to war contracts, he said. Bendix is seeking 200,000 sq. ft. additional space for its Communications Division's work, mainly military.

New steel alloy for metal-coned TV picture tubes was announced this week by Carnegie-Illinois Steel Corp., U. S. Steel subsidiary. It's stainless, contains chromium, jibes with expansion and contraction characteristics of glass, can be spun into tubes in half time needed previously with other materials, company said.

Magnavox's new MV40D Modern Theatre is 19-in. console, doors, phono-jack, mahogany or blonde, \$495. Set has 23 tubes, 3 rectifiers.

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I-can-get-it-for-you-wholesale: "Perhaps a friend can get it for you 'wholesale,'" says second in Raytheon's series of *Truth About TV* ads (Vol. 6:39). "Savings are fine, BUT once a set is sold wholesale, the seller's responsibility ends . . . and yours starts! A TV set is much more complicated than a radio and, although the manufacturer's warranty may cover replacing of defective parts, it may not cover the cost of installation or a serviceman's time, then or later. That's why your safest bet is to buy from a dependable dealer and arrange for proper installation and service with him."

Trade Personals: Charles M. Odorizzi, chairman of RCA Service Co., elected operating v.p. of RCA Victor, filling post formerly held by Admiral W. A. Buck, now executive v.p.; Ronello B. Lewis, budget director, elected controller, succeeding Henry A. Sullivan, retiring due to ill health; E. M. Tuft, personnel director, promoted to v.p. and head of personnel dept . . . James M. Toney, RCA Victor Home Instruments ad mgr., due to be promoted to director of public relations, succeeding v.p. John K. West, appointed by RCA board to succeed Sidney N. Strotz as NBC Hollywood v.p. (Vol. 6:39) . . . Clarence E. Lindstrom replaces Cliff Bettinger, retiring, as Philco's western mgr., San Francisco; he has been mgr. of distribution operations . . . J. B. Shimer, Columbus plant mgr., appointed to new post of factories mgr., Industrial & Electronic Div., American Structural Products Co., new job created due to increased demand for Kimble glass TV bulbs; he's succeeded in Columbus by C. A. Lauder, ex-plant mgr. in Toledo . . . Ben Rice quits as Starrett sales mgr. to start own business.

To list of witnesses for Oct. 16 FCC hearings (postponed from Oct. 2) on general issues in connection with end of TV freeze (propagation, transmission standards, polycasting, stratovision) can be added following who have requested permission to appear: Ad Hoc Committee; WTTV, Bloomington, Ind.; KSJB, Jamestown, N. D.; WBTW, Charlotte; WHYN, Holyoke, Mass.; WDHN (FM), New Brunswick, N. J. Asking to appear in category dealing with multiple interference (Vol. 6:37) are: Communications Measurements Laboratory; RTMA; WSM, Nashville; WJR, Cleveland; WPIX, New York; WBTW, Charlotte; WTIC, Hartford; Kear & Kennedy (Washington consulting engineers). Text of hearing order is available as Supplement No. 70.

World Series had 47-city hookup this time, provided bonanza for receiver merchants. Baseball circles estimated 200,000 attended first 4 games, NBC estimated 38,000,000 persons saw each game via TV. Philco seized opportunity to demonstrate its new 20-in. models, placing them in public places in all TV cities—including Plaza and 10 playgrounds in Philadelphia, on Boston Common, in public auditoriums. Ball players, still seeking share of \$800,000 paid for TV rights, were to meet with Comr. "Happy" Chandler Oct. 7 to determine whether they get cut or their share goes into pension fund.

Westinghouse agreed to 10¢ per hour wage increase, plus other benefits, in signing with IUE-CIO Oct. 1. Increase affects 50,000 workers, is retroactive to Sept. 18. Agreement is similar to that reached between IUE and GE last week (Vol. 6:39). Westinghouse has also announced all employes of one year or longer will receive month's extra pay if they enter armed service while active conflict continues, retroactive to July 1; also get same reemployment rights as for World War II.

Empire State Bldg. 5-station TV antenna (Vol. 6:2, 4, 11, 12, 27) should have WNBT and WJZ-TV operating by Jan. 1, with WABD, WCBS-TV and WPIX on air by February—if weather's good. That's current prognostication of consultant Dr. Frank Kear, as tower reached 60 ft. of ultimate 217 ft. this week. Tower and antenna are designed to take WOR-TV and WATV, when and if they join up (fairly likely). Installation will also radiate 3 FM signals.

RCA Service Co. announces new Government Service Division to coordinate and expedite govt. agency requirements for technical personnel, and installation and servicing of all types and makes of electronic equipment. P. B. (Pinky) Reed, ex-Washington representative of RCA Victor, recently sales manager for industrial equipment, was named v.p. in charge.

Financial & Trade Notes: For the long pull, TV-radio and motion picture industries are good investments. That's conclusion in 30-p. booklet, surveying both industries, issued by Merrill Lynch, Pierce, Fenner & Beane. Financial data on 26 companies is included, the TV-radio firms covered being Admiral, ABC, CBS, DuMont, Emerson, Magnavox, Motorola, Philco, RCA, Sylvania, Zenith. As TV grows, "effect on radio listening . . . will be damaging," booklet says. It agrees with movie spokesmen that there's no correlation between rise of TV and decline of moviegoing, but adds that "sooner or later TV will have a tremendous effect, good or bad, upon movie business."

Emerson sales and earnings for 3 months ending Oct. 31, its final fiscal quarter, promise to be largest for any quarterly period in company's history, with sales now running at rate of \$100,000,000 per year, says *Wall Street Journal*. For fiscal year ending Oct. 31, sales are expected to exceed the \$65,000,000 predicted by president Ben Abrams and earnings are expected to be at least \$3 per share (vs. \$1.73 for year ended Oct. 31, 1949). Emerson is reported now turning out 2200 TVs, 5000 radios daily.

Raytheon preliminary report for first quarter of current fiscal year, 3 months ended Aug. 31, shows sales of \$17,834,124, profit of \$568,885, compared with \$9,003,700 sales and \$546,774 loss in corresponding period last year.

Dividends: Zenith, quarterly 50¢ plus extra 50¢ a share payable Oct. 31 to holders of record Oct. 12; Hallcrafters, 15¢ payable Nov. 15 to stock of record Oct. 30 (first dividend in 5 years);

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Munitions Board has scheduled following committee meetings on "critical" electronic components (all meetings at Pentagon Bldg., Washington): Transmitting tubes, Oct. 10; resistors, Oct. 16; receiving tubes, Oct. 19; capacitors, Oct. 19; indicating instruments, Oct. 23; transformers, Oct. 24; sonar components, Oct. 25; litz wire, Oct. 25; steatite, Oct. 26; magnet wire, Oct. 27. Quartz crystal committee met this week, elected George E. Wright, Biley Electric, as chairman.

Burlesque of TV "westerns" is subject of independent Hollywood producer Wally Kline's *The Adventures of Skipalong Rosenbloom*. As reported in Sept. 30 *Motion Picture Herald*, picture stars ex-pugs Maxie Rosenbloom and Max Baer, will send TV set owners away from theatre "sharply aware of the contrast between theatre entertainment and the stuff TV's been feeding them" (in the words of Mr. Kline). Telecasters can expect heavy exploitation of the film, not yet scheduled for showings, particularly so after the ribbing Dean Martin & Jerry Lewis gave movie industry in Sept. 17 telecast (Colgate TV program on NBC-TV). Industry's Committee of Motion Picture Organizations (COMPO) wired RCA's Sarnoff, Folsom, and Colgate official protesting that burlesque, asked AAAA, NAM, et al., to "lay off movie industry." RCA and Colgate haven't publicly said they're sorry, but Martin & Lewis publicly apologized. They have done work in Hollywood, are currently in *My Friend Irma Goes West*.

"Hollywood cold-shoulders TV in the public prints," says UP columnist Aline Mosby, "but privately TV is a hot item in movietown mansions." She goes on to relate how the film stars install them "everywhere from the bottom of their beds to by their swimming pools"—even quotes custom set designer David Jones as stating, "We also have TV sets that project on the ceiling so people can look at TV in bed." Ginger Rogers has a set at the foot of her bed, a Warner mogul has screen built into wall disguised as a picture, Lana Turner has 6 sets in her house.

New TV Network Rules

Proposed FCC Limitations On Network Time Allotments To Stations

Limiting Hours of Network Programs Per Station in Communities With Less Than Four Stations

Notice of Proposed Rule-Making Adopted Oct. 5, 1950

Docket No. 9807 Released Oct. 6 as FCC Public Notice No. 50-1196

In the Matter of Amendment of Subpart E of Part 3 of the Commission's Rules and Regulations, with respect to the broadcast of network programs by television broadcast stations.

Docket No. 9807

NOTICE OF PROPOSED RULE MAKING

(Adopted: October 5, 1950)

1. Notice is hereby given of Proposed Rule Making in the above-entitled matter.

2. It is proposed to amend Subpart E, Rules Governing Television Broadcast Stations, of Part 3 of the Commission's Rules and Regulations, by adding a new temporary rule, or rules, to maintain competition between television network organizations and to maintain the fullest possible availability of the programs of all networks to the public, during the present temporary period when the number of interconnected television stations in many cities is less than the number of network organizations available to supply programs to those cities.

3. As of September 30, 1950, there were 40 communities interconnected by coaxial cable or microwave relay. Of these, 37 were communities where the number of stations was fewer than the four television network organizations capable of supplying network programs. Although this situation is a temporary one, which will be considerably ameliorated when the present "freeze" on licenses for television broadcast stations is lifted, it occurs at a crucial time in the development of the television industry. For this reason, any unbalanced competitive condition among television networks arising out of, or aggravated by, the present scarcity of broadcast facilities may have a serious and deleterious effect upon the long range development of the art by hampering the growth of sound networks capable of meeting the public's needs in the future.

4. Information available to the Commission as the result of an informal survey for a one-week period in May, 1950 leads to the conclusion that an unbalanced competitive situation among the television networks does obtain at this time, resulting at least in part from the scarcity of station outlets. Although this is particularly the case in the communities with only one station in operation, it also holds, to a lesser degree, for the two and three-station communities.

5. The one-station communities not only constitute the most numerous category but are also those in which a very high incidence of acceptance of the programs of one network by the stations means the exclusion of the other three networks from those communities. Such exclusion in-

creases the difficulty of maintaining competition between network organizations in all interconnected cities. Data available to the Commission in its survey appear to establish that such exclusion does prevail in these cities. During the above-mentioned week in May, one network organization furnished more network programs to the 17 one-station communities studied than did the other three networks combined. This network had approximately 69% of afternoon network time between 1 p.m. and 6 p.m. and 65% of total network time between 6 p.m. and 11 p.m. on these 17 stations. Another network had only 5% of the evening network time carried by the 17 stations although it telecast approximately 25% of the total hours of network programs offered during the week. The hours of network time taken by the stations from the network with greatest station acceptance are completely disproportionate to the number of hours of network programs made available by each of the four existing networks.

6. During the same week, the same network also had a position of dominance in the three communities with two television broadcast stations far out of proportion to the hours of programming of the four networks. During both afternoon and evening hours almost 50% of the network programs carried by these stations were programs broadcast by this network although the number of hours broadcast by this network during the week were less than 30% of the total network time offered by the four networks.¹ One station in each of these cities carried that network to the total exclusion of the other three during the afternoon hours. Two of these stations carried this network exclusively in the evening, while the third carried 97% of its network time from that network. Thus, the other three networks were compelled to share the only other facility in each city.

7. In the six 3-station communities, the situation was much the same as in the 2-station communities, although the increased number of facilities available naturally reduced the tendency toward unequal network development. However, out of a total of 18 stations, 10 carried only one network during the afternoon, and seven did so in the evening. Since six stations in six different cities carried the same network referred to above for about 99% of their evening network time during the week, and since three stations in three separate cities carried another network almost exclusively, the other two networks were competing for one station in three of the cities.

8. The Commission believes that vigorous competition among a number of networks, which will enable all of them to develop so as to be capable of fulfilling future needs

¹ This network had 37.75 hours of network programs. All four networks had a total of 127 hours. Out of 159.7 hours of network programs carried by the stations, the one network accounted for 73.5 hours.

when there are additional television stations on the air would serve the public interest. The Commission also believes that the public interest requires the fullest possible availability of programs of all television networks. As was said in the Commission's *Report on Chain Broadcasting* (Docket No. 5060, May, 1941), "Chain broadcasting makes possible a wider reception for expensive entertainment and cultural programs and also for programs of national or regional significance which would otherwise have coverage only in the locality of origin." It is the Commission's duty to see that the benefits of network broadcasting are realized in such a way that the programs offered by all the networks may be available to the public, and to remedy situations which limit the viewer's choice of network programs to an unreasonable degree in any particular locality. The dominant position occupied by one network in all three types of communities, coupled with the high incidence of exclusivity of acceptance of the programs of one network by the stations in the 2- and 3-station cities, tends to prevent competition and to deprive the public of a diversity of program choice.

9. In the light of the Commission's preliminary study, the present situation, which does not appear to result primarily from the general availability of intercity video channels or the different amounts of commercial time offered by the networks, may require the adoption of a temporary rule, or rules, to remain effective while the scarcity of television broadcast stations persists. Such a rule would have as its chief purpose the prevention of a situation wherein one or more networks is able to secure such a dominant position as will prevent the development of other networks capable of meeting future needs, and the protection of viewer choice of network programs, without, of course, interfering with a proper allocation of time for the broadcast of local programs. The Commission believes that it should have the benefit of the considered judgment of all interested persons with respect to the factual background concerning the relative positions of the networks as well as policy considerations involved before the specific provisions of any such rule are proposed.

10. Any interested person may file with the Commission on, or before November 13, 1950, a written statement, brief, or other comment, with respect to the situation discussed herein. Such statement or brief should give consideration to the need for rule making and the type of rule, if any, to be adopted. The necessity and advisability of a rule limiting the number of hours of time which any television broadcast station may take from any one network, or of

an affirmative rule specifying a minimum number of hours to be taken from each network, should be discussed. In this discussion, particular consideration should be given to a rule providing that with the exception of one 5-hour segment a week (to be chosen by the station), no station in a one-station community shall carry the programs of any one network for more than two hours a segment in either the afternoon or evening time segments, no station in a 2-station community shall carry the programs of any one network for more than three hours within one segment, and no station in a 3-station community shall carry the programs of any one network for more than four hours within one segment, such rule to be similar in form to Section 3.634 of the Commission's Rules and Regulations, the segments referred to being the 1 p.m. to 6 p.m. and 6 p.m. to 11 p.m. segments set forth in Section 3.634. As used herein, network programs include not only programs broadcast simultaneously by means of intercity relay but also delayed broadcasts of network programs by any means whatsoever.

As an Appendix hereto are attached a series of summary statistical charts upon which the figures in this Notice are based. This material summarizes the data secured by the Commission in its preliminary study, most of which were obtained from newspaper program listings and affiliation contracts filed with the Commission.

Persons filing briefs or other comment are requested to mention any respects in which they believe that the facts set forth herein, or in the Appendix, are inaccurate or do not represent the true situation, and to state the reasons for such belief.

Reply briefs or statements may be filed within 15 days of the date provided above for the filing of original statements. The Commission will consider all statements and briefs filed in determining whether the matter should be set for hearing.

11. The authority for the proposed rule is contained in Sections 4(i), 303(b), (f), (g), (i), and (r), 307(a), 309(a) and 313 of the Communications Act of 1934, as amended.

12. In accordance with the provisions of Section 1.764 of the Commission's Rules and Regulations, an original and 14 copies of all statements, briefs, or comments shall be furnished to the Commission.

Editor's Note: Appendix includes as exhibits pie-charts and tabulations showing total station time of the 17 stations in one-station communities, with totals and percentages of network time of each network; same for the 6 stations in 2-station communities; same for the 18 stations in 3-station communities—with breakdowns by individual stations for May 14-20, 1950 survey period.

EDITOR'S ADDENDA

(For stations and details, see *TV Directory No. 11*)

As of Oct. 7, 1950 there are actually 28 interconnected one-station communities, namely: Ames (Des Moines), Buffalo, Charlotte, Erie, Grand Rapids, Greensboro, Huntington, Indianapolis, Jacksonville, Johnstown, Kalamazoo, Kansas City, Lancaster, Lansing, Memphis, Milwaukee, Nashville, New Haven, Norfolk, Pittsburgh, Providence, Richmond, Rochester, Schenectady, St. Louis, Toledo, Utica, Wilmington.

There are 11 non-interconnected one-station towns: Albuquerque, Binghamton, Bloomington, Ind. (link being prepared), Houston, Miami, New Orleans, Oklahoma City, Phoenix, San Diego (gets off-the-air service from Los Angeles), Seattle, Tulsa.

There are nine 2-station interconnected communities: Atlanta, Birmingham, Boston, Davenport-Rock Island, Dayton, Louisville, Minneapolis-St. Paul, Omaha, Syracuse.

There are 2 non-interconnected 2-station communities: Salt Lake City, San Antonio.

There are eight 3-station communities: Baltimore, Cincinnati, Cleveland, Columbus, Dallas-Fort Worth (non-interconnected), Detroit, Philadelphia, San Francisco (non-interconnected nationally, but linked with Los Angeles).

Four-station communities, interconnected: Chicago, Washington.

Seven-station communities: New York, Los Angeles (Los Angeles linked only with San Francisco).

None Can Meet Requirements**Digests of Industry Responses to FCC Proposals
for 'Bracket Standards'****Summaries of All 36 Replies Filed in Response to Notice to Manufacturers Regarding Color Plans**

(For Text of FCC Notice Explaining Objectives of 'Brackets,' see page 8)

Note: This consolidates and supersedes Special Digest of September 30, 1950.

ADMIRAL CORP.—Short covering letter accompanies outline by chief engineer, Robert Jones. Letter states engineering staff has been working on problem but time permitted has not been sufficient for valid conclusions. Annex lists following engineering problems that must be solved for bracket standards and sets forth questions arising in connection with each: test equipment, hum, horizontal sweep width, bandwidth, bracket standards, automatic switch, model design (both chassis and cabinet), field testing. "We shall continue working," states letter, "until such time as an adequate solution can be reached. At that time we should like to present our findings and conclusions to the Commission."—(Ross D. Siragusa, president).

ANDREA RADIO CORP.—Could build bracket sets by April or May, 1951. Adoption of brackets now would mean: (1) Plant-wide layoff of 335 people. (2) Unsafe inventory building. (3) Financial burden that would undermine the company's ability to meet its obligations. Feels that color must be compatible and fully electronic. Suggests "one overall standardization rather than possible individual steps or dual standards."—(H. J. Heindel, secretary & chief engineer).

ARVIN INDUSTRIES INC.—(1) Test equipment is not available; estimates 2 months needed to procure it. (2) Three months required for new set design development. (3) Field testing would take longer than usual, due to lack of CBS-type signals. (4) Tooling requires 2 months. (5) Components procurement cycle is 3-4 months. Thus, total of 8-9 months would elapse before brackets production would start.—(G. W. Thompson, president).

BELMONT RADIO CORP. (Raytheon)—Needs more time to study costs, feasibility and production dates. Asserts bracket sets far different from 2-position switch. Says latter "probably could be engineered in the present state of the art." Two-position switch would probably cost \$30—"too high a premium for insurance against obsolescence during the advent of color." Has "every desire to cooperate" but regrets that brackets aren't possible within time allocated. Is continuing study, nevertheless.—(C. F. Adams Jr., president).

CAPEHART-FARNSWORTH CORP. (IT&T)—Is investigating preliminary modification of present chassis for 2-position switch, but has not made much progress due to

lack of color signals. Having difficulty getting pictures of geometric linearity and brightness on higher frequencies, faced with such problems as return time of horizontal sweep (which reduces scanning efficiency), loss of high voltage due to high frequencies with deflection components now used. It's obvious, company says, that new components, such as deflection yoke and transformer will have to be designed to meet FCC requirements.

Until adequate signal generating equipment is available, and until composite signal standards have been set (with particular reference to horizontal and vertical blanking time), company "is unable to produce a product design which would assure satisfactory operation for both monochrome and color TV transmissions."

Estimates 2-3 months for initial investigation and production of preliminary model. Another 3 months would be required for final product design and at least 2 months more to procure necessary components.—(Antony Wright, v.p., engineering).

COLUMBIA BROADCASTING SYSTEM INC.—Approves bracket standards idea if costs are not excessive. Isn't certain whether they would cost more than 2-position switch. But adoption of CBS field sequential system will provide "competitive impetus" for manufacturers to incorporate at least 2-position switch internally, and brackets might come later if their feasibility is proved. CBS also suggests Commission make clear that paragraph 5(c) in brackets proposal, which requires "equivalent size" pictures, "also permit additional provision for reduction in size for purposes of conversion" through addition of color disc. Text of CBS comments, signed by Rosenman, Goldmark, Colin & Kaye (Richard S. Salant, attorney):

(1) Columbia supports the concept of bracket standards as a means both of providing a cut-off to the compatibility problem and of permitting future flexibility in improving picture quality if and when further technical development in the television art warrants changes in monochrome or color standards. Columbia's support of bracket standards is based on the assumption (the accuracy of which it cannot at this time confirm) that in new receivers the cost of means to receive such bracket standards will not be substantially greater than the cost of internal adaptation necessary to receive only present monochrome and proposed field sequential color standards on a two-point basis as testified to by the various parties in the hearing. Whatever the desirability of the concept of bracket standards, excessive costs could nevertheless preclude their utilization.

