

May 5, 1951

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**FACTORS IN CBS PROPOSAL TO BUY ABC:** Deal has been made whereby CBS would buy ABC, retain ABC's TV stations in Chicago, Detroit and San Francisco, then re-sell the ABC radio network and its two remaining TV stations in New York and Los Angeles.

Sale price was reported as \$28,000,000 by New York Times, whose ace radio reporter Jack Gould May 4 broke front-page story that had the broadcasting industry in a veritable dither at week's end -- particularly CBS and ABC affiliates.

Principals are obviously pledged to secrecy, had apparently hoped story wouldn't leak until they could wrap up "package deal" to present to Washington. Not only must FCC rule on it, but Dept. of Justice might look into anti-trust implications should elimination of competition be involved. Mr. Gould reported May 5, obviously from CBS sources, that plan does not contemplate scrapping ABC network.

"No comment," was laconic reply to inquiries put to as many principals as could be contacted -- but no one undertook to deny report. Even in banking circles, it was indicated some sort of deal was afoot -- and considerable interest revolved around identity and motives of person or persons who sold and bought block of 35,000 shares of Class A CBS stock recently through Glore, Forgan & Co.

Only officers-directors holding that much are chairman Wm. S. Paley (98,510 shares of A) and the Levy brothers (Isaac 31,826 shares, Leon 14,100) -- aside from their Class B holdings of 251,900, 20,475, 40,900 shares, respectively.

\* \* \* \*

It was no secret that CBS had approached several prospective customers with proposal they continue ABC's AM network, line up new TV network with ABC-TV stations in New York and Los Angeles that CBS doesn't need. Gould indicated sale price for what's left after CBS takes what it needs from ABC purchase would be \$18-20,000,000.

Among those approached, we learn, were Philadelphia Inquirer publisher Walter Annenberg, whose WFIL & WFIL-TV are ABC affiliates; Chicago Tribune's Col. Robert McCormick, whose WGN is a basic MBS outlet, his WGN-TV a DuMont TV outlet, and who might be interested in building up an MBS-TV network; the National Grange, which in past has shown interest in acquiring an AM network; very likely others.

This is conjecture, frankly, and there isn't time at deadline for adequate check -- but it wouldn't be surprising if either Fort Industry (George Storer), Cowles-Look, Crosley, Yankee-Don Lee (Wm. F. O'Neil-General Tire), Time-Life or Meredith Publishing Co. (Better Homes & Gardens) interests are involved or contemplated as prospective purchasers. All have indicated expansionist ambitions in TV.

Storer owns TV stations in Detroit, Toledo, Atlanta, AMs in same cities plus Cincinnati, Miami, Wheeling, Fairmount, W.Va. Cowles publishing group has AMs in Des Moines, Boston, Yankton, S.D., no TVs (though owners of Minneapolis WTCN-TV & WTCN have small interlocking ownership with Cowles newspapers there); and there has been recurrent talk of possible sale of CBS's 50-kw Minneapolis WCCO (AM) to Cowles.

Crosley has TV stations in Cincinnati, Columbus, Dayton, besides its AMs WLW in Cincinnati and WINS, New York. Yankee recently bought Don Lee Network, sold off its one TV station (KTSN, Los Angeles) to CBS (Vol. 6:42-45); it's one of owners of

MBS, and Tom O'Neil runs Yankee-Don Lee, is MBS chairman. Time-Life has long eyed TV, once held block of CBS stock. Meredith had big TV plans pre-freeze, did start TV station WHEN in Syracuse, is still applicant for Albany and Rochester.

Foregoing are some of more obvious prospects in deal which May 4 AP dispatch also confirmed, but stated was in "an exploratory, still nebulous stage at best."

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In view of silence of CBS and ABC officials, no specific details are available -- but speculation was rife. Reasonable facts and deductions added up to this:

(1) Deal is far from fait accompli, though it's understood CBS chairman Paley and president Stanton, ABC president Kintner and v.p. Hinckley have made some soundings in Washington. It's predicated on ability to sell what remains after CBS should absorb into own network ABC's WENR-TV, Chicago; WXYZ-TV, Detroit; KGO-TV, San Francisco. That would leave WJZ-TV in New York and KECA-TV in Los Angeles, plus AM network with its 5 owned-and-managed stations to be sold; also would mean CBS would have to divest itself of its 45% of WTOP-TV, Washington, for it cannot own more than 5 TV outlets and already has WCBS-TV in New York and KTSN in Los Angeles.

(2) Without its profitable TV stations, and facing bitter competitive struggle now under way among AM networks, ABC radio network faces uphill fight for commercial survival. It runs poor third among networks in AM billings, also TV network billings (Vol. 7:17), has poor recent record of earnings (Vol. 7:17), must meet AM rate cuts already announced by CBS and NBC. This deal again makes clear ABC is on block, despite frequent disavowals (Vol. 7:13-14).