(2) While Columbia, at the time of preparation of these comments, has not yet had an opportunity to examine many of the comments filed by manufacturers, such comments as it has seen, as well as reports in the trade press, indicate that a substantial number of manufacturers will contend that bracket standard receivers cannot be produced within the period specified by the Commission in FCC 50-1064 and FCC 50-1065. The Commission's

First Report, of course, requires the immediate adoption of field sequential standards in these circumstances.

Once field sequential standards are adopted, the manufacturers will be provided with the competitive impetus to incorporate in their receiver production as rapidly as possible internal adaptation for reception of present monochrome and field sequential color standards on a two-point (as distinguished from a bracket) basis, which the record shows and which the Commission's Report finds is entirely practical and can be accomplished in a brief time and at reasonable cost. In this way aggravation of the compatibility problem with respect to color television will be eliminated and the Commission will have additional time in which to explore fully as a separate matter the entire question of bracket standards, including such factors as specific numerical values, cost, and time required for field testing and for incorporation in production lines.

In the event such future consideration of bracket standards establishes that they are feasible and economical, manufacturers could at that time substitute in their production such bracket standards in place of the simple internal adaptation for reception only of present monochrome and field sequential color standards as testified to in the color hearing.

(3) Paragraph 5(c) of FCC 50-1065 quite properly provides that the future receivers concerning the manufacture of which the Commission asks for assurances should "be capable of producing monochrome pictures of equivalent size, geometric linearity and brightness" on both 15,750 lines and 60 fields per second, and 29,160 lines and 144 fields per second. Columbia is concerned, however, that Paragraph 5(c) may be interpreted by some manufacturers to preclude the embodiment of an additional adjustment which, when desired, would reduce the size of pictures received from CBS color signals in order that the receiver could be converted with a disc converter. Therefore, Columbia suggests that the Commission make clear, by public statement, that while Paragraph 5(c) requires "equivalent size," it also permits additional provision for reduction in size for purposes of conversion.

COMMUNICATIONS MEASUREMENTS LABORATORY INC.—Favors TV on uhf only. Asserts FCC's color decision is inconsistent with FCC policy. States: "I've been at odds consistently with the mass producers. . . . However, in fairness to them . . . FCC displays woeful lack of knowledge of 'lead time' required for a change of this type, or the decision is a carefully calculated scheme to adopt the CBS system now on a permanent basis with the knowledge that manufacturers cannot possibly produce receivers within the time limit." Estimates that normally such change would require 4 months, but asserts that components situation is abnormal, e.g., "resistors are virtually unobtainable."

Maintains: "I see no reason for haste in the light of situation which has resulted from the events in Korea." Color and allocations "cannot be completely divorced from each other." Suggests that CBS system would lose two-thirds of information when used with tri-color tube; that field rate might be lowered to make system compatible; that all proposed color systems may be made to work with universal set.—(Dana A. Griffin, president).

CONNECTICUT STATE DEPT. OF EDUCATION—Requests reservation of educational TV channels. Urges more time for research "until such time as an electronic system of color transmission has been suitably demonstrated by CBS."—(F. E. Engleman, commissioner).

CONRAC INC.—Will not make bracket sets because: (1) "Considerable technical difficulties." (2) Components in very tight supply. Believes FCC would make "grievous error" in not picking compatible system.—(W. J. Moreland, president).

CROSLEY DIVISION, AVCO MFG. CORP.—Cannot estimate when it could make bracket sets, but feels that 2-position switch could be produced at earlier date and at lower cost. "Longer blanking interval than is implied in Paragraph 150, lines 4, 5, and 6, of the Commission's report could materially reduce additional costs and minimize the time required to produce [2-position switch]."

Had conducted 2-position research but abandoned it since it had concluded "from our own investigations and from a study of the Condon report, that a fully compatible system was feasible within a reasonable period of time." Says its research in 2-position switches "would be of rela-

tively little value in view of recent advances in the design of cathode-ray tubes and in the circuits used for their deflection."

Requests deferment of adoption of any new standards because: (1) Fully developed system not available. (2) Delay would not affect public adversely.

Objects to CBS system because: (1) Insufficient resolution. "The improvements resulting from the use of horizontal interlace . . . will require considerable study to insure that the benefits will justify the greater complexity, which as far as is known at this time may be just as complex as any system incorporating dot interlace." (2) Pictures limited to 12-in. maximum, while Crosley makes nothing smaller than 16-in. (3) Advantage of long-persistence phosphors only partially demonstrated.

"Because of the present material shortages and the possibility of governmental controls, there is not assurance that material would be available for the manufacture . . . of [CBS] transmitting and receiving equipment."

Believes few, if any, "telecasters would be financially able to sustain the additional losses which such a system would entail" because of equipment costs, shrunken audience, degraded black-and-white pictures. [Crosley operates 3 TV stations.]

"We cannot see how the compatibility problem would be aggravated by delay" since, as FCC says, internal adaptation would cost only "slightly less than" external. "Action at this time would require every purchaser . . . to pay for the cost of an adapter which he may never use or which, if used, might result only in the reception of a degraded black-and-white picture. If action is delayed and the Columbia system or some other incompatible system is eventually adopted, the owner would be required to pay only a slightly additional cost (on the basis of evidence before the Commission) for an external adapter, but would be required to pay no adapter costs whatsoever if a compatible system should be perfected and adopted.

"Delay would result in increased endeavor . . . to perfect a compatible system and, if such a system could be perfected, which is certainly possible if not probable, on the basis of the evidence available, the entire problem of incompatibility would be eliminated without cost to the owner of any TV receiver."

In producing new types of sets, "a drastic cut in production would be necessary." This, plus other factors increasing prices now, could be so serious "as to practically eliminate a market, except in the higher income brackets, and therefore, bring about chaos both in the TV manufacturing and broadcasting industries.

"Crosley, as a major manufacturer of TV receivers will, of course, make every effort to satisfy any demand of the buying public at the earliest possible date for receivers designed for the reception of pictures telecast in accordance with any standards which may be prescribed."—(J. W. Craig, v.p. & gen. mgr.).

ALLEN B. DuMONT LABORATORIES INC.—Responded it would need at least 6 months to year before coming to any engineering conclusions on bracket standards. Calls attention to fact cost estimates submitted during hearing referred to 2-position switch, not bracket standards. Calls bracket standards "immature," recommends that Commission's proposals thereon be rescinded or a full hearing be held on subject.

Charges FCC's First Report is vague and uncertain regarding exact status of standards for CBS color system. "The limitations upon hearing expressed in Paragraph 156 are so restrictive as to foreclose adequate presentation of any other possible system.

"Assuming arguendo, that the First Report . . . has the effect of a final report on this conclusion, at least as to the expressed standards of the Columbia system on lines

and fields, it cannot constitute an adequate legal notice of proposed rule making . . . The Commission has never published the Columbia standards. Its requirements under these standards with respect to equality of size of picture, geometrical linearity and brightness in black and white are vague and undefined . . . Without properly adopted standards, no color system can become commercial and without adequate notice in precise detail on this highly technical matter, a final rule-making would be invalid.

"No apparent consideration has been given to the fact that the utilization of long persistence phosphors and their utilization in modifying field and line standards would greatly increase flicker as viewed on existing tubes in black-and-white sets and require replacement of nearly 10,000,000 tubes."

DuMont charges that Comr. Jones "conducted himself as a prosecutor of the engineering profession" and developed a line of interrogation of "unprecedented bias." Comr. Jones, it states, "is for color but he is against television." Statement continues:

". . . The television industry can have no intelligent motive, as a whole, in misleading the Commission or in failing to supply all pertinent technical information. Confronted by the obvious determination of the Commission in favor of color, and the universally acknowledged fact that the addition of color to television, all other things being equal, would be a great and desirable improvement, basic selfish interest of the manufacturers and broadcasters must be directed toward the perfection and commercialization of an adequate color television system.

"The industry is wary of hasty decision. Once, it urged upon the Commission standards of allocation providing inadequate separation of stations. It has paid bitterly since, and is perhaps the only lawful industry in the history of the United States which has been frozen by law for a period of years. It adopted, with reservations and under pressure, the promise of color through simultaneous methods only to see the proposed system demonstrated as valueless when practical field tests were applied. It is now urged to accept a system of color television with known defects and unknown remedies, which it is convinced cannot have public acceptance."—(Allen B. DuMont, president, and Roberts & McInnis, attorneys).

EMERSON RADIO & PHONOGRAPH CORP.—"It has always been and will certainly continue to be our policy to cooperate willingly and thoroughly with any government agency, and particularly the Commission, one of whose primary interests is that of furthering the television and radio art for the best interests of the nation, its public and its industries," says statement. But bracket standards are impossible, by the estimated deadline, because:

(1) Considerable development work is needed. "Good progress" has already been made in spite of company's short-handedness of engineers. "No less than 80% of its engineering talent has been diverted to work for the armed services, much of it of the 'crash' variety."

(2) Field testing is required, particularly with regard to the "interpolative systems" implied by bracket standards.

(3) "Limited amount of tooling will be required after engineering is frozen." This takes "months rather than days."

(4) Production dates are dependent also on components procurement. Components shortage has "already affected the magnitude of our current producing ability." Suppliers must be allowed more time "as each passing week shows more and more the effect of substantial armed service procurements requiring the same component facilities.

"Our engineering ingenuity," Emerson goes on, "has been directed with redoubled effort toward the use of fewer and fewer critical components, so it goes without saying that the addition of any technical feature to the perform-

ance of a TV chassis will require more components . . . We certainly expect to have bracket standard receivers on the market at least as early as other manufacturers.

"Emerson is also prepared to manufacture color TV receivers on any standards prescribed by the Commission, and will certainly strive to maintain its relative position of leadership in the color field that it has been privileged to enjoy in monochrome."—(Benjamin Abrams, president).

GAROD RADIO CORP. (Majestic)—Preliminary engineering on brackets yet to be done. Has provided space in forthcoming sets for additional components and controls. Field testing will be needed. Estimates production to commence 4-5 months after final decision. Internal adaptation to cost about \$35, external \$50-\$75 plus costs of installation by highly technical personnel. Is "anxious to cooperate" but points out that monochrome from CBS transmissions will be degraded and that color disc is good only for sets up to 12-in.—(Louis Silver, v.p. & gen. mgr.).

GENERAL ELECTRIC CO.—(1) "Definitely" will build bracket sets if "the public will buy in sufficient quantities to justify the investment in engineering time and in production facilities." (2) "Our attorneys advise us that we may not have the right to enter into an agreement with anyone, even the FCC, to abandon the design and manufacture of all types of TV receivers except one specific type." (3) Strike has hampered study of problem. (4) Uncertain about "retrace" time, other engineering details. (5) Recommends FCC and industry work out proposal together. (6) After everything is clarified, GE could be ready to make brackets by June 1, 1951, if components are available.

Convinced FCC's whole color-brackets proposal is "technically and economically open to serious question, particularly since it comes at a time when the Armed Forces requirements in terms of electronic engineering man-hours is becoming an increasingly major factor in this industry."—(Dr. W. R. G. Baker, v.p. and gen. mgr., Electronics Dept.).

HALLICRAFTERS CO.—Requires 3-6 months of basic research. Time factor also depends on development work by suppliers of components such as ferromagnetic structures, coils, switches, possibly tubes. Is "willing but unfortunately not able to give an unconditionally affirmative statement."—(W. J. Halligan, president).

HAZELTINE ELECTRONICS CORP.—Reports it is working to determine feasibility of adapting present sets to bracket standards. Has studies in progress to determine necessary additions to both laboratory and production test equipment as well as to determine type and character of field tests.

"It is not possible at this time to state categorically whether this can be achieved within the time specified by the Commission," company says. Hazeltine insists development should continue on all forms of color TV and proposes to continue such development in its own laboratories. Calling attention to work on mixed highs: "It is apparent from this property of the eye [inability to appreciate differences in hue and differences in color saturation to degree it appreciates brightness differences] that the assignment of bandwidth within a communication channel to the transmission of equally fine detail for brightness, hue and saturation is not the most effective use of the frequency spectrum." Either the channel space must be wider or the image resolution must be substantially degraded.

Since FCC is concerned with operation within a fixed channel, "a system using mixed highs can reproduce . . . from 40% to over 100% more detail in the image than can

be reproduced, other things being equal, in a system which does not make use of mixed highs."

After stating belief in future of these developments "and many others in process," company states that "satisfactory color TV can only be made available . . . by retaining the present FCC standards . . . with such additions as may be necessary.

"Such prospects seem well within the grasp of scientists at this time. There appears to be no arbitrary way of short circuiting the natural and logical processes by which full commercial operation is customarily achieved—namely, by the slow laborious method of trying and field testing.

"We are convinced beyond any question of doubt that when a color TV system is finally accepted . . . it will be a composite of the inventions of many independent workers in the field rather than the results of a single inventor or a single group . . . We hope that the way will be left clear for the attainment of this goal in color TV."—(A. V. Loughren, v.p. in charge of research).

HOFFMAN RADIO CORP.—Wants to cooperate, is willing to install 2-position switch in sets, but it will take at least 8 months before such sets start coming off production lines. But company doesn't know how to build bracket standards. Calls attention to fact black-and-white picture from CBS colorcast would be "degraded," also that Commission's ideas on bracket standards seem to be based on out-of-date sets. States CTI has improved system, urges reexamination of CTI system.—(H. L. Hoffman, president).

MAGNAVOX CO.—Reports that it "is unable to meet such a request for production this year. It must be apparent to the Commission that the incorporation of [a 2-position switch] involves complete redesign of present receivers.

"We do not have facilities for completing such a program in less than 4 or 5 months. After this engineering work is completed, we must then go through the process of procuring desired components before receivers can be put into production." Component deliveries, now quoted, are not less than 3 months and frequently as much as 6 months on major components.

"If the Commission expects us to manufacture commercial receivers that are capable of being tuned to some selected frequency within the bracket range indicated, we feel that we are not in position to make as much as an estimate of the time involved in developing such a receiver. Our engineers do not know how such a receiver can be built and new techniques must be developed to achieve this end."—(Frank Freimann, executive v.p.).

JOHN MECK—Sent 2 telegrams as John Meck Industries and as Scott Radio Laboratories stating that he was filing no comments.—(John Meck, president).

MOTOROLA INC.—Says bracket standards pose "an extremely delicate problem of transition," involving employment of hundreds of thousands of workers, activities of thousands of dealers and employes, interests of public at large. Attached engineering report spells out steps that would require total of 6½ months for "dual standards" and 10 months for "bracket standards" but notes: "The estimated time required for the 2 approaches given above are as realistic as possible and no margin of safety has been included. With the present critical procurement situation, ever increasing manpower problem due to the general Preparedness Program, the estimated time could conceivably take longer."

Adaptors are ruled out as too costly, less practical than

an integrated design. And "nothing but chaos" is foreseen if FCC formalizes bracket standards. "No one will want to buy a set without them. But, as our engineering report shows, many months will be required to put bracket standards into production. Therefore, neither we nor any other manufacturer can sell sets during that period . . .

"One might say we have seen no disturbance in the market so far with all the color activity to date. But this must not be confused with what will happen after a definitive decision on the part of the Commission . . . [It] would be a bombshell.

"When we are concerning ourselves about chaos, we are concerned about the far reaching damage to thousands of people. We enter this counsel because sometimes it may be thought that it is only a few large manufacturers who are involved and only their financial profits. But chaos in this instance would go far beyond. It is the little fellow who would be hurt the most . . ."—(Paul V. Galvin, president).

Note: Mr. Galvin also wired the FCC October 3 stating: "It appears that bracket standards are the keystone of the Commission's first report on color television affording a means of transition from black and white to incompatible color television. From the comments of television set manufacturers, it is apparent that the time scheduled for incorporating bracket standards was impossible for any manufacturer to meet. Similarly the manufacturer does not possess sufficient technical data on bracket standards to permit them to arrive at an intelligent decision. In view of these practical considerations and the impact of the Commission's decision on the public, the broadcasters and the television set manufacturers respectfully urge you to call a hearing to obtain complete and accurate information on bracket standards before taking any further action on color television. This wire is being sent to the chairman and each member of the Commission."

MUNTZ TV INC.—Asserts it "must decline" to make bracket standards because: (1) They would increase set prices "to such an extent that only those in the wealthy class could obtain them and therefore the demand would be insufficient to warrant their construction on any scale." (2) Engineering facilities are not now available, would take "considerable amount of time" to obtain. (3) "Systems which could possibly be made to work under present developments would require some degradation in performance in comparison to the present TV set."—(Earl Muntz, executive v.p.).

NATIONAL TELEVISION SYSTEM COMMITTEE—Submitted unedited minutes of Sept. 12-13 meetings of panel on station equipment (Dr. T. T. Goldsmith, DuMont, chairman) and panel on receivers (David B. Smith, Philco, chairman). Both panels assumed "bracket standards" meant black-and-white standards and CBS standards (2-position switch for receivers).

Station equipment panel consensus showed that some items requiring modification could be accomplished immediately. Most, however, required from one week to 4 months. New equipment incorporating needed changes would take up to 2 or 3 years for film recording equipment. Receiver panel agreed that bracket standards means "redesign of receivers" due to higher voltages, more tubes, other changes required.

Following are estimates of additional cost to list price of 17-in. rectangular receiver with 70-degree deflection tube and date first such set would be off production line (all 1951 unless otherwise noted):

Bendix, \$40, June; Capehart-Farnsworth (no estimate), June; DuMont, \$35-\$40, March 1952; Emerson, \$30-\$40, June; Freed, \$40, September; Garod, \$35, June; General Electric, \$30, May; Hoffman, \$35, September; Motorola, \$40, April; Philco, \$35-\$40, April-June; Pilot (no estimate), April; Stewart-Warner, \$40, June; Stromberg-Carlson, \$30, May; Westinghouse, \$30, April; Zenith, \$30, June.

Following estimates are for external adapters plus installation fee: DuMont, \$130 and unestimated; General

Electric, \$50 and unestimated; Hoffman, \$100 & \$25; Philco, \$60 & \$25-\$50; Stromberg-Carlson, \$100 & \$25.—(Dr. W. R. G. Baker, chairman).

PACKARD-BELL CO.—Can't meet brackets deadline because: (1) Decision was surprise; no engineering on brackets had been done. (2) Test equipment difficult to obtain. (3) Components in tight supply. (4) Field testing needed. (5) May require retooling of chassis, redesigning of some cabinets. Intends to proceed with engineering, but would like to know whether to continue. Emphasizes "our honest and sincere desire to cooperate for the common good of all consumers, and we believe this can only be accomplished by ascertaining all the necessary facts before making any decisions and commitments which might be either inaccurate or unnecessary as of this date."—(Robert S. Bell, executive v.p.).

PHILCO CORP.—Says its reply is both as a manufacturer and as a telecaster (WPTZ). Says adaptation of present sets to receive proposed new transmission standards even in black and white "will be more difficult and costly than believed at the time of the hearings, and in the case of many sets we do not see how they can be adapted at all . . . The change now proposed, in these standards, if adopted, will result in a black-and-white picture of inferior quality, as the record and report clearly show.

" . . . We urge that the Commission should not break faith with the present set owners . . . We do not believe we should offer a product to the public before it has been thoroughly field tested under home conditions."

Attached are excerpts from reports of the Commission which Philco says "establish a commitment from the Commission to the public that they could proceed to buy sets with confidence that the service which they enjoyed at the time of purchase would not be impaired and that such sets would receive continuous service on these channels for their normal useful life."

Commission heretofore "very wisely" has established policy that in setting standards it must be satisfied that any system proposed "is as good as can be expected within any reasonable time in the foreseeable future." Philco says color system now proposed is "admittedly not the best that can be expected," even Commission recognizing present limitation on picture size. "In its report, the Commission states that the CBS system is at least as fully developed as was the black-and-white system in 1941. However, the black-and-white system in 1941 had no artificial limitation in picture size, was 2 to 1 better in respect to definition, and had been far more completely field tested."

Charges Commission has gone "beyond the lawful powers granted" by Congress and, if its program is carried out, "will cause irreparable injury to broadcasters, manufacturers and present set owners."

"Philco has concluded," says reply, "that it cannot agree to build all of its television receivers on the basis outlined by the Commission so as to be capable of operating within the proposed brackets."—(William Balderston, president).

PILOT RADIO CORP.—Brackets deadline "physically impossible." Since FCC lacks authority over manufacturers, "you seek thereby to accomplish indirectly what you cannot do directly." FCC has admitted CBS system far from satisfactory. FCC offers manufacturers an "illusory reward." Says FCC has admitted defects in CBS system, such as low resolution, low brightness, restricted size. Asks that more time be allowed to study CBS system with long-persistence phosphors, horizontal interlace, tri-color tube. Says time allowed for compatible systems "seems to

be no more than a holiday weekend." Quotes Comr. Hen-nock's remarks concerning RCA's improvements during hearing. Cites impact of FCC decision on military effort. Says "revamping of our industry would be impracticable and heedlessly wasteful." Asserts that commercialization of CBS system "seems neither wise nor lawful."—(Isidor Goldberg, president).

RADIO CORPORATION OF AMERICA—Contentions:

Color decision is "scientifically incorrect." FCC doesn't understand RCA system, has "obligation to inform itself as to the basic principles." Condon Report [copy included in RCA 67-page response] recognized potential of RCA system, while FCC confused apparatus with systems. Present black-and-white TV has tolerances even more stringent than 1/11,000,000 of a second tolerances in RCA system.

Achievements since hearing closed were ignored by FCC. Many defects FCC found in system were reported by RCA to be eliminated in its July 31, 1950 "Progress Report" [included in response]. Thus, FCC turned its back "on evidence when the Commission had an obligation to look."

FCC made erroneous and unfair comparisons of CBS and RCA systems in respect to flicker, brightness, contrast, registration, fidelity, resolution, picture texture, susceptibility to interference, adaptability, convertibility, equipment considerations.

FCC should "stay its hand," and "permit the broadcast of color signals under both the CBS and the RCA systems for a reasonable period of time before adopting final standards. We await the verdict of the public with confidence. No matter what it is we shall abide by it.

"The Commission completely disregards the interests of the 10,000,000 or more American families who will own present models of black-and-white receivers by the end of this year. These 10,000,000 families represent an audience of 40,000,000 or more people . . . FCC favors CBS system "merely in order to do something about color now."

RCA system adds color, subtracts nothing, while CBS system adds color but would degrade and endanger TV. Compatible system will insure quickest development of color. "With a compatible system, the broadcaster does not have to wait for color receivers to appear in quantity. Nor does he have to confine color broadcasts to fringe time. Thus the most important single factor in this hearing, from the standpoint of insuring an early development of color TV, is compatibility."

Brackets proposal is "impossible and illegal." It doesn't comply with FCC rules on adopting new standards. Brackets are far more difficult to achieve, technically, than when TV standards were first being considered (in 1940-41); then, "triggered" synchronizing circuits were employed, but are now obsolete because of their susceptibility to interference.

Cost of brackets would be \$61 automatic, \$50 manual; they could not be made before second quarter of 1951.

At present rate of set production, brackets would cost public some \$400,000,000 yearly. "For this tax on the public the purchasers of these receivers may never get anything. If they do get anything it will be only a degraded black-and-white picture. Even for \$400,000,000 a year it will not be color."

If change in standards is made later, as brackets imply, "those who had bought the bracket standard receivers and paid the additional sums required would not receive an improved picture when the change was made."

Brackets would produce inflationary effect because of greater set costs, contrary to national policy set forth in Defense Production Act of 1950. They'd also mean unnecessary use of critical materials" such as iron, steel,

copper, nickel, tin, tungsten. Brackets would "intensify the difficulties which already exist as a result of [components] shortages and would operate to curtail substantially the number of receivers available to the public.

"Before a final decision is rendered which would degrade the present black-and-white TV service and impose upon the public a scientifically inferior color system, we urge recourse to the opinion of the American people. They are vitally interested. Their voice should be heard."—(C. B. Jolliffe, executive v.p., RCA Laboratories Division).

Note: On Oct. 4, RCA petitioned FCC (1) to review improvements in its system during Dec. 5, 1950-Jan. 5, 1951 period; (2) to view experimental broadcasts of RCA, CBS, CTI and other systems during period ending June 30, 1951. RCA states: "Since the majority of the Commission felt the most desirable course was to allow more time for the development of all color systems, subject only to a condition which has now been shown to be impractical, we submit the Commission should now allow that time . . . By June 30 we will show that the laboratory apparatus which RCA has heretofore demonstrated has been brought to fruition in a commercial, fully-compatible, all-electronic, high-definition system of color television available for immediate adoption of final standards."

SENTINEL RADIO CORP.—Asserts "we are willing to cooperate with the Commission by indicating our willingness to make" sets with 2-position switches. Cannot say, however, that FCC deadline can be met "since we cannot accurately estimate . . . the period that will be required to develop, engineer, tool, and procure the elements necessary for this addition to our receivers. We estimate it may require as long as 8 to 10 months to provide receivers properly equipped in this manner. We further estimate that these additions may add from \$35 to \$50 to the selling price of the receivers . . .

"We do not believe that the buyers of the proposed receivers should be penalized by paying for the added element which will have limited use in only a few areas in the foreseeable future, and because of the degradation of monochrome picture quality it produces; second, we do not believe that the existing receivers and those being currently produced should be obsoleted because they are not equipped to receive the proposed 'bracket standard' pictures, and the adaptation of such receivers to receive them would be for the most part impractical.

"Therefore, may we respectfully suggest that more time be taken for consideration of this problem as it appears not only possible, but quite probable, that a satisfactory compatible color television system will be developed in the not too distant future which avoids the objections and penalties recited above."

STEWART-WARNER CORP.—Wired reply states: "Based upon our interpretation that the FCC standards covering this switching device indicates a variable coverage of all frequencies between the present standard and the proposed standard, we do not know at present how this can be accomplished . . . Development of variable switching device is currently in process and will continue."—(E. G. Fossum, gen. mgr.).

STROMBERG-CARLSON CO.—Has devoted bulk of engineering time and laboratory facilities, since Sept. 1, to brackets. Number of problems remain with regard to 2-position switch, "very many" with regard to brackets. Engineering for 2-position switch to take 1-2 more months, brackets much longer. Then one month needed for field testing. Then additional 4-6 months required before actual production. Asserts that people who don't need or want additional circuitry shouldn't have to pay for it. Brackets idea "unsound economically and practically." People will want to adapt to color, not merely to black and white. Present plans are to make "modest" changes in circuits so that people can purchase adapters optionally.—(Robert C. Tait, president).

SYLVANIA ELECTRIC PRODUCTS INC.—Reports it has made "serious studies" of the problems but studies have been on 2-position manual switch only. For 2-position switch, it estimates that at least 3 months of intensive engineering are needed for design, then 3 more months for components procurement and start of production—meaning total of at least 6 months. Increased cost to consumer would be "not less than \$30."

Modification of existing sets would be "considerably higher, and at the moment we have seen no satisfactory way of accomplishing this other than by returning the sets to the factory or to specially established service stations.

"In our opinion, externally attached converters do not afford a satisfactory solution . . . We can well appreciate the ill-will that will result on the part of a set owner if this matter is not properly handled. We are sure that you appreciate the responsibility which the manufacturers do have to the present owners of their TV sets and which we feel should be kept in mind in any new programs."

Unable to estimate time or costs of complete bracket standards—"but this would be considerably more complicated and costly. Extensive engineering effort would be required before we could be in a position to make such estimates . . . It is our earnest hope that the Commission can find ways to extend the time of their requirements so that this matter may be worked out in a proper manner and which will be for the long term advantage of the country as a whole.

"The effect of the war effort . . . is still very indefinite . . . The above time requirements are naturally subject to whatever changes might be made necessary due to future demands that may be placed upon us in connection with war-time requirements. We wish to assure the Commission of our complete cooperation in working out a proper program for the future of television."—(Don G. Mitchell, president).

TELE KING CORP.—"If the color system suggested by the FCC is adopted as standard, it is naturally agreeable to us to: (1) Either put bracket standards on all of our sets. (2) Or make it possible to adapt the sets for bracket standards at a later date.

". . . At the present time with shortages of all materials, and with government requirements of electronics being placed at a minimum of 2½ billion dollars for the next 12 month period, our best sources of information in our procurement division are of the opinion that it would require 20 to 30 weeks to secure the necessary parts to produce the proper bracket standards needed for conformance to the FCC 'bracket standards'."—(Louis I. Pokrass, chairman).

TELE-TONE RADIO CORP.—Reports it has done work on 2-position switches, but none on bracket standards prior to Sept. 1. "We have been engaged in attempting to equip our present sets with bracket switching and feel that we will have accomplished the engineering portion of this in the next 2 or 3 weeks."

Considering components procurement, production of test equipment and field testing, "the time figure required to get into production would be probably some 4 months or perhaps a little longer from the present date." Could be even more positive, in time estimates, if 2-position switches are required instead of bracket standards.

"There is one matter, of course, which has been troubling us greatly . . . As we understand your decision of Sept. 1, there is a likelihood of some other color TV system being approved . . . which means that whatever work we had done on production of test equipment for bracket standards and whatever procurement of materials we had undertaken might be entirely valueless, should some other system be adopted.

"We have testified previously in hearings held before your body that we would make TV receivers embodying whichever system you proposed setting up a standard. We are, however, extremely opposed to making expenditures on bracket standard or on 2-position switching which might be entirely valueless under some other color system than the Columbia Broadcasting System and consequently cause us to fail to recover the funds thus expended.

"We would sincerely urge that the Commission, at the earliest possible date, adopt definite standards, either CBS or RCA or any other which they consider proper, and give ourselves and other members of the radio industry such lead time to finish our engineering, field tests, and material procurement so that the transition in production and merchandising can be made in the most orderly fashion and be the least harmful to components manufacturers, receiver manufacturers, distributors, dealers and the consumer public."—(S. W. Gross, president).

TRANSVISION INC.—States: "It occurs to us that your proposal(s) ask a high price for color TV. This industry . . . can be severely stunted and malformed if at this time some yoke is imposed which will permanently injure an otherwise healthy and powerful industry . . . If, with the vast pool of technical people engaged in this work, a compatible color system cannot be introduced without affecting present subscribers, we feel that no color system at all should be commercialized.

"We acknowledge that color pictures offer a great deal more appeal than black-and-white ones, and are interested in seeing, working with, and providing the public with color pictures, but feel that a divided service—operating on dual standards—will do more harm than good. It will discourage advertisers who support the industry, and will alienate a considerable portion of the potential market public which is the ultimate driving force in our system." Suggests present standards should be retained until a compatible system is ready.—(Herbert Suesholtz, gen. mgr.).

WESTINGHOUSE ELECTRIC CORP.—Has adapted sets for 2-position switch only, concluded adaptation is feasible, but hasn't adequately field tested sets. If brackets adopted, proposes: (1) To make sets with 2 positions. One position will give standard monochrome adjustable "within a reasonable range of present standards." (2) To provide sets with plug receptacle. If proposed CBS standards are adopted, plug-in unit will be built to give monochrome from color transmissions. If CBS standards are changed at some later date, new plug-in units will be made to give monochrome, replacing old. States it cannot make desired sets within 30 days after "any decision which has

been reached which requires important changes in either design or material content."—(John W. Steen, attorney).

WTVR (HAVENS & MARTIN), RICHMOND, VA.—Formal brief requests permission to appear if hearing is held on bracket standards.—(Fletcher & Midlen, attorneys).

ZENITH RADIO CORP.—Cannot incorporate switch in present models due to lack of space and because components are not laid out to permit clean circuitry. May be possible to incorporate switch in new chassis—which, prior to FCC order, had following timetable: Nov. 1, engineering release; Feb. 1, 1951, pilot production; May 1, 1951, mass production. Timetable is long because of present conditions in procuring components (e.g., materials for present TV line have been purchased through January 1951; some, through February 1951).

Making due allowances for abnormal conditions and completion of engineering, it's possible to incorporate switch in new chassis under above timetable, "provided our procurement and manufacturing departments will reduce or eliminate certain safety factors which they always regard as necessary on new models." But switch would have to be modified in following ways:

(1) Make it a 2-position switch for monochrome and CBS color. Such a switch would add \$30-\$40 to set, due to 10% increase in tubes, resistors and condensers. Bracket standards as called for by FCC leads company to believe "added complications and cost to the set would be prohibitive." Simplification of bracket standards idea suggested was elimination of monochrome horizontal interlace requirement (725 lines-60 field-21,750 cycles).

(2) Incorporate socket for external adapter at some future date on grounds "it can be presumed . . . that [internal] switch may never be needed" if FCC postpones final adoption of CBS color system and possibly ultimately chooses some other type of color TV system.

"At the present rate of sale of TV receivers and at the indicated increase in price given above [\$30-\$40 for 2-position switch], the cost to the public might be as much as \$200,000,000 in a year for a feature which may never be used . . . This is a severe penalty for the public to pay." Incorporation of internal socket, with purchase of external plug-in adapter at later date by set owner "could result in a fairly substantial reduction of the indicated increase in list price."

If Zenith does either of above 2 things, and others don't, company feels it would be "severely penalized by such an increase in set price. The increase is substantial enough so that it would make our sets non-competitive."—(J. E. Brown, asst. v.p. & chief engineer).

Notice to Manufacturers

FCC Proposal Regarding 'Bracket Standards'

(Full Text of FCC Public Notice No. 50-1065, Adopted Sept. 1, 1950)

SECOND NOTICE OF FURTHER PROPOSED RULE MAKING

1. Notice is hereby given of further proposed rule making in the above-entitled matters.

2. The Commission proposes to amend Part 3, Subpart E, of its Rules and Regulations ("Rules Governing Television Broadcast Stations") and Sections 1 and 2 of its Standards of Good Engineering Practice Concerning Television Broadcast Stations, in accordance with the "First Report of the Commission (Color Television Issues)" (FCC 50-1064) issued in these proceedings simultaneously with this Notice. Because of the size of the Report, it is not attached to this Notice, but copies of the Report are available on request at the offices of the Commission. However, for information of interested persons, paragraph 151 of that Report, relative to the adoption of bracket standards, is quoted, as follows:

151. In order to accomplish this purpose, the Commission simultaneously with the release of this Report is issuing a Notice of Proposed Rule Making providing for bracket standards in the present monochrome system. These bracket standards provide for a television composite video signal of substantially the type and proportion now employed in monochrome, but with the number of lines variable from 15,000 to 32,000 per second, and number of fields ranging from 50 to 150 per second.³³ Receivers built to incorporate such bracket standards would be equipped with a manual or automatic switch to select instantaneously between two sets of standards falling within the above ranges, one of which will be the present monochrome standards, and the other the CBS proposed standards. The receiver would produce pictures of equivalent size, geometrical linearity and brightness on each of the two positions of the switch. Interested persons are given until Sept. 29, 1950, to submit comments. In addition, manufacturers are requested to submit a statement as to whether if the bracket standards are adopted they would, commencing with the effective date of the order adopting the bracket standards as final—30 days after publication of the order in the Federal Register—build all their television receivers so as to be capable of operating within the above brackets. If, on the basis of the comments submitted, the Commission is able to adopt the bracket standards as final without a hearing and if the Commission receives assurances from a sufficient number of manufacturers to insure that such bracket standards will be incorporated in the great majority of television receivers, then we will be in a position to postpone a decision in this proceeding since we will have the time to explore more fully the matters set forth above, confident in the knowledge that adequate provision has been made to prevent aggravation of the compatibility question. If the bracket standards cannot be made final without a hearing or if assurances are not received from a sufficient number of manufacturers concerning their plans for incorporating bracket standards in their receivers, the Commission will not feel free to post-

³³ The Notice provides that if the brackets are adopted, television broadcasters will continue, until further order of the Commission, to broadcast in accordance with present standards—15,750 lines per second and 60 fields per second.

pone a decision, for every day that passes would aggravate the compatibility problem. In that event, a final decision would be issued adopting the CBS color standards.

3. The amendments proposed by this Notice provide for bracket standards as follows:

a. The scanning line frequency shall be within the bracket 15,000 to 32,000 per second.*

b. The field frequency shall be within the bracket 50 to 150 per second.*

In other respects the transmission standards would not be changed by this Notice.

4. On or before Sept. 29, 1950, any interested person who is of the opinion that the amendments proposed in Paragraph 3 of this Notice should or should not be adopted, or should not be adopted in the form set forth, may file a written statement setting forth his comments or proposed amendments.

5. All manufacturers of television receivers are requested by the Commission to submit comments in accordance with Paragraph 4 of this Notice, and to include in such comments an affirmative statement as to whether such manufacturers would, commencing with the effective date of the adoption of bracket standards,** design and manufacture all their television receivers so that:

(a) Such receivers would be capable of operating within the brackets set forth in Paragraph 3 of this Notice;

(b) Such receivers would be equipped with a manual or automatic switch so as to be able to select one of the following two sets of standards:

(i) 15,750 lines per second and 60 fields per second.

(ii) 29,160 lines per second and 144 fields per second.

(c) Such receivers would be capable of producing monochrome pictures of equivalent size, geometric linearity and brightness on each of the above two sets of standards.

6. In accordance with Section 1.754 of the Commission's Rules and Regulations, an original and 14 copies of such written statement shall be filed with the Commission.

7. Authority to issue the proposals herein is vested in the Commission by Sections 4(i), 301, 303(a), (b), (c), (d), (e), (f), (g), (h) and (r) of the Communications Act of 1934, as amended.

* Until further order, television stations shall utilize the following standards: the number of scanning lines shall be 15,750 per second, and the number of fields shall be 60 per second.

** An order of the Commission adopting the bracket standards would become effective 30 days after its publication in the Federal Register.

MORE THAN 5,000,000 TVs THUS FAR: RTMA reports 817,157 TVs produced in 5-week September -- highest ever -- making 1,849,759 for third quarter, 4,963,759 for first 9 months of 1950. These are projected figures, covering entire industry, and they indicate clearly that year's total will easily surpass estimated 6,000,000, may even go to 7,000,000. Weekly, the figures for September were: first week 163,860, second 124,348, third 166,556, fourth 175,625, fifth 186,768. RTMA auditors also report first October week's output as 183,031.

Radios likewise shared upsurge, totaling 1,317,295 in September, 3,243,260 in third quarter, 10,068,260 first 9 months. Weekly output was 235,284, 197,485, 302,942, 274,374, 307,210, respectively. First October week's output was 353,171. September radios by types: home 831,837, auto 356,388, portable 129,070.

Note: It's significant that total TVs for month came within few thousand of total home radios. [For monthly breakdowns of 1950 production, see Vol. 6:39.]

HOW TO MAKE EXCISE TAX PAINLESS: Most manufacturers are still mulling whether new 10% factory excise tax on TVs, effective Nov. 1, should be passed on to consumer (a) as simple "tax extra", (b) as part of new list price, or (c) lumped in with warranty. First to disclose its intentions, Emerson is choosing third alternative -- and it's understood quite a few of the other majors are inclined to do the same.

But there's no definite pattern yet. Fact is, most companies are so pre-occupied with rush of current trade they only began to get around to the problem this week. Chief worry of trade seems to be that new tax, coming on top of recent price hikes and at time when Regulation W is being tightened and personal income taxes are going higher, will have adverse effect on sales. Brake on spending, of course, is exactly what Govt. is seeking in its anti-inflation efforts.

[Note: Regulation W was tightened by Federal Reserve Board Friday, effective Monday, Oct. 16, jumping down payment on TVs, radios and major household appliances from 15 to 25% and cutting payoff limit from 18 months to 15. Restrictions apply to all items over \$50.]

Many distributors and dealers, particularly dept. stores, are plumping for inclusion of tax in list price, but objection is that "pyramiding" of markups at wholesale and retail levels may mean consumer will "wind up paying 15 or 18% more," to use words of one manufacturer. Problem isn't as simple as in radio, where only a few dollars are usually involved and tax is generally incorporated in list; in TV, average factory price is close to \$200 per set, so that \$20 surcharge is heavy item.

Objection to "tax extra" is that quoting it would automatically reveal to customer exactly what set cost at factory. But some manufacturers are thinking of simply billing exact tax to distributor, who in turn would bill exact tax to retailer, who would simply add exactly that amount to current list price. Thus, consumer doesn't know factory price and nobody takes a profit on the tax, which is prohibited anyhow.

This latter idea and warranty inclusion seem to be gaining favor. But from where we sit, even after talking with many of the set makers, large and small, it's still a guessing game. Each is watching what the other fellow will do, RTMA is unable to step in because of trade laws, competitors unable to organize for common modus operandi even informally for same reason.

MORE ABOUT TUBES & 1951 PROSPECTS: Despite present receiver tube shortages, Emerson's Ben Abrams goes along with Sylvania's Max Balcom's assertion that by end of year there should be "sufficient tubes of all types to take care of the necessary sockets" (Vol. 6:40). He goes even further: TV industry, now producing at rate of 9,000,000 sets per year, should be able next year to duplicate 1950's estimated 6,000,000 -- after allowing for inevitable military requirements. In fact, he be-

believes public "could well absorb" 10,000,000 sets next year. Production is going up and, even without expansion plans of some parts manufacturers, could increase next year -- barring govt. requirements. Military demands, he thinks, at first will cause unbalanced production schedules, may force some plants to shut down at certain periods and then be overwhelmed with work at other times.

Mr. Abrams thinks present shortages are caused by hoarding of basic materials, is confident shortages of such items as replacement tubes will be cleared up by early spring as consequence of cutback in TV production and expansion of tubemakers. On other hand, head of one of biggest tube producers took dimmer view. He "guessed" October will be high point in TV production, November will go down, due to fact that "we're using up our tube inventories." In other words, tube production -- at least of certain types -- isn't keeping pace with today's set output, and he thinks present rate is possible only because the tubemakers are reaching down into the barrel and the setmakers are out combing the hustings to buy up scarce tubes. But he said he spoke for his own company alone.

* * * *

We went out on a limb, apparently, last week in stating that "metal cone spinners face probable curtailments if steel is rationed." Spincraft's T. J. Salow Jr. wires: "I must challenge this statement. Metal TV cones are spun from straight chrome alloy material commonly labeled '430 Modified'. This material is produced by almost all stainless steel mills. I have questioned top men of several prominent stainless steel mills about possibility of curtailments. Gist of their comments is:

"Television sets require components made out of copper, nickel, silicon. Rationing will affect these materials long before Type 430 becomes critical, and this will affect entire TV industry regardless of tube type.

"Even during second World War, Type 430 material proved not too difficult to procure. It's entirely possible for Type 430 to become even more abundant under rationing program. Nickel is critical, and majority of stainless steel mills' alloys require nickel -- but not Type 430. Production curtailment of nickel-bearing alloys could open additional facilities for production of Type 430.

"It is my belief that metal-glass tubes will become the most easily procured under rationing program."

* * * *

It's still mystery for whom Spincraft is making 24-in. rectangular metal cones, currently advertised in trade press (Vol. 6:40) -- but it definitely isn't GE. That company has 24-in. round metal-coned picture tube in the works, but now reports "little possibility of production prior to Jan. 1, 1951."

Latest on 20-in. glass rectangulars is that Corning should be in full production by mid-November. Tubemakers are already turning them out as fast as present allocations of blanks are delivered. Tel-O-Tube Corp.'s Samuel Kagan states: "The majority of our customers have already designed cabinets and chassis to take a 20-in. tube. It looks as if the entire industry will eventually have a 20-in. rectangular model."

"Television may be answer to 'How are you going to keep 'em down on the farm?'" writes reporter Karl Peterson in recent *Kansas City Star*. Covering Harrisonville (Mo.) area, 40-60 miles from WDAF-TV, he reports that TV "has brought an incalculable change in the long, quiet evenings . . . Its magic beam reaches into farm homes where recreation heretofore has meant a drive to town, after a day of chores, to the movies, the church social or the lodge hall party." Local serviceman Bob Johnson says: "The 125 owners of sets around here are like one big family. The minute anything goes wrong I get a call to fix it right away, even if it's some studio trouble I can't do anything about. That's how eager our TV fans are."

Columnist Drew Pearson relates how Secretary of State Acheson watches UN sessions on TV, coaches U. S. delegate Warren Austin via direct telephone during debates with Russians.

Sylvania has published 12-page booklet listing characteristics of 194 CR tubes for TV, oscilloscope and radar applications, 103 of magnetic deflection type, 91 electrostatic with screen diameters ranging from 2 to 22-in. Data supplied includes: heater and current voltage, nominal dimensions, persistence and fluorescence of screen, maximum design center ratings, typical operating conditions. Copies are obtainable from Sylvania, Emporium, Pa.

No letdown in advertising and promotion is planned by DuMont, sales chief Walter L. Stickel told New York meeting of regional sales managers last week. Curtailment, he said, would be "commercial suicide." Every effort will be made to maintain set prices, he added, noting that while DuMont was one of first to announce price hikes (July 28) it was one of last to put these increases into effect (Sept. 5)—so that distributors and dealers had plenty of time to clear stock at old prices.

Topics & Trends of TV Trade: Drain on TV servicemen by the military and by electronic manufacturers, plus expected further depletion due to call-ups by armed services, has forced Philadelphia TV Contractors' Assn. to authorize setting up central employment bureau; to consolidate members' newspaper help-wanted ads into single, display-type ad; to consider recruiting technicians from non-TV areas. It's first concrete move by a service organization to meet present and future manpower pinch.

In second "open letter" to industry (first was 3 weeks ago; Vol. 6:37), TCA president Albert M. Haase suggests service companies might be used by military as training schools for electronic specialists. In this way, says he, contractors could stay in business, keep up some sort of service for TV set owners. Originally, Haase had suggested service companies be used as subcontractors on military orders so as to accomplish same purpose.

Shortage of technicians, shortages of critical components and replacement parts, have already extended time for servicing TV sets from customary 24 hours to 5 days, Haase stated. To overcome components' shortages, TCA is thinking of setting up cooperative buying pool, he said.

New York and Boston Better Business Bureaus are reporting increased complaints on TV servicing in recent months. In September, New York BBB says TV complaints numbered 1085 vs. 1054 in August, 810 in July, 239 in June. Boston BBB is reported estimating TV complaints will amount to one-fourth of all 1950 complaints.

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Zenith has raised prices for third time on 4 sets, for second time on 3 others in line (Vol. 6:31, 36). One was boosted \$25, other 6 go up \$10 each. New prices are as follows (increases in parentheses); for description of sets see *TV Directory No. 11*:

16-in. rectangular (all up \$10): Model H2329R, \$259.95; H2328R, \$269.95; H2352R, \$329.95; H2353E, \$339.95. 16-in. rounds: H2438R, \$329.95 (\$10); H3267R, \$499.95 (\$10); H3475R, \$575 (\$25). Zenith also raised prices on 4 radios \$10 to \$20.

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GE has raised prices for second time on 2 sets and for first time on 2 others in its line of 17 (Vol. 6:28). Raised for second time were these 16-in. rectangulars (increases in parentheses being from last price; Vol. 6:34): Model 16K1, \$479.95 (\$10); 16K2, \$499.95 (\$10). Raised for first time were following 14-in. rectangulars: 14C102, \$259.95 (\$20); 14C103, \$269.95 (\$10). For description of sets, see *TV Directory No. 11*.

Majestic has hiked prices \$5 to \$20 for second time on 8 of its 17 sets (Vol. 6:20, 40). These are the new prices (increases in parentheses being from last price; Vol. 6:33); for description of sets see *TV Directory No. 11*: 14-in. rectangulars: Model 141, \$199.95 (\$10); 142, \$215 (\$5); 1400, \$249.95 (\$10). 16-in. rectangulars: 162, \$219.95 (\$20); 160, \$249.95 (\$10); 1600, \$289.95 (\$20). 16-in. rounds: 1605, \$289.95 (\$10); 1610, \$329.95 (\$10).

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Emerson has added four sets to line (Vol. 6:26). Sets are: Model 675, 19-in. console, \$399.95; 674, 16-in. table, \$259.95; 678, 16-in. console, \$289.95; 677, 16-in. console, doors, \$329.95. Models 674, 678 and 677 replace similar models 661, 668 and 667 with no change in price.

Setchell Carlson has added these 2 sets to line (Vol. 6:20): Model 2500LP, 17-in. rect. console, AM, \$329 (blonde, \$339); 2500, same with phono, \$369 (blonde, \$379).

Philco has new 16-in. round mahogany, metal table Model 1607, leather-trim, built-in antenna, \$249.95; it replaces similar 1602 wood table that sold for \$259.95.

RTMA's "Town Meetings" Committee will again be headed by Harry A. Ehle, International Resistance Co., with following other members named this week by president Robert C. Sprague: Benjamin Abrams, Emerson; A. T. Alexander, Motorola; H. C. Bonfig, Zenith; Leonard F. Cramer, DuMont; J. B. Elliott, RCA Victor; G. M. Gardner, Wells-Gardner; H. L. Hoffman, Hoffman Radio; J. J. Kahn, Standard Transformer; Stanley H. Manson, Stromberg-Carlson; Leslie F. Muter, Muter Co.; Henry T. Paiste, Philco; A. D. Plamondon Jr., Indiana Steel Products; Edward C. Tudor, Industrial Development Engineering Assoc.; A. A. Brandt, GE.

TV sets will account for 20% of Sylvania's expected \$140,000,000 sales this year, according to president Don G. Mitchell as quoted in Oct. 6 *Tide Magazine*. Article titled "Launching a Product in a Tight Market" relates how TV last year accounted for 10% of Sylvania's \$102,540,000 sales; states that 200,000-250,000 sets will be made under own brand name this year; reports new plant (Sylvania's 20th) opening in Shawnee, Okla. early next year for manufacture of TV and radio tubes.

RCA service contract fees are up \$3 to \$5 from those effected last July (Vol. 6:28), forced by recent increases in receiver prices (Vol. 6:34). The 90-day contract (covering installation, parts warranty, service) runs from \$22.50 for 10 or 12½-in. models with built-in antennas to \$65 for 19-in. sets with standard outdoor antennas. Year's contract runs from \$42.50 for 10 or 12½-in. built-ins to \$84.50 for 19-in. outdoor.

Industrial TV is more than paying its way, reports Assn. of Iron & Steel Engineers. Latest instances of use are listed as: (1) Direct observation of high speed tools. (2) Analysis of safety conditions at dangerous work sites. (3) Checkups on work flow at bottlenecks. Other uses include central screening of shopwork for foremen training classes, televised views of hazardous areas for plant visitors. Industrial TV installations are already operating in power plants, coal mines, steel mills, machine shops, chemical plants, nuclear energy plants, automobile and consumer goods factories.

Canada has no TV outlets, but it has 19,497 TV sets—8850 in the Windsor area (Detroit), 3170 on the Niagara peninsula (Buffalo-Niagara Falls), 6391 in Toronto-Hamilton area (reception from Cleveland and Rochester), according to Radio Manufacturers Assn. of Canada. Remainder are scattered. Sales of TVs during August totaled 1999, valued at \$819,724; value of all TV sales to date is \$7,950,921. Average sales price of slightly more than \$400 in Canada compares with about \$275 in U. S.

Raytheon has leased plant in Quincy, Mass., 15,000 sq. ft., for production of receiving tubes; will start with about 100 workers in next few weeks, expand to 1500, possibly build another plant in Quincy if sufficient labor with low absenteeism and turnover rate proves available.

Coin-operated TV set that runs 30 minutes for 25¢ is being marketed by Covideo Inc., 212 Broadway, New York City (Sidney I. Horwitt, president; Louis Brown, sales v.p.). It's 14-in. metal table with AM-FM, sells for \$259.95.

Trade Personals: Lynn C. Holmes promoted to Stromberg-Carlson director of research, succeeding Benjamin Olney, retired . . . Seymour D. Newman, ex-Starrett, appointed Ansley national sales mgr. . . Saul D. Lewis promoted to Air King purchasing agent . . . Louis Chatten, ex-North American Philips, now with Olympic, for which he's establishing Washington office.

O. W. Pike, GE Tube Division engineering manager in Schenectady, died Oct. 7 after short illness.

Financial & Trade Notes: Among officers' and directors' stock transactions reported by SEC for August (see Vol. 6:37 for July): Howard S. Meighan bought 100 CBS (in June), now holds 100; John S. Sturgeon sold 200 Magnavox, holds 18; David B. Smith bought 150 Philco, holds 1558; Howard V. Widdoes sold 400 Remington Rand, holds 1353; Don G. Mitchell bought 100 Sylvania, holds 2900; Henry V. Erben sold 200 GE, holds 2435. Following exercised rights to buy Raytheon: Charles F. Adams Jr., 945, now holds 5000; Edward L. Cochran, 20, holds 120; William Gammell Jr., 2912, holds 17,470; Wallace L. Gifford, 16, holds 98; Paul F. Hannah, 20, holds 120; Norman B. Krim, 41, holds 245.

* * * *

For underwriters, profit margin in selling TV stocks is much better than most other issues, according to *Cost of Flotation, 1950 Second Quarter*, just issued by SEC. Commissions on 7 TV-radio flotations reported ranged from 9.6% to 16.7% of gross proceeds, it's disclosed, compared with mining stocks up to 20%, investment trust stocks 3.5% to 9%, utilities .2% to 1.8%.

Following are the TV-radio issues reported, underwriters' share in parentheses: Allied Electric, \$1,290,000 (16.7%); DuMont, \$6,250,000 (9.6%); Olympic, \$900,000 (12%); Muntz, \$1,200,000 (16.7%); Trav-Ler, \$1,968,750 (12.5%); Pacific Mercury Television Mfg. Corp., \$518,438 (14.3%); Hytron, \$3,360,000 (12% & 14%).

* * * *

Arvin Industries Inc. (formerly Noblitt-Sparks) expects to sell about 100,000 TVs this year, accounting for 14.2% of its business, president Glenn W. Thompson told meeting of N. Y. Society of Security Analysts this week. It also makes radios, auto radios, electric heaters and other household appliances. It should report earnings for 1950 of at least \$4 per share, compared with last year's \$5.21, which would equal \$3.47 on basis of new tax rate, according to Mr. Thompson. Earnings for first 9 months were about \$3, and "last quarter is normally our best."

Avco consolidated report for 9 months ended Aug. 31 shows \$160,330,491 sales and \$7,712,538 earnings (\$1.08 per share) after all charges. This compares with \$97,908,767 sales, \$2,711,540 (\$5¢) for same 1949 period. Chairman-president Victor Emanuel reported company has already negotiated more than \$30,000,000 in defense contracts.

Muntz TV Inc. reports \$7,159,132 sales and \$225,687 net profit (22¢ a share on 1,013,994 shares outstanding) for 5 months ended Aug. 31. No comparison is available. Loss of \$154,436 was reported for April, May, June, turned to \$289,113 profit before taxes in July, \$257,611 in August. President T. E. Courtney states, in letter to stockholders, that September will show still further gain.

Sparks-Withington net sales were \$7,563,175, net profit \$414,727 (45¢ per common share) in quarter ended Sept. 30. No comparison was given by president Harry G. Sparks, in letter to stockholders, but sales for full year ended June 30 were \$17,020,259, profit \$459,083.

Hytron and subsidiaries (including Air King) report third quarter sales of \$13,350,000 compared with \$3,950,000 during same 1949 period. Earnings are expected to exceed any previous quarter.

"New era for the sales manager," through closed-circuit TV, is predicted by DuMont Network director Mortimer W. Loewi. He said he has had more than 40 inquiries from national organizations on use of closed-circuit TV following 1½-hour, 18-city "sales convention" by Schenley distributors Sept. 29 (Vol. 6:39). Schenley TV "conference" was seen by 3200 salesmen and wholesalers, with an additional 1700 due to view film recordings.

Lots of publicity about test of Skiatron's "Subscriber-Vision" via WOR-TV, New York, set for Oct. 11—but FCC didn't act this week on request for special authority, so date passed without telecasts. There's question whether FCC will authorize telecast of system, a telephone-lineless version of better-known Phonevision (Vol. 6:24). Meanwhile, FCC hasn't yet acted on Zenith request for extension of 90-day Chicago Phonevision test with 300 families, postponed from Oct. 1 (Vol. 6:40), but it's expected to permit Zenith to run tests from Nov. 1-Jan. 29, as now requested. It's also understood FCC Chairman Coy has been urging motion picture industry to let Zenith have first-run films for test. Meanwhile, Zenith publicist Millard C. (Tex) Faught addressed Washington Women's Advertising Club Oct. 11 espousing Phonevision idea, indicated reprint of his *Saturday Review* article (Vol. 6:35) would soon appear in *Reader's Digest*.

From Paramount letter to stockholders, signed by president Barney Balaban: "We have nothing new to report with reference to any prospective disposition of our stock holdings in Allen B. DuMont Laboratories Inc. As yet, we have not considered it advisable to proceed with any of the plans discussed at the annual meeting in June, or with any other course which may be open to us. With regard to our investment in Chromatic Television Laboratories Inc., general interest in color television has been considerably intensified as a result of the recent statement on the subject made by the Federal Communications Commission. In this respect, it is well to note the program for color television being developed by Chromatic fits in with the tentative decision announced by the FCC."

What survey do you read? At recent ANA convention (Vol. 6:39), BBDO's executive v.p. Fred B. Manchee complained that "radio-TV research is in one hell of a mess," stating that: (1) "The multiplicity of measurements and research techniques results in a state of confusion as to what to believe. (2) The cost of radio and TV research is much too high and continues to spiral." He counted 14 different services extant at time of his talk and noted: "If you happen to be a major user of radio and TV, the total yearly tab for all . . . might easily run into six figures." Comparison of 3 recent reports on New York TV received this week (American Research Bureau, Hooper, Pulse) underlines advertisers' dilemma. They differ in periods covered, number of shows rated, frequency of shows—as well as in basic techniques. ARB covered top 10 shows for Sept. 8-15; Hooper analyzed top 15 for August-September; Pulse picked top 10 for Sept. 5-11. ARB lumped weekly, multi-weekly and one-shot shows; Hooper lumped weekly and multi-weekly; Pulse separated weekly and multi-weekly, but included Truman telecast in weekly group. ARB and Pulse rated *Toast of the Town* ninth; Hooper placed it first. Pulse split *Saturday Night Revue* into Chicago and New York segments; others didn't. Mr. Manchee recommends that advertisers, agencies and broadcasters get together on their needs and that "broadcasters, with the counsel of advertisers and agencies, take the lead in calling the research signals," since stations are the "sellers."

More Oct. 1 sets-in-use, reported since NBC Research's "census" of Sept. 1 (Vol. 6:38): Boston 525,130, up 35,130; Providence 86,880, up 7880; Kansas City 61,613, up 11,113; Rochester 51,088, up 2488; Tulsa 43,875, up 9575; Johnstown 37,800, up 3900; Davenport-Rock Island 23,529, up 5129; Charlotte 32,358 (Oct. 15), up 10,158.

Britain's TV chief, Norman Collins, resigned Oct. 13 because of "often open hostility" toward medium in some BBC quarters, reports Reuters. George Barnes, BBC radio chief, named successor.

Full Text of FCC's

NAB LIBRARY

Second Report on Color Television Issues

Adopted Oct. 10, 1950 and Released as FCC Public Notice No. 50-1224

With Dissenting Opinions of Commissioners Hennock and Sterling

Together with full text of

FCC Order Amending Engineering Standards To Include CBS Color System

Adopted Oct. 10, 1950 and Released as FCC Public Notice No. 50-1225, Comrs. Hennock and Sterling Dissenting

Note: FCC First Report on Color Television Issues Published by *Television Digest* as Special Color Report of Sept. 2, 1950

In the Matters of

Amendment of Section 3.606 of the Commission's Rules and Regulations. } Docket Nos. 8736 and 8975

Amendment of the Commission's Rules, Regulations and Engineering Standards Concerning the Television Broadcast Service. } Docket No. 9175

Utilization of Frequencies in the Band 470 to 890 Mcs. for Television Broadcasting. } Docket No. 8976

SECOND REPORT OF THE COMMISSION

1. On September 1, 1950, the Commission issued its First Report in the above-entitled proceedings. This Report contained detailed findings and conclusions concerning the three color systems which were proposed to the Commission on the record in these proceedings. The Report also set forth minimum criteria which a color system must meet in order to be considered eligible for adoption.

2. In brief, the Commission found that the so-called compatible systems proposed by Color Television, Inc. (CTI) and Radio Corporation of America (RCA) in these proceedings fall short of the minimum criteria we have established for a color television system. As to the CTI system, the Commission found it deficient in the following respects:

- (a) The quality of the color picture is not satisfactory.
- (b) There is serious degradation in quality of the black-and-white pictures which existing receivers get from CTI color transmissions.
- (c) The equipment utilized by the CTI system both at the receiver and station end is unduly complex.
- (d) Insufficient evidence was offered as to whether the system is not unduly susceptible to interference.

3. The Commission found the RCA system deficient in the following respects:

- (a) The color fidelity of the RCA picture is not satisfactory.

- (b) The texture of the color picture is not satisfactory.
- (c) The receiving equipment utilized by the RCA system is exceedingly complex.
- (d) The equipment utilized at the station is exceedingly complex.
- (e) The RCA color system is much more susceptible to certain kinds of interference than the present monochrome system or the CBS system.
- (f) There is not adequate assurance in the record that RCA color pictures can be transmitted over the 2.7 megacycle coaxial cable facilities.
- (g) The RCA system has not met the requirements of successful field testing.

4. The Commission pointed out in its Report that if a satisfactory compatible color system were available, it would certainly be desirable to adopt such a system. However, the Commission was forced to conclude from the evidence in the record that no satisfactory compatible system was demonstrated in these proceedings and the Commission stated that in its opinion, based upon a study of the history of color development over the past ten years, from a technical point of view, compatibility, as represented by all compatible color systems which have been demonstrated to date, is too high a price to put on color. In an effort to make these systems compatible, the result has been either an unsatisfactory system from the standpoint of color picture quality, or a complex system, or both.

5. The Report stated that in the Commission's opinion, the CBS system produces a color picture that is most satisfactory from the point of view of texture, color fidelity and contrast. The Commission stated that receivers and station equipment are simple to operate and that receivers when produced on a mass marketing basis should be within the economic reach of the great mass of purchasing public. The Commission further found that even with present equipment the CBS system can produce color pictures of sufficient brightness without objectionable flicker to be adequate for home use and that the evidence concerning long persistence phosphors shows that there is a specific method available for still further increasing brightness with no objectionable flicker. Finally, the Commission pointed out that while the CBS system has less geometric resolution than the present monochrome system the addition of color to the picture more than outweighs the loss

in geometric resolution so far as apparent definition is concerned.

6. The Commission did not in its First Report finally adopt the CBS color system. Instead, it set forth a procedure whereby, if the status quo on compatibility were maintained, a decision would be postponed so that the Commission could give further consideration to four matters—large-size direct-view tubes on the CBS system, horizontal interlace, long persistence phosphors, and the development of new compatible systems and improvements in existing compatible systems, which had been informally called to the Commission's attention since the conclusion of the hearing. It is obvious that some procedure had to be devised whereby the compatibility problem would not be aggravated if a decision were postponed. Otherwise, we would be in the position of inviting the risk that if, after postponing a decision, the compatible color systems should again fail to meet the minimum criteria for a color system, as they have failed in the past, the number of receivers in the hands of the public would have increased to such a point where, as a practical matter, it might not be practicable to adopt an incompatible color system even though we now know that such system meets all of the criteria for a color system. Hence, it is obvious that if a decision were to be postponed, a method had to be devised to maintain the status quo on compatibility so that when the time did arrive for making a decision, the Commission would be in relatively the same position as it is today—so far as compatibility is concerned—to adopt a successful incompatible system if all of the compatible systems again failed to meet the minimum criteria for a color system.

7. The Commission's First Report suggested a method whereby the status quo on compatibility could be maintained. This method is the incorporation of brackets into receivers hereafter manufactured which would permit such receivers to receive black-and-white pictures from present transmissions, CBS color transmissions and any other transmissions within a range of 15,000 to 32,000 lines per second and 50 to 150 fields per second. Manufacturers were requested to submit their comments by September 29, 1950 as to whether they could and would manufacture their receivers with such brackets commencing with the effective date of the Commission's order adopting the bracket standards as final.

8. The comments have now been received and have been carefully considered by the Commission. The manufacturers who have responded—and these manufacturers represent the greatest part of the manufacturing capacity of the television industry—have indicated that they are unable or unwilling to meet the requirements as to brackets set forth in the Commission's First Report and in its Notice concerning brackets. Nor have these manufacturers suggested any other method whereby the status quo as to compatibility can be maintained if a decision is postponed at the present time. Accordingly, we would be derelict in our responsibility to the public if we postponed a decision any longer. With no way of preventing the growth of incompatibility, the longer we wait before arriving at a final decision the greater the number of receivers in the hands of the public that will have to be adapted or converted if at a later date the CBS color system is adopted. Simultaneously, with the release of this Report we are issuing an Order adopting standards for color television on the field sequential system. In view of the nature of the comments as to bracket standards, we are not able to adopt them without a hearing. Such a hearing will be scheduled at a later date.

9. In arriving at this conclusion we have carefully considered all the material set forth in the comments, filed pursuant to our notice concerning bracket standards, as they are directed to the findings and conclusions in the Commission's First Report relating to the three color systems. Most of this material is merely a restatement of the parties' contentions made over and over again during the course of the hearing. These contentions have been analyzed in detail in the Report and no further discussion of them is necessary here.

10. There are, however, two contentions raised in the comments which merit a brief discussion. The first contention refers to the statement in paragraph 125 of the First Report that there is some doubt as to whether some of the color systems proposed in these proceedings meet the test of adaptability and convertibility set forth in the Commission's Notice of July 11, 1949. The argument is made that this statement refers to the CBS system and hence that it is not eligible for consideration. This contention is a distortion of the Commission's Report. It is clear from a reading of the Commission's Report that the CBS system squarely meets the test of adaptability and convertibility set forth in the Notice of July 11, 1949. It is the CTI and RCA systems that fail to meet the test, for neither CTI nor RCA demonstrated a practical converter and hence failed to meet the test of convertibility. However, the Commission did not rule out the CTI or RCA systems on this ground but instead considered both systems on the merits.

11. The second contention is that the Commission cannot on this record issue a final order at the present time but is limited to the issuance of proposed rules only. This contention has no basis in fact. The Commission's Notice of July 11, 1949, proposed that the present transmission standards be utilized on Channels 2 through 55. Interested persons were explicitly invited to submit proposals for a change in transmission standards on these channels looking towards color television. These proposals were required to be specific as to any change or changes in the transmission standards proposed and had to meet certain requirements. Pursuant to this Notice, CTI, CBS and RCA submitted specific color proposals. Evidence in support of and in opposition to these specific proposals was offered during the hearing. The standards which are being adopted by the Commission are the result of expert calculations based upon the characteristics of the present standards and the evidence concerning the CBS field sequential color system. It is clearly within the province of the rule-making proceedings as prescribed by the Administrative Procedure Act to adopt such standards without the necessity for further proceedings.

12. In arriving at our conclusions in this Record, we have not overlooked the matters set forth in paragraph 6 of this Report as to which we indicated we would give further consideration if a decision were postponed. The first such matter is the problem of large-size direct-view tubes in the CBS system. As we pointed out in our First Report, at the present time the CBS system is, as a practical matter, limited to direct-view tubes no larger than 12½ inches in size. However, we are willing to adopt the CBS system on the basis of the evidence in the record which satisfied us that CBS can produce satisfactory color pictures on projection receivers and on direct-view tubes of at least 12½ inches in size. The argument is made that the trend in purchasing has been to larger size direct-view receivers and hence the public will not buy projection receivers or direct-view receivers with a 12½-inch tube. This may be true when all sets receive black-and-white pictures only. However, the Commission believes that the attractiveness of color pictures may be sufficiently great to cause people to prefer a direct-view receiver with a 12½-inch tube or a larger size projection receiver if they can get color as against a 16-inch, 19-inch or larger direct-view receiver that is limited to black-and-white pictures. In any event, if both types of receivers are offered to the public, it will be the free forces of competition which govern whether a customer will buy a color receiver or a black-and-white receiver. Moreover, the adoption of the CBS color system will furnish a healthy incentive to all manufacturers to develop larger size direct-view color pictures. Efforts already expended in the development of a successful tri-color direct-view tube that has no limitation on size will be intensified, for a substantial competitive advantage would accrue to the company able to produce such tubes. All of the expert witnesses agreed that a direct-view tri-color tube if successfully developed could be utilized on the CBS color system.

13. The second matter we referred to in paragraph 6 of this Report is horizontal interlace. The record is clear that if this technique is successfully developed for the CBS system, it can be added at a later date without affecting receivers in the hands of the public. The addition of horizontal interlace will increase horizontal resolution on receivers with appropriate circuits. Receivers without such circuits would not receive the benefit of this additional resolution but they would continue to receive the same performance as to resolution that they enjoyed before the addition of horizontal interlace. If it had been possible to adopt bracket standards now, the Commission could at the time of adopting horizontal interlace (if it is determined that it should be adopted) determine whether to increase vertical resolution as well as horizontal resolution. Receivers with brackets could accommodate themselves to the new line rate. Since receivers without brackets could not be adjusted to a different line rate, our inability to adopt brackets at this time probably means that as a practical matter, when and if horizontal interlace is adopted for the color system, the improvement may be confined to horizontal resolution.

14. The third matter we referred to in paragraph 6 of this Report is utilization of receiver tubes with long persistence phosphors. The benefit which can be expected from long persistence phosphors is much brighter pictures with no objectionable flicker. Had it been possible to adopt brackets now, then if developments in the field of long persistence phosphors turned out to be sufficiently impressive, the Commission could consider lowering the field rate and increasing resolution without objectionable flicker. Since we are not able at this time to adopt bracket standards, improvements from long persistence phosphors might, as a practical matter, be limited to increasing brightness without objectionable flicker.

15. The fourth matter we referred to in paragraph 6 of this Report is the possibility of new compatible color systems and improvements in existing color systems which have been informally called to our attention since the hearings closed. In the Commission's opinion a new television system is not entitled to a hearing or a reopening of a hearing simply on the basis of a paper presentation. In the radio field many theoretical systems exist and can be described on paper but it is a long step from this process to successful operation. There can be no assurance that a system is going to work until the apparatus has been built and has been tested. None of the new systems or improvements in systems meet these tests so as to

warrant reopening of the hearing. To do so would be inviting the risk that these new systems might fail as have all color systems in the past which we have been urged to adopt on the grounds of compatibility and the increase in number of receivers in the hands of the public would make it exceedingly difficult to adopt an incompatible system—a system which we know is satisfactory.

16. The Commission does not imply that there is no further room for experimentation. Radio in general and television in particular are so new that extensive experimentation is necessary if the maximum potentialities of radio and television are to be realized. Many of the results of such experimentation can undoubtedly be added without affecting existing receivers. As to others some obsolescence of existing receivers may be involved if the changes are adopted. In the interest of stability this latter type of change will not be adopted unless the improvement is substantial in nature, when compared to the amount of dislocation involved. But when such an improvement does come along, the Commission cannot refuse to consider it merely because the owners of existing receivers might be compelled to spend additional money to continue receiving programs.

17. It is, therefore, contemplated that interested persons may conduct experimentation in accordance with experimental rules not only as to color television but as to all phases of television broadcasting. Of course, any person conducting such experimentation should realize that any new color system that is developed for utilization on regular television channels must meet the minimum criteria for a color television system set forth in our First Report. In addition, any such system that is developed or any improvement that results from the experimentation might face the problem of being incompatible with the present monochrome system or the color system we are adopting today. In that event, the new color system or other improvement will have to sustain the burden of showing that the improvement which results is substantial enough to be worth while when compared to the amount of dislocation involved to receivers then in the hands of the public.

18. For the reasons set forth in our First Report and in this Report, we find that the public interest will be served by adopting the field sequential color television system. An appropriate order is accordingly being issued simultaneously with this Report.

FEDERAL COMMUNICATIONS COMMISSION
(Commissioners Sterling and Hennock Dissenting.)

DISSENTING OPINION OF COMMISSIONER GEO. E. STERLING

In the First Report of the Commission on the Color Television issues, I joined with the majority in the proposal for bracket standards with the understanding that if an insufficient number of assurances were received from manufacturers concerning their plans for incorporating bracket standards in their receivers, the Commission would issue a final decision adopting the CBS color standards.

Since the responses were not in accordance with the Commission's proposal, the majority have adopted the CBS color standards. I dissent from this premature action taken by the majority at this time for the following reasons.

The subject of bracket standards was not at issue in the hearing nor was the subject even advanced during the hearing. There is no doubt in my mind that manufacturers were taken by surprise at the Commission's proposal on this subject as set forth in the First Report.

I do not agree with the majority in their Second Report that the responses of the manufacturers were merely a restatement of the parties' contentions made during the hearing, since the subject of bracket standards was a new concept in field and line scanning proposed after the hearing record closed. It came as a surprise to industry

and was not based upon information appearing in the record of this proceeding.

Several manufacturers were confused by the Report as it related to bracket standards and representatives of different manufacturers communicated and met with the staff at various times for the purpose of securing an interpretation of the Commission's intent. The exchange of correspondence with the Philco Corporation subsequently made public is a classic example of the confusion aroused in the minds of manufacturers who evidenced a sincere interest in the problem.

The Columbia Broadcasting System found it necessary in this respect to voice its concern as to the interpretations that might be made of paragraph 5(c) and therefore consulted with the staff for clarification of the language. CBS also suggested that the Commission make clear by public statement what was intended by the language of paragraph 5(c).

Because bracket standards were new, I am now of the opinion that the Commission should have treated the subject at greater length in its First Report. Because of the time lost in seeking clarification of the Commission's intent and the necessity of meeting the September 29th

deadline, manufacturers were unable to make a full appraisal of how they could build in bracket standards and when.

The response of Capehart-Farnsworth Corporation, I think, truly poses the problem confronted by manufacturers who are desirous of cooperating with the Commission, since it encompasses not only design and production of TV receivers embodying bracket standards capable of meeting the Commission's requirements as to geometric linearity and brightness but also points up the necessity of procuring signal generating equipment for the purpose of testing receivers incorporating bracket standards.

The Capehart-Farnsworth Corporation's response stated, in part, as follows:

We are having some difficulty in obtaining pictures of geometric linearity and brightness on the higher frequencies and, in particular, we are faced with problems such as return time of the horizontal sweep and consequent reduced scanning efficiency. Other problems involve the loss of high voltage due to high frequencies with the deflection components now used and it is evident that new components, such as the deflection yoke and transformer, will have to be designed in order to meet the requirements stated in paragraph 151 of the Commission's Report 50-1064.

Also, until adequate signal generating equipment becomes available and until such times as the composite signal standards have been set, with particular reference to horizontal and vertical blanking time, we would be unable to produce a product design which would assure satisfactory operation for both the monochrome and color television transmissions.

The serious problems that confronted the Belmont Corporation, who also expressed a desire to cooperate, are stated, in part, as follows:

We have been unable to find any record in technical literature nor in our past experience of an attempt to produce a linear sweep for electromagnetic deflection systems covering the wide range of the proposed bracket requirements and at the same time adhering to the proposed requirements of constant picture size and brightness. Moreover, the major effort of our engineering department since the publication of Notice 50-1065 has failed to indicate any method of accomplishing the bracket standards. The standards as called for by the notice create a far different problem from that of incorporating in television receivers dual sweep systems permitting switching between specific standards, a system which probably could be engineered in the present state of the art.

While Belmont has every desire to cooperate with the Commission in developing bracket standards, which are feasible from both the cost and engineering standpoints, it is clear from the above and from the results of our engineering survey that this cannot be accomplished within the time contemplated in the Commission's time schedule. Before Belmont could begin to manufacture television receivers with such standards, a method feasible from the engineering standpoint would have to be developed, the new equipment designed and field tested, a re-tooling operation accomplished, additional materials obtained and production methods revised. Hence, it would not be possible to be in production of receivers incorporating such bracket standards for a very much longer period than that contemplated by the Commission's time schedule.

The problems of industry in terms of time are also succinctly set forth in the response of Motorola, Inc., in which they stated:

Motorola's approach to this entire matter is in the spirit of cooperation, accomplishment and realism. Therefore, I hope that you seriously weigh what we set forth herein when you come to a decision on this subject.

We are thoroughly convinced that the time allotted for a manufacturer to incorporate bracket standards into his production is inadequate. To further acquaint you with Motorola's situation in this matter of time and to further demonstrate the inadequacy of the proposed time cycle, we are attaching herewith a report from our Engineering Division. This report is supported with two chronological histories taken at random from our Engineering Log Books. These histories set forth the mile posts of time for two engineering projects, that we classify as minor modifications. The engineering principles involved in these two cases were generally known before the inauguration of the projects. Many of the technical principles involved in the integration of bracket standards require engineering development to reduce them to commercial practice. Therefore, we would like to make clear that the integration of bracket standards into our manufacturing is not a minor modification. In fact, bracket standards covering the full range require a complete chassis redesign.

The Hallicrafters Co. in their response to the Commission stated they had made every effort to determine their ability to cooperate with proposals of the Commission and significantly pointed out:

The design of a receiver which will operate on any combination of field or line scanning frequencies within the proposed brackets

is something we do not know how to accomplish in the present state of the art. This design would follow considerable basic research for which we cannot estimate a completion date. Following the date of engineering release, a materials procurement cycle of two to four months must pass before actual manufacture can begin. These time factors coupled with whatever date the Commission might choose to release an order establishing Bracket Standards will determine whether we can supply Bracket Standard receivers within 30 days of the Order.

Several manufacturers stress the need for field testing after receivers have been made by their engineering departments. In its Report the Commission stressed the need of adequate field testing. In its First Report rejecting the RCA system, the Commission placed emphasis on the fact that this system had not been field tested and made mention that the system introduces entirely new techniques into broadcasting. So do bracket standards and yet the Commission in its failure to consider a reasonable timetable deprives manufacturers of the opportunity to field test this new device and, therefore, has taken an inconsistent stand with its enunciation of the importance of this element in the evolution of a new system. Manufacturers have a responsibility to the purchasing public and one of the important criteria of meeting this responsibility is through field testing its products prior to introducing them to the public. The competitive forces in this industry are tremendous and as in all products designed for public acceptance a manufacturer rises or falls according to the merits of his product. In my opinion, part of a reasonable timetable should include the necessity of field testing bracket standards under varying conditions of reception, including temperature, humidity, signal strength, etc.

Neither the Commission nor its staff has the necessary experience in the design and manufacture of TV receivers. Consequently, the Commission must take the word of reliable manufacturers who were willing to cooperate but unable to meet the Commission's short timetable. In its First Report the Commission stated "that (it) is aware that of necessity it must rely to a great extent upon industry experts for data and expert opinion in arriving at decisions in the field of standards, our own facilities are too limited to gather much of the data"—paraphrasing this statement as it concerns bracket standards the Commission should say that it must take the word of industry as it concerns the design and production of bracket standards since it does not have the "know-how". By providing for a reasonable timetable the Commission would have in the end the experience of industry in this new concept of field and line scanning and would be able to better judge what it would cost the public and if it would provide the avenues for improvement that might be made in the art.

The problems confronting manufacturers today in terms of production, procurement and manpower to meet the demands of national defense are serious ones. Surely the responses of such reliable manufacturers must be given credence and consideration. It is well known that there are serious shortages of tubes and resistors as well as basic materials. The situation on procurement is so acute that manufacturers have been shipping their TV receivers without a full complement of tubes, trusting to their dealers to procure them in local markets but the local market supply has been exhausted as the result of not only the local demands but as the result of the purchasing agents and manufacturers' representatives combing every territory in their search for components in short supply. At least one company has agents in Europe attempting to purchase resistors. This condition aggravated by others is bound to have a serious effect on production and will serve only to delay the availability of parts to make not only bracket standards but also parts with which to build adapters, converters and color receivers. Moreover, in many instances industry has been required to divert its TV engineering experts to problems of production for defense because of the close relation of TV techniques to radar and other electronic devices the Government requires.

After a thorough study of the responses and taking into consideration the current problems of industry, I am convinced that the Commission's timetable presented to in-

dustry in its First Report to build in bracket standards was unreasonable. I think much could be accomplished in the interest of all concerned if we called a two-day conference with those members of the industry who indicated a willingness to cooperate with the Commission for the purpose of exploring the problem of bracket standards looking to a realistic timetable that could be met by industry without unduly aggravating the compatibility problem.

In the period that has passed since the manufacturers submitted their replies to meet the September 29th date line, I feel certain that they have continued their study of the problem and would be in a position at the end of a two-day conference with the Commission and staff to agree on a reasonable timetable similar to that proposed by the Commission in its First Report had manufacturers met the requirements of the Commission's proposal. Surely, this would be more timely than after a hearing at some subsequent date and the Commission then decided to adopt bracket standards. If such a conference did not result in a practical solution of the problems I have discussed, I would then join the majority in authorizing the field sequential system.

If as the result of a hearing at some later date, bracket standards are adopted by the Commission, manufacturers will be faced with the problem of redesigning and retooling in order to build such circuitry in receivers. Such a course of action on the part of the Commission will serve to slow up production and place hardships on manufacturers and will compound the confusion in the public mind, particularly those of the public that purchase a color receiver having dual standards since they will then possess receivers which will be unable to utilize the improvements made possible by the adoption of bracket standards. In the event that such improvements result in a change in scanning rates which fall outside the scope of the dual standards here adopted, those sets will be incompatible.

The Commission proposed a way to keep the door open for demonstrations of new systems, improvements of existing systems that came to light after the hearing record had closed, and demonstrations of the CBS system on large-size tri-color tubes of two or three manufacturers. Because the Commission would not take time to discuss with representatives of the industry who indicated a willingness to cooperate, the door has been closed.

In its First Report the Commission stated:

Since there was no demonstration on the record of a direct view tri-color tube on the CBS system, the record does not contain a definitive answer as to whether direct-view tubes larger than 12½ inches are possible with the CBS system. Thus two difficult courses of action are open to the Commission. The first course of action is to reopen the record and to have a demonstration on the record wherein a tri-color tube or other technique for displaying large size direct-view pictures could be tried out on the CBS system.

The record indicates that present color phosphors such as are used with tri-color tubes would not yield the same fidelity that is possible from filters as employed with the CBS disc receivers. By providing a reasonable timetable without seriously aggravating the compatibility problem such a demonstration could have been made on the record and the question resolved once and for all.

By closing the door at this time the Commission also passed up the opportunity to provide a means of increasing the resolution of color pictures by lowering the field

rate without objectionable flicker through the use of long persistence phosphors.

As the result of the Commission's action in immediately adopting CBS standards, proponents of new or improved systems must now look to an experimental license to do their testing and demonstrating. The Commission has stated in its Second Report a new color system or other improvements will have to sustain the burden of showing that improvements which result are substantial enough to be worthwhile when compared to the amount of dislocation involved to receivers then in the hands of the public. Therefore, we see that the public and industry at some later date again may be faced with the problem of compatibility.

The door also has been closed on the opportunity of taking one more look at compatible systems before moving to adopt an incompatible system with all its attendant problems as they relate to the 10 million receivers that will be in the hands of the public by the end of the year as well as the manufacturers' problem of production.

I joined with the majority in the First Report with regard to what was said about the problems that seemed to confront a compatible color system and with the conclusion that no satisfactory compatible color system had been developed at the time the record closed.

New developments came fast in the closing days of the hearing and immediately thereafter.

It was pointed out in the First Report that the Commission is aware that the institution of the color proceedings stimulated great activity in color developments and that fundamental research cannot be performed on schedule, and that it is possible that much of the fruit of this research has begun to emerge. This is confirmed by the facts, which include the announcement of two new compatible systems and by the RCA Progress Report of July 31, 1950, that the number of dots in the RCA tri-color tubes has been increased from 351,000 to 600,000 with the attendant increase in resolution. Other improvements were also made in the RCA system after the record was closed. I am convinced that it would have been prudent to have taken time out to view these recent developments before moving finally to adopt an incompatible system.

I find it necessary also to dissent from the belief expressed by the Commission in the Second Report and which was not in the First Report in which I joined with the majority. In paragraph 12 in the Second Report, the Commission states:

The Commission believes that the attractiveness of color pictures may be sufficiently great to cause people to prefer a direct-view receiver with a 12½-inch tube or a larger size projection receiver if they can get color as against a 16-inch, 19-inch or larger direct-view receiver that is limited to black-and-white pictures
* * *

I do not agree with this belief. I believe that the rapid acceptance by the public of receivers incorporating larger sized black and white tubes as they moved from 7" to 10" to 12", then to 16" and 19" clearly indicates the preference of the public for large size TV pictures and they will not be satisfied with smaller pictures because they are in color. Due to the fact that color adds so much to television both from the program as well as the advertising standpoint, both the public and the sponsor will demand large size color tubes.

DISSENTING VIEWS OF COMMISSIONER HENNOCK

As I indicated in my separate views to the Commission's First Report on Color, I am of the firm belief that every possible effort should be made by this Commission and the television manufacturing industry to achieve a practical and useful compatible color television system. Considering the fact that there are currently well over 7,000,000 receivers in the hands of the public which can receive, in their present form, only signals broadcast on present monochrome standards, many grave problems will be posed

by the adoption of the incompatible field sequential color television system. The owners of these sets must eventually suffer a diminution in television service or they will be forced to make some expenditure to adapt or convert their sets for the reception of color signals. The cost of such changes and the servicing difficulties which they will entail pose a problem of great magnitude, and the end result in the case of adaptation will be a monochrome picture of reduced resolution. The broadcaster will find that,

to the extent that he employs color transmissions, he will lose part of his audience, and this will create a long and difficult period of transition.

I agree with the Commission's evaluation of the color systems which have been proposed and demonstrated in the instant proceeding. I felt at the time of the First Report, and still feel, that, in the light of this evaluation, it is eminently desirable that the problem posed by the number of television receivers in the hands of the public as regards the incompatible field sequential color system be arrested at its present level. I believed that the concept of "bracket standards" set forth in the First Report was a practical method for achieving this end, and I therefore joined in that portion of the First Report.

The comments filed in response to our Second Notice of Further Proposed Rule Making indicate quite clearly that the bracket standards proposal is not a feasible method for containing the problem of incompatibility at its present level. Most of the comments did not indicate whether other means for achieving this aim are available, although a few did discuss possible alternative methods.

But in the light of the progress made in the development of color television since the start of the instant proceeding, I think it essential to defer final decision in this matter until June 30, 1951. This could still be done if some means for preventing the growth of incompatibility could be devised by the television manufacturing industry. The fact that bracket standards could not achieve this result does not automatically preclude its attainment. Possibly some modified version of bracket standards could be incorporated into television receivers without raising

the major problems of re-design and equipment procurement involved by bracket standards. Or it might be feasible to provide adaptation—either internal or external—with each receiver. The manufacturing industry is familiar with this process since it has been for a considerable time a part of the record in this proceeding. The ingenuity of the industry's electronic scientists might be able to devise some other means for arresting the problem of compatibility and thereby provide further time for the development of a practical compatible color television system.

I feel that the Commission should explore fully with the industry any and all possibilities. This could be done either by means of an industry conference or by a Notice of Further Proposed Rule Making requesting comments. It is of vital importance to the future of television that we make every effort to gain the time necessary for further experimentation leading to the perfection of a compatible color television system. If, as a result of such a conference or comments filed by the industry, it appears that steps can be taken within 60 or 90 days to arrest the growth of incompatibility, the final decision in this proceeding authorizing the field sequential system should be deferred until June 30, 1951. If not, those standards should be immediately adopted.

I think it important to repeat the conviction expressed in my separate views to the First Report that there is a moral obligation on this Commission to insure that a reasonable amount of valuable programming service will continue to be rendered to present set owners, both day and night, for a transitional period, e.g., three to five years, without the necessity for making any expenditure to change their sets.

Note: In an order dated Oct. 10, 1950 (Public Notice 50-1227), FCC denied petition of RCA (Vol. 6:40) requesting "(1) that during the period December 5, 1950 to January 5, 1951, the Commission review the improvements made in the performance of the RCA system, and (2) that during the period to June 30, 1951, the Commission view experimental broadcasts of color signals under the RCA, CBS, CTI and other systems before making a final determination with respect to color standards."

In an order dated Oct. 10, 1950 (Public Notice 50-1226), FCC denied petition of Color Television Inc. (Vol. 6:34) "requesting the Commission to reopen the hearing record herein for the purpose of taking further testimony to be offered by petitioner with respect to a new proposed color television system designated by it as the 'Uniplex' system."

In denying both, the Commission called attention to Paragraph 17 of its Second Report in which further color experimentation is discussed.

Full Text of FCC

Order Amending Engineering Standards To Include CBS Color System

In the Matters of

Amendment of Section 3.606
of the Commission's Rules
and Regulations. } Docket Nos. 8736 and 8975

Amendment of the Commission's
Rules, Regulations and
Engineering Standards Concerning
the Television Broadcast Service. } Docket No. 9175

Utilization of Frequencies in
the Band 470 to 890 Mcs. for
Television Broadcasting. } Docket No. 8976

ORDER

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on October 10, 1950; The Commission having under consideration the promulgation of engineering standards for color television; and

IT APPEARING THAT on September 1, 1950 the Commission issued (1) Findings and Conclusions in the above proceedings entitled "First Report of Commission (Color Television Issues)" (FCC 50-1064), and (2) its "Second Notice of Further Proposed Rule Making" (FCC 50-1065); and

IT FURTHER APPEARING THAT simultaneously with the issuance of this Order the Commission is issuing its "Second Report of the Commission" (FCC 50-1224);

ACCORDINGLY, on the basis of the findings and conclusions set forth in both of the above Reports,

IT IS ORDERED, That effective the 20th day of November, 1950, the Commission's Standards of Good Engineering Practice Concerning Television Broadcast Stations" are amended in the following respects:

(1) Paragraphs "5", "6", "7", and "8" of Section I B entitled "Visual Transmitter" are revised to read as follows:

5. Color transmission.—The term "color transmission" means the transmission of color television signals which can be reproduced with different values of hue, saturation, and luminance.

6. Field.—The term "field" means scanning through the picture area once in the chosen scanning pattern and in a single color. In the line interlaced scanning pattern of two to one, it means the scanning of the alternate lines of the picture area once in a single color.

7. Frame.—The term "frame" means scanning all of the picture area once in a single color. In the line interlaced

scanning pattern of two to one, a frame consists of two fields.

8(a). Color field.—The term "color field" means scanning through the picture area once in the chosen scanning pattern and in each of the primary colors. In the line interlaced scanning pattern of two to one, it means the scanning of the alternate lines of the picture area once in each of the primary colors.

(b). Color frame.—The term "color frame" means scanning all of the picture area once in each of the primary colors. In the line interlaced scanning pattern of two to one, a color frame consists of two color fields.

(2) Paragraphs "5", "6" and "13" of Section 2 A entitled "Transmission Standards and Changes or Modifications Thereof" are revised to read as follows:

5. For monochrome transmission the number of scanning lines per frame shall be 525, interlaced two to one in successive fields. The frame frequency shall be 30, the field frequency 60, and the line frequency 15,750 per second.

6. For color transmissions the number of scanning lines per frame shall be 405, interlaced two to one in successive fields of the same color. The frame frequency shall be 72, the field frequency 144, the color frame frequency 24, the color field frequency 48, and the line frequency 29,160 per second.

13. The level at maximum luminance shall be 15% or less of the peak carrier level.

(3) The following new paragraphs "19" and "20" are added to Section 2 A:

19. The color sequence for color transmission shall be repeated in the order red, blue, green in successive fields.

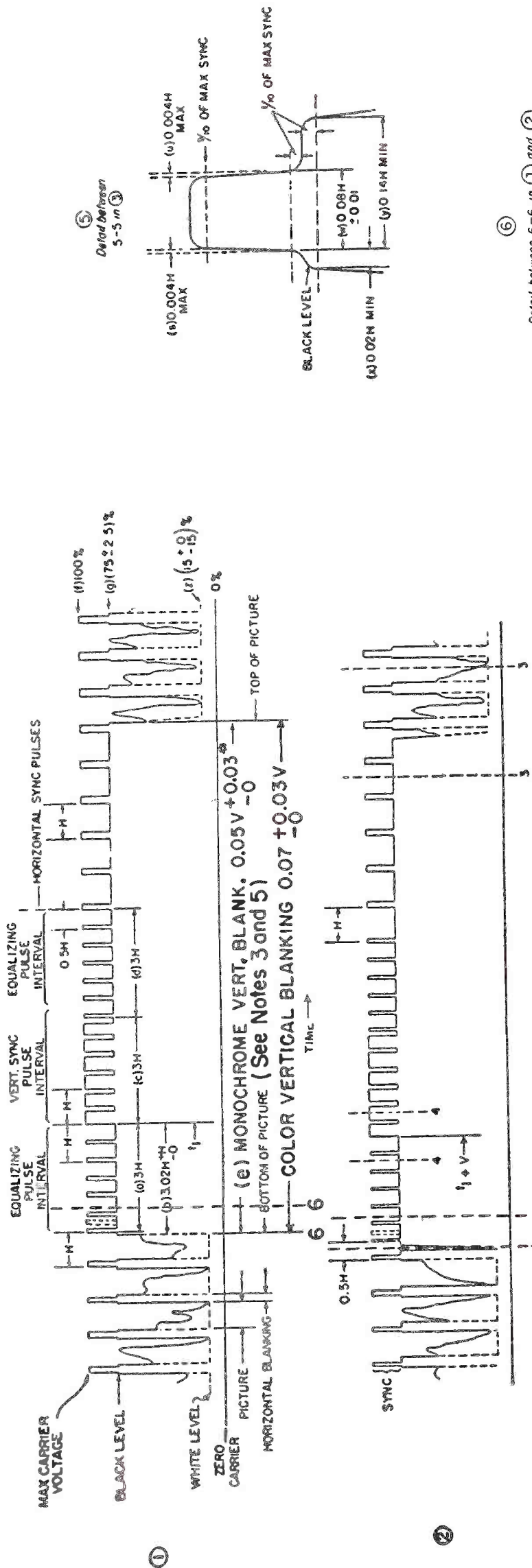
20. The transmitter color characteristics for color transmission shall be such as to reproduce the transmitted colors as correctly as the state of the art will permit on a receiver having the following trichromatic co-efficients, based on the standardized color triangle of the International Commission on Illumination:

Red	Blue	Green
x = .674	x = .122	x = .227
y = .326	y = .142	y = .694

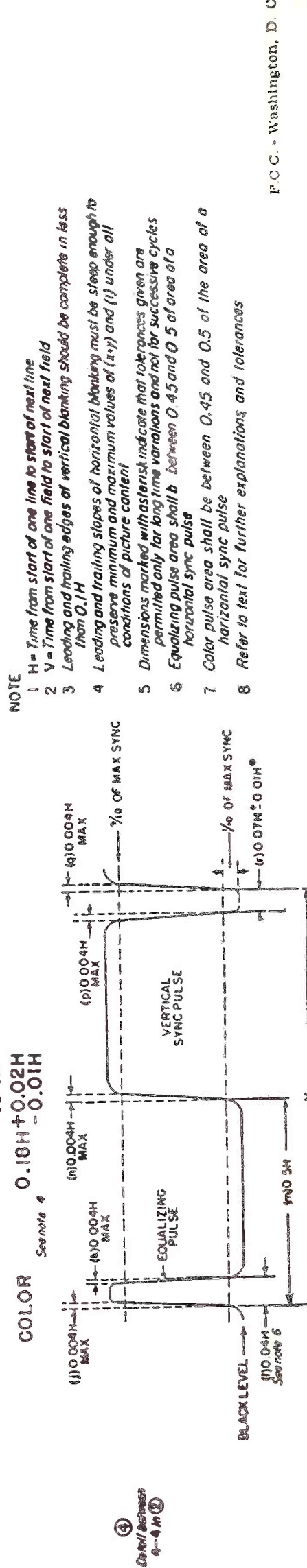
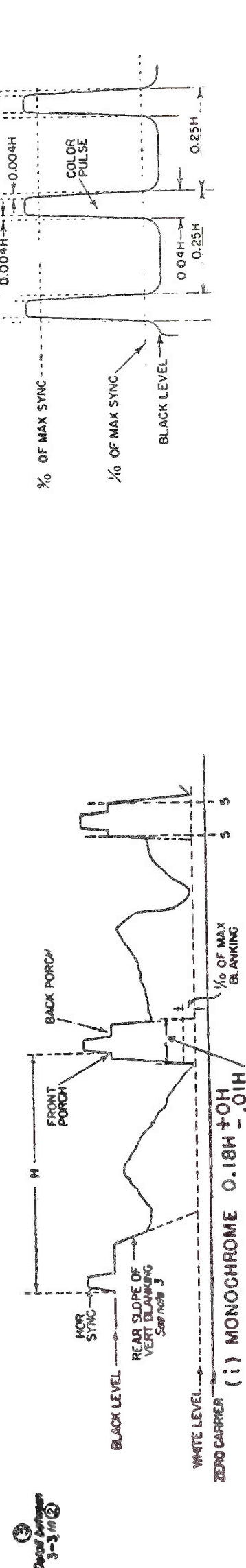
(4) New "Appendix I" attached hereto entitled "Television Synchronizing Waveform" is substituted for "Appendix I" of the "Standards of Good Engineering Practice Concerning Television Broadcast Stations" [see page 8].

FEDERAL COMMUNICATIONS COMMISSION
(Commissioners Sterling and Henneck dissenting.)

Appendix I—Television Synchronizing Waveform



Horizontal dimensions not to scale in 1, 2 and 3



- NOTE**
- H = Time from start of one line to start of next line
 - V = Time from start of one field to start of next field
 - Leading and trailing edges of vertical blanking should be complete in less than 0.1H
 - Leading and trailing slopes of horizontal blanking must be steep enough to preserve minimum and maximum values of (x-y) and (y) under all conditions of picture content
 - Dimensions marked with asterisk indicate that tolerances given are permitted only for long time variations and not for successive cycles
 - Equalizing pulse area shall be between 0.45 and 0.5 of area of a horizontal sync pulse
 - Color pulse area shall be between 0.45 and 0.5 of the area of a horizontal sync pulse
 - Refer to text for further explanations and tolerances

The Publicity Guns Roar

**Stanton-Sprague Broadcasts and Other Comments
 On the Color TV Issues**

Full Texts of Addresses via CBS (AM) Network

CONTENTS

- Addresses by Frank Stanton, CBS President, Delivered Sunday, Oct. 15, 6-6:20 p.m. EST—
 With Texts of CBS Newscasts
- Address by Robert C. Sprague, RTMA President, Prepared for Delivery Sunday, Oct. 22, 5:45-6 p.m. EST
- Facsimiles of CBS, Tele-tone and Pilot Advertisements, Admiral Flyer to Dealers
- Editorial Comment and Cartoons About Color TV Situation

MR. STANTON'S BROADCAST

LAST Wednesday, the Federal Communications Commission issued a decision authorizing color television service beginning November 20. After more than a year of hearings and deliberations, the Commission adopted as the standard for the entire industry the color system developed by CBS.

The reaction of some of the television set manufacturers to the Commission's decision has created considerable confusion and misunderstanding. What I want to do is to clear up this confusion and to answer some of the questions in your minds.

The first question that many people ask is "What happens to the television set which I now have . . . will it become useless on November 20?"

The answer is an absolute, unqualified "no."

Despite the fact that some manufacturers are seeking to create the impression that the public's investment in television sets is about to be wiped out, nothing could be further from the truth.

Most Programs Continue in Monochrome

As a practical matter, color programs will not, overnight, entirely replace black-and-white programs.

The number of color programs will increase at an orderly rate as the number of sets capable of receiving them increases. Most of your popular black-and-white programs will continue to be broadcast until a large percentage of the sets are capable of receiving color. So people who now own sets will continue for the next few years to receive a substantial proportion of the present black-and-white program schedule from the various networks.

Moreover, present set owners can get the new color programs by having their sets adapted—that is, adjusted so that they can receive the color programs in black-and-white. This can be done either by the addition of an external adapter at a cost of perhaps \$30 to \$50 plus installation, or it can be done for somewhat less through internal changes in your present set by a competent service man.

But even more important, under the CBS system, black-and-white sets which have been thus adapted can be converted to receive pictures in full color at an additional cost estimated as low as \$75. The CBS system was the only system which demonstrated a practical color converter at a reasonable price.

(Continued on page 2)

MR. SPRAGUE'S BROADCAST

LAST Sunday at about this time, Mr. Frank Stanton, president of the Columbia Broadcasting System, talked to you on color television and what it means to present and prospective TV set owners.

In his talk Mr. Stanton charged television manufacturers with creating confusion about color television and implied that the Radio-Television Manufacturers Association was blocking TV color development and keeping it from the American public.

Obviously, these statements cannot go unanswered, and we want you to have the facts.

First, perhaps, it would be well for you to know in whose behalf I am speaking tonight. The 300 members of the Association I represent include manufacturers, both large and small, who produce radio and television sets and the tubes and parts that go into them. The names of many of these companies have become household words and you have learned over the years to have confidence in them.

Among our members are the companies which pioneered in AM radio and brought it from the crystal set to its present state of perfection. They developed electronics and radar equipment that played so important a role in the war. They are the pioneers who developed television over many years and who have been steadily improving receivers and reducing costs through mass production, so that today 8,000,000 homes are enjoying this modern miracle.

So what I say to you tonight is not just one man's opinion; it represents the considered judgment of the best informed men in our industry.

Last Sunday Mr. Stanton asserted that manufacturers are trying to create the impression that the public's investment in television sets is about to be wiped out.

Black-and-White Better Than Ever

I do not know anyone who believes that, nor anyone who has said anything like that. In fact, because of the many fine television programs that are coming on the air this fall, I believe that present black-and-white television sets are a better investment today than ever before.

Mr. Stanton told you that some manufacturers are trying to create the impression that the Commission's decision was sudden and that, as a result, they are not prepared to build adapters, converters, and new color receivers.

It is true that the manufacturers could not believe

(Continued on page 5)

MR. STANTON'S BROADCAST—(Continued)

It is evident, therefore, that present television sets will remain useful to their owners for the normal life of the sets.

The next question that some people ask is "Why should there be color television at all?" The answer is simple. Color is an enormous forward step in the enjoyment of television.

Unless you have actually seen color television—and I hope many of you will see it soon—it is hard to imagine just how exciting it is. The seven members of the Federal Communications Commission, whose job is to analyze and weigh the problem as representatives of the public, said, in their official report:

The testimony and demonstrations in these proceedings leave no room for doubt that color is an important improvement in television broadcasting. It adds both apparent definition and realism in pictures. It opens up whole new fields for effective broadcasting, rendering lifelike and exciting scenes where color is of the essence—scenes which in black-and-white television are avoided or, if telecast, have little appeal.

And less than a month ago, FCC Commissioner Frieda Hennock said of color television:

Until you have seen it you will not be able to grasp fully how significant a development this really is. It will bring a pictorial splendor right into your home. But it is important, aside from its beauty, in the new vistas of programming which it opens up. The entire field of fine art is automatically made a television subject. Color will make meaningful many subjects which would be drab in monochrome. It really adds a new dimension to television and it is impossible to express in quantitative terms the amount of additional intelligence which it can convey.

Within the week, the *New York Times*, speaking of CBS color, said:

At their best, the color images are superior to the Technicolor seen in the movies. The hues are softer and more restful. The added "information" contained in color images, such as identifying the jerseys of competing football players, is self-evident. The advantages of color are exemplified perhaps even more vividly in the costuming for musical revues. A few looks at color television and black-and-white seems drab indeed.

Color Is Something 'New and Better'

These are typical reactions to color television. They show that color is not just another improvement, but rather is a new and better kind of television. After all, the world in which we live is a world of color, and its accurate portrayal in the home requires color.

What is the place of the Federal Communications Commission in all this? . . . why does anyone have to set standards for color to which all broadcasters must conform?

Congress made it the duty of the FCC to make sure that the public can enjoy the best method of television broadcasting. That is the job of the seven Commissioners and their trained technical staff. It is their job to make certain that important improvements, including television, are not held back from the public. It is their function as well to see that improvements are made available for public use as soon as possible.

But you might ask "Why can't any broadcaster just go ahead and broadcast color whenever and by whatever system he chooses?"

Unlike most industries, technical standards and rules must be set for broadcasting. Otherwise, different systems of transmission might be used, with the result that each listener or viewer would need a number of sets to get all the programs he wants. The result would be utter confusion and chaos.

FCC's 10,000 Pages of Testimony

Some manufacturers are trying to create the impression that the Commission's decision is sudden and that, as a result, they are not prepared to build the necessary new color receivers, adapters, color converters, and black-and-white sets internally equipped to receive color as well as black-and-white pictures.

The decision was anything but sudden.

The facts are that the color television question has been before the industry and the Commission for ten years. The recent hearing on color produced almost 10,000 pages of testimony. Every aspect of color television was considered from every standpoint. Everybody interested in

television—manufacturers as well as broadcasters—was given every opportunity to submit information on the subject, to ask questions, and to express opinions about the different color systems being considered.

Every criticism and objection which is now being advanced by television set manufacturers was raised and answered at the FCC hearings. The Commission considered the matter at great length and reported its findings and conclusions in 50 pages of detailed discussion.

The Commission's decision was neither sudden nor casually considered.

Set Makers Have Had Time

It is also clear that television manufacturers had more than enough time to prepare themselves. All the information for example about the CBS system which was put into the official record of the hearing has been available to everyone in the industry.

In addition, over 7 months ago, CBS furnished sets of almost 100 detailed drawings and plans for each of 54 television manufacturers—over 5,000 drawings in all—showing how to make equipment for the CBS system.

For reasons of their own, many manufacturers failed to use this information to prepare for the action which the Commission has now taken and which at the very least has been a strong possibility for many months.

At this late date some of the manufacturers are complaining that the color decision will harm their business. The fact is that any harm which may result will be due to their own lack of activity, their refusal to plan ahead and their current efforts to confuse the public with belligerent and misleading statements.

Now let's consider for a moment just how good is this color television system which the FCC has adopted, and what is the nature of the criticism.

Some manufacturers have said that the CBS system is "degraded"; that it is a mechanical system; that its picture size is limited. These criticisms are not true. All of them were made at the hearing, they were considered carefully by the Commission, and each was specifically rejected.

'Degraded' and 'Mechanical'?

There is not enough time here to deal fully with these criticisms of the CBS system. However, the criticism about alleged "degraded" pictures just doesn't agree with the facts. The thousands of members of the public who have actually seen CBS pictures have recorded their opinions that the color pictures were vastly superior to ordinary black-and-white, and that even the black-and-white pictures produced from CBS color signals were equal or superior to ordinary black-and-white. The Commission it-



Crockett in Washington Star

self found that the black-and-white picture received from CBS color signals is an acceptable picture.

The charge that the CBS system is "mechanical," was dismissed by FCC Commissioner Robert Jones as a myth. The plain fact is that CBS is not a mechanical system. The engineers representing the very same manufacturers who are now trying to mislead you into believing that the CBS system is mechanical testified under oath that CBS can use all-electronic equipment as readily as any other color system which has been proposed—when that all-electronic equipment is perfected.

The picture-size limitation criticism is not valid either. There is no picture size limitation inherent in the system. Large-size projection pictures have already been demonstrated. And in the reasonably near future, direct-view color receivers will be developed which will produce color pictures as large as black-and-white direct-view receivers.

After hearing the testimony and after actually viewing the CBS system side by side with the other systems, the Commission unanimously found that the CBS system was not only the best—it was the only one capable of giving satisfactory color pictures and the only one that is practical for use in the home. In addition, the Commission held that the CBS system can readily take advantage of important new engineering advances such as the all-electronic tri-color tube. These are not CBS claims—they are findings of fact and conclusions reached by the FCC.

The Compatibility Argument

The seven members of the Commission, after all, are impartial. They have no bias based on self-interest—as is the case with some of the manufacturers. It is the Commission's job to represent and protect you. When they find that the CBS system is the best system, I think you can take their word for it, and disregard the claims of others who have their own special axes to grind.

This leaves the only argument advanced during the hearings—and still advanced—which makes any sense at all. This argument is that the CBS system is not what has been called "compatible" and that the Commission should have waited for a "compatible" system.

What is meant by "compatible"?

As used in color television, it means the ability of existing black-and-white sets—without any change whatsoever—to receive color programs in black-and-white. In other words, under a compatible system, when a color picture is transmitted over the air, it would be received as a black-and-white picture on your present sets.

It is true that the CBS system is not compatible. We have always admitted that it would have been desirable for the CBS color system also to be compatible—in addition to all of its clear superiorities over other systems. We just were not able—and no one else has been able—to achieve compatibility without sacrificing color performance.

But the Commission decided that its responsibility was to select the best color system and that, therefore, the many clear-cut and indisputable advantages of the CBS color system outweighed the compatibility point.

Why FCC Chose CBS Color As Best

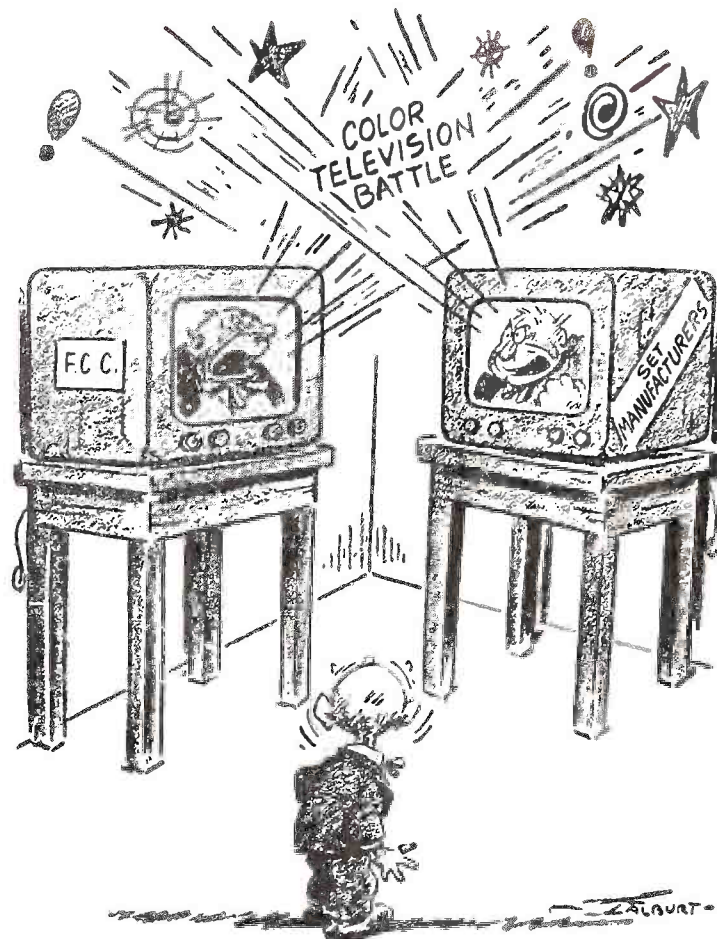
I think you will agree that the Commission was right in this conclusion in the light of the facts which I would like briefly to review.

First, as I have already pointed out, present sets can be adapted at reasonable cost to give black-and-white pictures from color broadcasts.

Second, all future black-and-white sets can be manufactured at an even lower added cost to provide built-in compatibility for every future purchaser. You who are concerned with compatibility and want to buy a black-and-white set after the next month or so may well want to insist that the set you buy includes this feature.

Third, while the CBS color system lacks compatibility, it is the only system proposed under which present black-and-white sets could be converted to receive color programs in color at a reasonable cost . . . and after all, it is color we are all seeking.

Fourth, and this is an overriding consideration which



Talburt in Scripps-Howard Newspapers

some manufacturers choose to ignore—the Commission concluded that good color performance and compatibility have not been found together, nor are they likely to be found in a single system. On this point the Commission said in its decision:

No satisfactory compatible system was demonstrated in these proceedings. . . . Based upon a study of the history of color television development over the past ten years, from a technical point of view, compatibility, as represented by all compatible systems which have been demonstrated to date, is too high a price to put on color. In an effort to make these systems compatible, the results have been either an unsatisfactory system from the standpoint of color picture quality, or a complex system, or both.

Therefore, you should be very much on your guard when manufacturers tell you that a good color system which is also compatible is just around the corner. They have been saying that for years, yet no such system has ever been produced and none is in sight.

FCC On Compatibility

In reaching its decision on the issue of compatibility, the Commission reasoned in the following way:

The Commission first concluded that it is improbable that a system can be developed which would be satisfactory in color performance and at the same time be compatible. The Commission then concluded that the CBS color system was most satisfactory as to color performance despite its lack of compatibility. The Commission, therefore, in adopting the Columbia system on the merits of its color performance, decided to adopt it now in order to check the growth of incompatibility.

If a decision had been postponed, more and more people would have bought black-and-white sets. Each day of delay would have aggravated the compatibility problem still more. Before long, there would be not 7,000,000 but perhaps as many as 40,000,000 black-and-white sets incompatible with the CBS system, and all requiring adaptation. That might have made adoption of the CBS system difficult, if not impossible.

Therefore, at the very least the price of delay would have been the greatly increased cost to the public of adapting not 7,000,000, but as many as 40,000,000 sets; and at worst, color television might have been impossible

for generations. I think you will agree under these conditions that the Commission acted wisely in not waiting.

'Should I Buy a TV Now?'

This leaves just one more question which I am sure many of you are asking:

"Should I buy an ordinary black-and-white television set at this time?"

I cannot give you a flat answer, because the answer may vary with your preferences and your pocket-book. But I can give you some facts which may help you make up your own mind.

The first fact is that present black-and-white sets now on the market will continue to receive present black-and-white programs. These programs will continue for a considerable period of time, although at a diminishing rate within a year or so.

The second fact is that most sets now on the market can be adapted, so that when there is color broadcasting, the program will be received in black-and-white. And, of course, the sets can be converted to receive color broadcasts in color.

Therefore, if the manufacturers give you their word that there will soon be available adapters and converters for the particular black-and-white sets which you are considering, you will have protection against obsolescence.

On the other hand, I want to point out that it will be somewhat cheaper and more satisfactory to buy a black-and-white set which is already adapted, so that it has built-in compatibility. Furthermore, a new combination color and black-and-white set may be somewhat less expensive and will be more satisfactory than an ordinary black-and-white set adapted and converted for color.

'Wait 6 Months, Save Money'

Therefore, if you wait for, say, six months, you may save some money, and you will have a self-contained set with built-in compatibility and built-in color. On the other hand, if you buy an ordinary black-and-white set now, you will be able to enjoy the black-and-white programs being broadcast. But, if you do buy such a set, buy only from a manufacturer who will give you positive assurance that there will soon be adapters and converters which will enable you to get color.

Already there are encouraging signs. Some manufacturers are showing a constructive attitude and are preparing to make color equipment. These progressive manufacturers are turning from the past and looking to the future so as to serve the public. I am sure there will be many others.

Unfortunately this constructive attitude is not being displayed by all manufacturers.

I learned yesterday that a meeting is to be held tomorrow in New York under the auspices of the Radio-Television Manufacturers Association to consider what attitude the Association would take in the matter of color television. In the belief that Columbia could contribute helpful information, I immediately telegraphed the President of the Association requesting permission for Columbia representatives to attend the meeting. This morning I received a telegram from the President of the Radio-Television Manufacturers Association stating that the meeting would be closed to us.

If any statements come out of that meeting, I hope you will read them in the light of these facts. We do not want the future of color television to fall into the hands of any self-appointed group—meeting in secret behind closed doors. We know you do not want that either. We intend to do everything we can to prevent anyone, either television manufacturers or anyone else, from blocking color television and keeping it from the American public.

Meanwhile, CBS proposes to go forward with its plans to bring color television to you at the earliest possible moment. In less than two months we will be broadcasting 20 hours of color programs each week. We will hold color demonstrations to which the public will be invited. We will cooperate fully with manufacturers, broadcasters, and servicemen. We are willing to license every manufacturer to make equipment using the CBS color inventions.

I am certain that within a few months, the public will begin to enjoy color television in the home, and that, at an accelerating rate thereafter, color television will become a full-grown and exciting addition to the history of American progress.

* * * *

EDITOR'S NOTE: Mr. Stanton's allusion to 6-month "wait" aroused storm of indignation among manufacturers, distributors, dealers—and 11 p.m. newscast on CBS, same night, took particular pains to stress that present TV sets won't be rendered obsolete. The exact words as broadcast:

"Frank Stanton, President of the Columbia Broadcasting System, tonight said that television sets receiving black-and-white pictures, will not become useless overnight, when CBS color broadcasting begins. Mr. Stanton addressed a nation-wide radio audience to clear up the confusion caused by the reaction of some television set manufacturers, who seek to create the impression that the public's investment in TV sets, is about to be wiped-out. Mr. Stanton declared that *nothing* could be further from the truth. In case you missed the CBS President's reassurances to television set owners, Mr. Stanton's address will be repeated over this station—WCBS—at 11:15 tonight—just a few minutes from now." [Italics are CBS's.]

* * * *

Again, in the CBS *World News Roundup* at 8 a.m., Monday, Oct. 16, CBS reporter wound up by stating:

"In case you've felt concerned about the coming of color television, CBS president Frank Stanton has made a reassuring statement. He says black-and-white television sets now in use will not become useless when color broadcasting begins. Despite the fact that some manufacturers are seeking to create the impression that the public's investment in television sets is about to be wiped out, said Dr. Stanton, nothing could be further from the truth. Present sets will remain useful to their owners for the normal life of the sets.

"On the question of whether to buy a new television set now, Dr. Stanton gives this as his advice: 'If you plan to buy an ordinary black and white set now, buy only from a manufacturer who'll give you positive assurance that there will soon be adapters and converters which will enable you to get color.'"

"See It?"



Herblock in Washington Post

—until it actually happened—that the Federal Communications Commission would approve a non-compatible color system. They believed—and still believe—that the action was unwise.

But that isn't the only reason equipment is not ready. Even minor changes in existing television receivers take six months to make; basic changes take much longer. The increasing load national defense requirements are placing upon the industry's engineering and production talent makes production changes even more difficult.

I am sure by this time that you know why I requested time to answer Mr. Stanton. It is good to clear the air. Let me also try to answer the questions that I know are in the minds of some 8,000,000 television set owners and the additional millions who want the entertainment and education that can be brought to their homes only through television, and are planning to buy television sets in the months just ahead.

Best Opinion of the Manufacturers

As you can well imagine, during the past few days a lot of people have asked me about the future of television. So I think I know the questions that are in your minds—and I want to answer them by giving you the best judgment of the manufacturers. These are the men best qualified to know the answers.

First, will present black-and-white programs continue? And, second, what programs will I get in color? And, third, shall I buy the black-and-white set I had planned to buy now?

There are two primary reasons why we believe black-and-white programs will continue to provide the best television entertainment for years to come. One is our profound conviction—the FCC to the contrary notwithstanding—that the right kind of color television system simply isn't here yet. The second is an equally firm belief that black-and-white television will never be obsolete, even when a sound color system is developed. As black-and-white receivers will always cost less, they will appeal to many economy-minded persons. Moreover the advertisers who sponsor most of the best television programs will never abandon this mass audience to any large extent in favor of a much smaller number of persons who will be willing to pay extra for color.

Only a Few Will Colorcast

CBS has promised it will broadcast 20 hours of color per week, but most of these broadcasts apparently will be in fringe hours when the average person is at work or asleep and will not include the popular evening programs.

And remember that this broadcasting schedule in all probability will be undertaken by only one of the nation's 107 television stations, or at the most, by those affiliated with CBS.

To my knowledge no other television station has as yet indicated any intent or desire to broadcast even one hour of color per week.

The reason for their caution is, of course, that the CBS system is non-compatible with present black-and-white broadcasts. The minute any station puts on such a color program, it loses its entire audience for that period, except for the people who will have bought adapters or converters to tune in the non-compatible color broadcast.

Consequently, few national advertisers are likely to sponsor color broadcasts in commercially-valuable evening time, unless and until a substantial number of sets have been converted. Conversely, only a few viewers, with cash burning their pockets, are likely to buy adapters and converters until an appreciable number of the good programs are broadcast in color.

Why "Compatibility"?

That is the main reason why television manufacturers have been insisting, ever since the FCC's hearings started thirteen months ago, that no color system could prosper unless it were "compatible" with today's black-and-white transmissions.

Right here I think I should define "compatibility" about which you have heard so much.

The CBS system approved by FCC is non-compatible. By that we mean that existing television sets cannot get any picture at all from a CBS color broadcast, unless the owner has purchased an adapter which will shift the receiver to the new, non-compatible color signal. Every set tuned to that station channel, which is not thus adapted, goes "blind" the minute a CBS color signal goes on the air.

A "compatible" color system, on the other hand, will provide just as satisfactory black-and-white pictures on existing sets as today's regular black-and-white broadcasts and without any added cost to the present owners.

Of course, if all present sets were to be equipped to bring in the CBS-type signal, this question of compatibility would lose its importance. So let's look into this possibility.

But first, perhaps I had better explain what I mean by "adapters" and "converters" as applied to present-day sets.

Adapters and Converters

An "adapter" is a device which must be bought and installed on present television sets merely to get black-and-white reception from a CBS color broadcast. It will, moreover, produce a poorer black-and-white picture, that is one with much less pictorial detail than the one you get today. A "converter" is still another device which has to be also added if present sets are to receive color broadcasts in color.

The demand, if any, probably will be for combination adapter-converters which are estimated to cost well in excess of \$100, the amount varying with the size of the picture tube. I have no doubt that some few persons, who are interested in the novelty of color and who are in a position to be at home during the hours when it is broadcast, may make this extra investment. And to the extent there is any public demand for such adapter-converters, I am sure that they will be made available as soon as production requirements can be met.

But are these adapter-converters going to be a mass production item?

CBS and FCC currently believe they will, and I believe that both parties are sincere in saying so. But I point out that neither CBS nor FCC has ever been in the manufacturing business; they have never sold radio and television equipment to the public. So I am more inclined to take the opinion of set merchandisers, who know by long experience that the public, especially the housewife, does not want any extra "gaget" or "gadgets" on her receiver, whether for radio or television.

The Wheel and Picture Sizes

The converter required to receive the CBS color broadcasts is particularly cumbersome-looking due to its mechanical disk or wheel. It is this rapidly rotating wheel which makes it impractical to convert a television set to give a color picture larger than 12½-in. The wheel itself should be more than twice as large as the picture tube—e.g., about 28-in. in diameter for a 12½-in. picture tube. As the public in recent months has shown a definite preference for larger and larger pictures, it is doubtful that it will be willing to revert to the smaller TV screen merely to receive color.

Consequently, it is a fair assumption that only a very small percentage of present TV set owners will buy adapters and converters—even when they are freely available—and then only when the popular programs are broadcast in color during the more favorable viewing hours. And such scheduling of color broadcasts is unlikely until a substantial viewing audience, equipped with color converters-adapters, is available. So it's a little like the question: Which comes first, the hen or the egg?

There is only one clear answer. That is a fully electronic compatible color system which many of the industry's leading engineers and scientists have been working on for many months and are entirely confident can be commercially developed in the relatively near future. Such a system will offer no problem for the set owner as he will

(Continued on page 12)

Ads That Stirred Things Up:

THIS FULL PAGE AD was placed Oct. 18 & 19 by CBS in various newspapers, synchronized (usually several pages ahead) with full page in same issues placed by Tele-tone. Night before first ads broke, CBS-TV also telecast interview with Tele-tone president S. W. Gross, discussing Tele-tone's "color TV packages" promised about first of year, prices as yet unstated.

Shown on telecast were mock-ups of slave units in table and console models, using existing sets as drivers (detector, amplifiers, etc.). Slave units incorporate adapters (to 405 lines, 144 fields), have own CR picture tube, color wheel and motor. Screen sizes of slave units, it was stated, will be 10, 12½ & 16-in., latter definitely with magnifier, 12½-in. probably also.

CBS welcomes Tele-tone —the first set manufacturer to bring you Color Television

Last Wednesday, the Federal Communications Commission, acting in the interest of the public, authorized the CBS system for commercial color television broadcasting. Since then there has been confusion in the minds of many people about color television.

On Sunday I went on the air to try and give answers to questions like: What does the CBS color system do to my present television set? When can I get color television programs? Should I buy a television set now—or should I wait?

Now—one short week after the Commission's decision—one of America's progressive and responsible television set manufacturers has come up with another specific and practical method to provide the public constructive answers to these questions.

The effect of his method is to say: *You can have color television in your home in less than three months.*

If you are interested in television, I urge you to read his clear and specific announcement on page 25 of this paper.

Frank Stanton PRESIDENT,

The Columbia Broadcasting System

Tele-tone's Companion Ad--In Same Newspapers

TELE-TONE'S FULL-PAGE ADS, released along with those of CBS (opposite), ran first in *New York Times*, *Herald Tribune and News*; *Philadelphia Bulletin*, *Baltimore Sun*, *Washington Post*, *Columbus Dispatch*, *Chicago Tribune*, *Los Angeles Times*.

It was also due to be placed this week in Providence and New Haven. Cost of first week's insertions, it was stated, was \$26,000 and campaign "will continue in all TV areas." Tele-tone stated it is paying for its own advertising.

Here's how you can have COLOR TELEVISION

with Tele-tone "Tele-color"

IMPORTANT NEWS FOR AMERICA'S EIGHT MILLION TV SET OWNERS AND THE TWO MILLION PLANNING TO BUY TV SETS!

Today, the public is confused about color television. But there's no need to be confused.

If you own a Tele-tone...or if you've ordered a Tele-tone...or if you plan to buy a Tele-tone...

Don't worry! Your investment is safe! You can have color with your Tele-tone set... *Fast! Dependable! Low cost!*

Right this minute, the Tele-tone Corporation is speeding the mass production of a package converter called "Tele-color" which will bring you FULL COLOR reception on any Tele-tone Television set — past, present, or future.

Deliveries start January 1st! You can buy any Tele-tone set you want today, knowing you'll be able to get color with it. So why not start today to enjoy the wonderful entertainment you get only on television? Go ahead and get your Tele-tone set now — you'll have color soon.

What's "Tele-color" like? It's a light, compact unit that fits on top of your console model, or if you have a table-model, provides its own console. A flick of the switch, and you have either black-and-white or glowing color!

And it won't be expensive! Tele-tone "Tele-color" will be priced so modestly, it will be within the immediate reach of every television set owner.

What does this mean to you?

1. You can stop worrying about your Tele-tone TV investment. The set you own or the set you buy now, is money safely spent.
2. You will get color television fast.
3. You will get color television at the lowest possible cost.

Tele-tone is one of the pioneers in the engineering of color television receivers. Tele-tone will remain in the forefront of color television progress... first to bring you the finest in color TV at the lowest cost.

Here's our promise! Fine color television will be yours very soon, at very low cost, with the same Tele-tone set you now own or buy today!

S. W. GROSS, *President*

THE TELE-TONE RADIO CORPORATION

Tele-tone **TOPS IN TV!**

Pilot Lashes Out Against CBS System

PROBABLE HARBINGER OF MANY MORE to come from the manufacturers, addressed to public, is this first ad placed by

Pilot Radio Corp. in New York Times and Mirror Oct. 18. Pilot says it may continue ad campaign, but dropped suit against FCC.

PILOT WANTS TO GIVE YOU COLOR TELEVISION...

but not as a "Flying Saucer"

PILOT Radio Corporation is fighting FOR—not against—Color Television. But Pilot wants to give you *simple, streamlined* color TV...to protect you against unnecessary headaches and expense. And Pilot feels that the FCC is depriving you of *satisfactory* color TV, by refusing the industry the additional time needed to make it available.

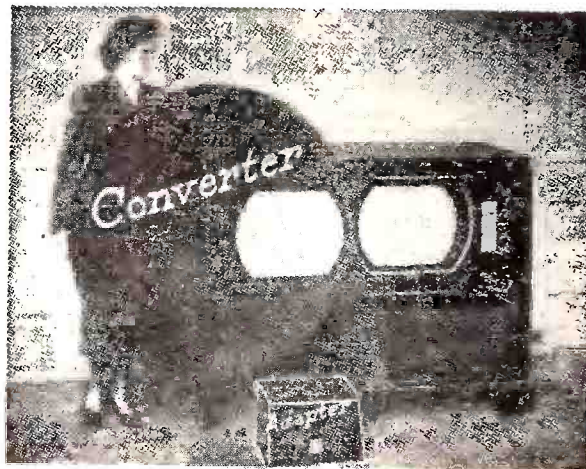
As a television pioneer with 22 years of TV experience, Pilot is qualified to judge the facts. And Pilot agrees with the best-informed technical opinion in the industry — and the 2 dissenting members of the FCC—that the ruling was made with utter disregard of other late color developments, which can and will give you color television as you want it, in due course.

Pilot's advice to you is this:

YOU CAN BUY A PILOT TELEVISION RECEIVER OR ANY OTHER REPUTABLE MAKE OF TELEVISION SET TODAY WITH CONFIDENCE

Whatever the outcome of the color controversy may be, Pilot will make certain that you will be able to use and enjoy the TV set you own—or plan to buy—for years to come.

Not This:

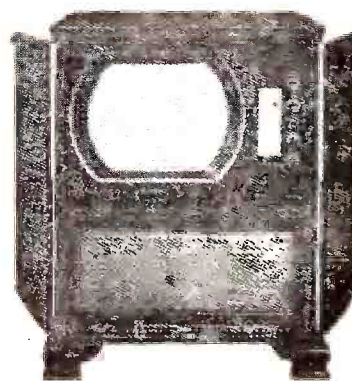


What's This? The Flying Saucer?

Could be! But actually, it's the way a 19 inch TV set may look, if the color television system adopted by FCC is used. The box on the floor is the Adapter. Find a hiding place for it... in the attic, in the refrigerator, under the baby's crib; you'll have to have it.

(Note: converter and adaptor are dummies made for illustration purposes.)

But This!



This beautiful 19" Pilot Model TV 191 shows how your complete color television receiver would look if FCC gave the industry additional time to develop it.

PILOT Radio Corporation, Long Island City, N. Y.

Admiral's Flyer To Trade

FIRST MOVE BY MANUFACTURER to give dealers something to past in their stores and windows, was this flyer by Admiral released to distributors in all TV areas early this week. Other manufacturers sent telegrams, letters, etc. to their dis-

tributors and dealers, with similar data to enable them to answer questions from the public. Heavy barrage of more such "counter-measure" publicity material may be expected as other manufacturers (and RTMA) plan publicity campaigns.

BLACK & WHITE VS. COLOR TV

Despite Licensing of Color Telecasts There Will Always Be Black and White Television

Here are the answers to questions the public has been asking about the recent Federal Communications Commission Ruling on CBS color television:

Q. What does the FCC ruling really mean?

A. Simply that the FCC has authorized telecasting in color by the CBS system. The door is still wide open for other color systems, should they prove more desirable.

Q. What will happen to present black and white telecasting?

A. Nothing. The FCC ruling provides for dual standards, both black and white and CBS color. The same excellent programs in black and white will continue to be telecast as before.

Q. What kind of programs will we get in color?

A. Only experimental programs for a long time to come. Without an audience, no sponsor is going to foot the bill for a big name program. Forty million people are enjoying black and white television today. Only with a big audience like that can sponsors afford to pay for the excellent programs now being telecast in black and white.

Q. Will I be able to get CBS color if I purchase a black and white set today?

A. Yes. With an "adapter" you will be able to receive color programs in black and white. With a "converter" you will receive them in color.

Q. When will I be able to purchase a color television set?

A. Not for a long time. We don't know of a single manufacturer of the nationally known brands of television receivers who is planning to make them.

Q. Should I wait to buy a CBS color set?

A. Even if you could purchase a CBS color set tomorrow, it would be inadvisable to do so for several reasons:

(1) Should the mechanical CBS color system be later supplanted by a compatible electronic color system, your CBS color set would become immediately obsolete. This is a definite possibility.

(2) You would be limited in size to a 10-inch picture.

(3) A CBS color set will probably cost double that of a black and white set of comparable size. It will be years before sufficient worthwhile network shows will be telecast in color to justify this additional expenditure.

Q. Why are manufacturers of nationally known brands opposed to making CBS sets?

A. For several reasons:

(1) Manufacturers are absolutely convinced that the incompatible CBS system is utterly impractical and not in the public interest.

(2) The unsightly whirling disc which must be placed in front of the CBS receiver is a definite handicap to styling and appearance.

(3) The public wants big and still bigger pictures. The CBS system, as a practical matter, is limited to a 10-inch direct view picture.

(4) Manufacturers want color television. It means a vast new market for them. But they want a practical compatible electronic system that will not impose unnecessary expense upon present set owners.

Q. Should I purchase a black and white television set now?

A. By all means . . . for these reasons:

(1) By purchasing a black and white TV set now, you will be holding your investment to a minimum . . . just about half of what you would have to put into a comparable color set.

(2) You will be getting your money's worth and more through the millions of dollars which today are being spent for black and white programs.

(3) When sufficient worthwhile programs are telecast in color sometime in the future, that's the time to make the additional investment required to convert your set to color. Your total investment should be no more than if you had purchased a color set in the first place.

(4) You avoid the risk of obsolescence. Regardless of what system is ultimately employed, a mechanical incompatible CBS system or a compatible electronic system, you will be able to convert to either.

DON'T WAIT!!! ENJOY TODAY'S TELEVISION TODAY

Published in the public interest by

Admiral Corporation

EDITORIAL OPINIONS ON THE COLOR TELEVISION ISSUE

'Dictation and Coercion'

Editorial in Oct. 18 *New York Times*

THE Federal Communications Commission has decided that television images in color must be transmitted by what is technically known as a "non-compatible system," meaning a system that will make it impossible for some eight million owners of television sets to receive even black-and-white from a color-transmitting station without paying about \$400,000,000 for auxiliaries. Hence the consternation and dismay with which the decision has been received. Few voices have been raised in the Commission's defense. In arriving at its decision the Commission ignored the findings of a committee of scientific experts, headed by Dr. E. U. Condon, Director of the National Bureau of Standards, and appointed by the chairman of the Senate Committee on Interstate and Foreign Commerce to make an impartial study of the status of color television.

The section of the Communications Act under which the Commission promulgated its decree directs it "to encourage the larger and more effective use of radio in the public interest." This broad language may justify the setting of long-term transmission standards to insure fidelity of reproduction in color or black-and-white, brightness of

image and high quality in general.

But the Commission has not contented itself with setting standards. In effect it is dictating to manufacturers what kind of television sets they are to make if images are to be received in color with converters and in black-and-white with adapters. The Commission admits that the black-and-white images into which color is to be translated by installed sets at great expense will be of inferior quality. Yet the Commission is supposed to safeguard the public interest.

The testimony taken in committee hearings at the time the Communications Act became a law leaves it to be inferred that Congress had no intention of authorizing the Commission to invade the factory. It is true that the Commission's order applies only to television transmitting stations. It so happens that there is a lock-and-key relationship between a television station and a television receiving set. Hence any decision that affects television stations also affects manufacturers of home sets.

This coercion of an industry which has hitherto enjoyed a large measure of freedom is apparently without precedent. In the case of color television we have a usurpation of authority that needs correction. That correction can be made only if the Communications Act comes up in the Federal Courts for interpretation. The time for the judicial interpretation of the phrase "to encourage the larger and more effective use of radio in the public interest" has arrived.

Stanton Takes Issue with New York Times; Editor Replies . . .

Foregoing editorial provoked CBS president Frank Stanton to write letter to editor of *Times*, published Oct. 20 as follows:

The confusion and misunderstanding about the Federal Communications Commission decision concerning color television has engulfed even THE NEW YORK TIMES editorial page. The editorial of Oct. 18 is appropriately entitled "Television Chaos," but the chaos inheres not in the Commission decision but in your interpretation thereof.

The first error in the editorial is the statement that the commission "ignored the findings of a committee of scientific experts headed by Dr. E. U. Condon, director of the National Bureau of Standards. . . ." This is a charge already made by R. C. A. and nobody else. It is wrong.

The Condon committee and the Commission were functioning in different spheres and with different responsibilities. The Condon committee made no recommendations concerning choice of systems; further, the areas of agreement between the Commission findings and the report of the Condon committee are far greater than the areas of disagreement.

The editorial's basic criticism of the Commission's decision is that the Commission went beyond its functions in not only setting standards but in "dictating to manufacturers what kind of television sets they are to make if images are to be received in color with converters and in black and white with adapters." It is charged, therefore, that the decision constitutes "coercion of an industry" and "usurpation of authority."

These criticisms are based on a complete misunderstanding of the Communications Act, of the function of the Commission and of the effect of the Commission's decision.

Type of Signal

Before radio or television can be broadcast on a regular commercial basis it is necessary that the Commission first set technical engineering standards prescribing the type of signal which must be transmitted. Unless there are such standards it would be possible for each station to send out a different type of signal and the consumer would have to have a different receiver for each station.

Setting standards for broadcast service has always been the procedure followed. It is precisely what the Commission did when it authorized black-and-white television. Once it set black-and-white television standards, any manufacturer who wanted to go

into the business of making and selling television receivers obviously had to make receivers designed to receive the signal being transmitted if he wished to offer a usable product.

The editorial itself recognizes this "lock-and-key relationship between a television station and a television receiving set." But having recognized this basic relationship, the editorial then ignored it and thus has been led into its basic error.

Of course, each manufacturer remains free to make precisely the kind of television set he chooses. He can continue to make ordinary black-and-white sets if he thinks he can sell them. He can make any one of a variety of types of sets which will receive color, just as a number of manufacturers are engaging in producing different models to receive the CBS system.

In setting standards for color the Commission has done exactly what it has always done in authorizing any radio or television broadcast service. In this decision, therefore, it has usurped no functions and dictated to no one unless what it has always done constitutes usurpation and dictation. Never before has it been suggested that when the Commission in the past has set standards it has been guilty of "dictation" or "usurpation." It cannot be so suggested because the setting of standards is one of the explicit and necessary functions of the Commission.

Compatibility Problem

Further, it is to be noted that it clearly was in the public interest for the Commission to adopt color standards now, instead of delaying the question further. The Commission concluded, on the basis of ten years' experimentation with color, that there is no reasonable probability that a satisfactory "compatible" color system (that is, a color system capable of being received in black and white on existing receivers without change) can be developed. It found that only the CBS system is now capable of producing satisfactory color, and only the CBS system assured such color for the foreseeable future.

Since the CBS system is "incompatible"—and thus requires changes in existing sets to receive the color signals in black and white—the public interest compelled a prompt decision in order to prevent further aggravation of the compatibility problem. The degree of increased aggravation of the compatibility problem can be measured on the basis of the 8,000,000 sets now in the hands of the public as against perhaps as many as 40,000,000 black-and-white sets in the foreseeable future.

To have postponed the decision would have imposed great additional economic burdens on the public, or deprived it of color

altogether unless a satisfactory compatible system should some day be developed—a contingency the Commission did not find likely.

In the light of these basic facts which the editorial overlooked, the criticisms therein were plainly mistaken.

Times Editor's Reply

[Mr. Stanton overlooked the fact that we expressly conceded the right of the Commission to set standards, but questioned its right to set up systems of transmission.

That the FCC ignored the Condon report was brought out on Sept. 10 at the Institute of Radio Engineers' Convention in Los Angeles. A question from the floor addressed to a member of the FCC brought the reply: "The Senator Johnson-Condon report was not entered as hearing material and therefore was not given consideration in the FCC decision." The report was issued on July 10—time enough for its consideration.

Mr. Stanton's statement that the "areas of agreement" between the Condon committee and the FCC "are far greater than the areas of disagreement" is not borne out by the Condon report. On Page 40 appears a table in which the system that Mr. Stanton advocated scores only eight points. Of two other systems one scored eleven points and the other six. It looks as if there were more areas of disagreement than of agreement.

Mr. Stanton says that "each manufacturer remains free to make precisely the kind of television set that he chooses." The manufacturer who does not produce a set that will conform with Mr. Stanton's system courts bankruptcy within five years or so.

How does Mr. Stanton know that the odds are against the development of a "compatible" color system? The Condon committee arrived at different conclusions on Pages 37 and 38 of its report.

Mr. Stanton thinks that in the public interest the FCC had to arrive at a prompt decision. The Commission has been considering television for ten years. The Condon committee was appointed because the vacillation and dilatoriness of the FCC forced the Senate to seek the best technical advice that competent technologists could give.—Editor, THE TIMES.]

'Last Word Not Yet Spoken'

Editorial in Oct. 13 *New York Herald Tribune*

THE Federal Communications Commission faced up to a grave responsibility in handing down its decision approving the Columbia Broadcasting System's method of transmitting color television. It was a painfully difficult decision to make, vitally affecting the interests of the owners of 7,000,000 sets, of a highly competitive industry which has long been at odds over the problem, and of the scientists and technicians who have been trying to devise a system that would be both practical and economical. A large section of the industry, particularly the manufacturers of sets, wanted the FCC to withhold its decision until a perfect system could be accepted by all; but the FCC, mindful of the rate with which set ownership is increasing, decided to act before the already grave problem of color conversion got completely out of hand.

That such a decision should be necessary illustrates both the complexity of the new industry and the importance of protecting the public interest in a highly technical dispute beyond the ready comprehension of most laymen. There is no reason to doubt that the FCC acted—by a five to two vote—strictly on the advice of its technicians and from a desire to prevent excessive dissemination of sets that would soon be outdated. And yet, there are admitted flaws in the CBS color system, such as the presence of a cumbersome color wheel, the limitation to a 12½-inch image, the need of a special adapter to receive color pictures in black and white on present sets. Opposing systems, on the other hand, have thus far failed to match the fidelity of the CBS pictures, and the FCC showed no great confidence that they could eventually be made to do so.

One fact on which all sides seem agreed is that television sets now in use have considerable service ahead of them before they become obsolete—if they ever do. Certainly the introduction of color into motion pictures many years ago has by no means spelled the end of black and white movies, and the complexities of TV color may be even more difficult to overcome. The one certainty that stands out in the aftermath of the FCC decision is that the last word has not yet been spoken on this perplexing problem.

'Public the Appropriate Jury'

Editorial in Oct. 14 *Washington Post* (WTOP-TV)

THE effect of the Federal Communication Commission's decision authorizing color television for commercial use is to leave the choice between color and black-and-white reception to the arbitrament of public opinion. The public is, we think, the appropriate jury. The millions of potential purchasers of television receiving sets will now be able to determine whether or not the industry is to turn in the direction of the field sequential method of transmitting color programs developed by the Columbia Broadcasting System. It is indubitably the best method of transmitting color now available, although it may be superseded in a few years by a method compatible with present black and white standards. To have postponed the choice any longer would have been to foreclose it altogether.

The choice is inevitably displeasing to the manufacturers of television receivers, since they must now guess what the public will demand and adjust their production accordingly. It will create perplexities for broadcasters for the same reason and perhaps require them to modify or supplement their transmission facilities. And it will entail certain inconveniences for owners of television receivers. So far as the manufacturers and broadcasters are concerned (this newspaper may to some extent be considered an interested party since it is associated with the Columbia Broadcasting System in the ownership of Station WTOP radio and television) the situation must be regarded as a normal incident of a free enterprise economy. They will have to adjust to the public demand whatever it may be.

So far as present owners of television receivers are concerned, the FCC decision results in making available to them an additional benefit at additional cost. Their instruments will continue to receive black and white pictures transmitted by the system now in use. To receive black and white pictures transmitted by the CBS system, an adjustment, said to be inexpensive, will be required. To receive color by the CBS system, a somewhat more expensive and complete converter will be necessary. This is likely to have an additional disadvantage in that it will disfigure cabinets which are valued as furniture. But the nearly eight million television sets now in operation are by no means rendered obsolete by the choice which the FCC has authorized.

Television receivers are now being manufactured at a rate of more than five million a year. Thus the inconvenience to set-owners would quickly be multiplied if the FCC waited for the development of a color system compatible with present standards and then discovered that it could not be realized. We quite agree with the commission's view that "we would be derelict in our responsibility to the public if we postponed a decision any longer." The issue will be resolved, as it should be, by the free forces of competition.

Why All the Haste?

Editorial in Oct. 13 *Washington Star* (WMAL-TV)

THE Federal Communications Commission has produced convincing evidence of the superior quality of mechanically produced color television as compared with partially developed electronic systems. But the reasoning advanced by an FCC majority for refusing to delay final approval of the mechanical method, as sponsored by the Columbia Broadcasting System, is not so convincing.

The stated FCC reason for adopting at once the CBS plan of bringing color to the Nation's 7 million-odd TV sets is that any additional delay in making permanent its tentative decision in favor of CBS would only increase the number of new sets that would have to be converted. That argument would be valid if the television industry were ready today to start producing color TV receivers—of the

CBS or any other type. Actually, manufacturers are having difficulty in obtaining supplies to keep up with the demand for black-and-white receivers. The shortages are apt to grow worse as Federal demands for radar and other electronic equipment increase in line with expanded defense orders. Indications are that it will take many months, perhaps several years, before quantity production of color TV equipment can be achieved.

If the public will not be able to buy color equipment any time soon, it is hard to see why the FCC, by a five-to-two vote, decided that haste in reaching a final decision on color systems is necessary. Two commissioners urged delay so that research and development experts in the electronic color tube field could have more time to improve the electronic systems. Radio Corporation of America and Color Television, Incorporated, are leading competitors in this field. Both companies have reported progress in improving the quality of their color pictures, but the FCC, by its split decision, has refused even to examine these improvements at this time.

MR. SPRAGUE'S BROADCAST

(Continued from page 5)

be able to receive in black and white all broadcasts, whether originating in color or black and white, without any additional expenditure for new equipment or adjustments whatsoever.

What Should Public Do?

For these reasons, when friends of mine ask me what they should do about color television, here is what I tell them:

The color system presently authorized by the FCC produces a picture in satisfactory color, but it has these definite limitations:

(1) Except for projection-type sets, which the public has shown little interest in, the CBS color system is limited in its present form to pictures no larger than 12½ inches.

(2) Sets and converters now require a large mechanical disk or wheel which rotates at a speed of 1440 revolutions per minute and which, in my opinion, will never be acceptable to the majority of set owners.

(3) Due to the non-compatibility of the CBS color system, color programs for some time to come will be necessarily restricted—even in the few cities where they are broadcast—to off hours and the less popular entertainment.

(4) The recent color decision of the FCC is now before a Federal court. And it will probably be some time before we definitely know when or whether the CBS color system will actually be broadcast commercially.

I also tell my friends that long before the present color system can win any real measure of public approval or establish a substantial audience, the combined talent of America's electronic engineers will have developed an all-electronic and compatible color system which will probably replace the present incompatible system.

Furthermore, I also tell my friends that if they want to experiment with color, despite its present limitations, they will be able shortly to buy converters and adapters, which they can add to their black-and-white sets.

For Good Reception: Monochrome

Finally, I tell my friends that if they are interested in good reception of the better television programs, they can buy black-and-white sets now with confidence that they will continue to receive these programs for many years to come. In other words, there is no reason at all for them to delay the purchase of a television set.

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The majority indicated that it looks with favor on further research and that it will consider revising its attitude toward color tubes if one ever is devised that meets its strict standards for color television. If such a tube should make its debut after thousands or millions of TV owners have gone to the expense of converting their conventional sets to the CBS revolving disc system, the FCC decision will have cost the public a lot of wasted money. Color wheel converters would be rendered obsolete by an FCC-approved electronic color tube. And the tube system would eliminate the bulky wheel, which would be at least two feet in diameter for the largest picture practicable with the CBS device—12½ inches.

This much is plain. The prospect of early transformation of the television industry from black-and-white to color is still as slim as ever, despite the FCC decision. And this being so, it is very difficult to believe that either the public interest or the interest of an industry that is still in the limping stage has been served by this needlessly premature commitment to a particular color system.

"Include Me Out,"

Says Columnist Fred Othman

DOES the man-in-the-street give a darn about the color TV fracas?

"Include me out," says United Features Syndicate (Scripps-Howard) columnist Fred Othman, one of earliest and most fervent drum-beaters for color TV, in his Oct. 19 column. Still partial to CBS pictures, possibly reflecting layman's reaction, he writes:

HELP! Gents of the television industry, will you kindly lay off the telegrams, the phone calls, and the bitter handouts about color TV? Already my wastebasket's overflowing and a few more loads of your literature will turn my home into a fire hazard.

Fact is, fellows, I don't even own a television set. It doesn't much matter to me whether TV pictures are in technicolor, varying shades of gray, or sepia. Just the other night a neighbor of mine asked me in to see his new set. He snapped it on and what do you think came out on the 19-inch screen? Midget wrestlers, big as life. Kicking each other in the teeth and committing mayhem all over my friend's living room.

Whether this would have looked better in color I do not know, altho one of the performers did get a bloody nose and I suppose crimson gore on the viewing tube might have been more spectacular. What I mean, gentlemen of the video trade, is that you're not going to get me involved in your own private rhubarb.

* * *

All I know is that I followed last summer's hearings by the Federal Communications Commission carefully; I took in all the demonstrations of the various kinds of color machinery. It may be, as some of you say in your lawsuits, that the FCC made a mistake in approving the Columbia Broadcasting System's color set. Perhaps, as you charge, it is a mechanical monstrosity.

The one beauty of it is that the darn thing works. And works perfectly. Beautiful blonds still are beautiful on CBS television. Shaggy dogs have big brown eyes and Standard Oil trucks are the proper shade of red on this device with the whirling disc.

I also had a good long look at the Radio Corporation's color dingus, which generates its own rainbow inside the tube. Some of the engineers said this was far better; only trouble was that it didn't work so well. I saw one lovely on it whose hair changed from orange to green before my very eyes.

The experts said this was because it still needed a little perfecting and eventually it would work far better than the CBS system. Now some of my mail indicates that this color won't be good enough for a couple or three years yet.

So the FCC approved the CBS widget, simply because it's here now and ready to go into production at once. That sounds fair enough to a bystander like me.

* * *

Fact of the matter is that the one man in America who is responsible for this color whoopla hasn't even been drawn into the fight. Fellow by the name of Big Ed Johnson, U. S. Senator from Colorado and the same man who took on Roberto Rossellini and Ingrid Bergman for what they did on the steamy isle of Stromboli.

Sen. Johnson saw one of the early CBS demonstrations and, like most other people getting their first look at it, he was as amazed as he was delighted. When it developed that the system had been available for nearly 10 years, he blew up.

He accused the FCC of dilly-dallying and he said if the commissioners didn't get off their handkerchiefs and make color TV available to the people, he'd investigate 'em. That brought action. Now we've got lawsuits. Me, I'm not much interested. Instead of watching midgets tramp on each other's noses tonight, I'm going to read a book.