(3) Relations between AM networks and affiliates, especially CBS's & ABC's, are becoming more and more strained -- may be aggravated by this move. CBS affiliates are still smarting under rate cuts suddenly sprung on them (Vol. 7:15-17); and ABC members, unhappy about poor billings, now wonder just where they stand. Already, recriminations abound, as TV impact on radio structure takes on curious, confusing and high-finance twists.

(4) Congressional and FCC reaction isn't hard to guess if net effect is to reduce competition -- even though many hard-headed observers of the commercial scene find it hard to figure how more than 3 AM networks can survive current changes -- maybe not more than 3 TV networks too. At FCC, everybody professed to be astonished at news. Competition has become a shibboleth there; only 8 years ago, in 1943, the then FCC chairman James Lawrence Fly led move to force NBC to get rid of Blue Network for sake of more competition, and it was purchased for \$8,000,000 by Ed Noble and associates, becoming ABC.

Hint of political obstacles is contained in statement by Sen. Ed Johnson, who heads committee with all-powerful sway over FCC, radio and TV. He said:

"In principle, I'd be opposed to such a merger. I'm against any move towards monopoly in the broadcasting network business. I'm dubious about such a merger, unless there are factors involved that I know nothing about. I should think our committee would want to move in and learn all the facts involved. I'm for competition and lots of it. There's already too much monopoly in the radio business."

\* \* \* \*

Eager quest for TV stations, of which there are now only 107 though channels could have been had for the asking only a few years ago, is evidenced not only by CBS-ABC deal and intense interest in freeze-thaw (see p. 4), but also by station sales deals of last year (see p. 12, Vol. 7:17) and others known to be cooking.

At least 2 Midwest TV stations are currently subject of sale negotiations in 7-figure sums. Networks aren't involved; details should be revealable soon.

**TV SPONSORS STICK, NBC-AM RATES CUT:** TV networks say they're holding onto most of their evening sponsors through summer -- most with same shows, some with substitute shows. If reaction of public is good, they think pattern for year-round sponsorships will have been established, contrary to hiatus precedent of radio.

Summer schedules are now being aligned, so it's too early to secure exact data. But CBS-TV's Jack Van Volkenburg says virtually all sponsors are staying on, definite orders on hand already from 80%. NBC-TV's Frank Reed reports 5 full-hour



shows sticking, 3 sponsors holding time with replacements, others now being signed. ABC-TV's Fred Thrower reports 15 out of 43 accounts definitely committed for summer, only 2 as yet definitely off for summer. DuMont's Chris Witting reports 7-8 commercial hours per week certain to stay this summer, no vacation requests yet.

What's holding the sponsors seems to be the desire to hang onto time spots on still-restricted network lineups, since there are so few cities with enough competitive outlets due to station freeze. There's also incentive of summer "bargain" rates and conditions (Vol. 7:15). On station side, adjacencies to network shows are proving bonanza -- and such spots are easy to sell.

Radio network picture isn't too bright, by contrast, mainly because of rate cuts starting mid-summer and frankly forced by TV. As did CBS a few weeks ago (Vol. 7:15 et seq), NBC this week announced across-the-board cut of 15% on 8-10 p.m. time, 10% on 1-8 p.m. time, effective July 1 -- so it's only matter of days before ABC and MBS reveal their reductions. Simultaneously, NBC dropped 20 AM staffmen, plans more of same, hopes to absorb such personnel in TV depts.

Though affiliates are still bitter, network people say radio rate cuts are having effect of (1) keeping some sponsors on air who were ready to cancel, and (2) attracting new sponsors. But April 28 Billboard quoted consensus of ad folk as saying that, with TV getting stronger, with more TV stations to come, radio rates may have to be cut again in year or so. And "virus" is spreading to spot, with Esso's agency Marschalk & Pratt writing all stations carrying Esso Reporter that it feels CBS cut was "a step in the right direction, especially in those cities where TV is gaining strength...We assume similar reductions will be made in spot rates."

It's no secret that stations now look to increased spot and local business to hold up revenues, some even talking of raising such rates. Broadcasting Magazine calls network rate cuts "emotional spasms," suggests industry-wide research to prove value of radio. Advertising Age, same date, hails reductions as "stabilizing rate structure of radio," referring to "devious manipulations" by which stations and networks had been making time deals anyhow.

**END-OF-FREEZE HOPES, UHF ENTHUSIASM:** First TV grants by Dec. 1, first new stations on air by mid-1952. That's latest estimate by FCC Chairman Coy, who outlined freeze-ending procedures in April 30 address to National Newspaper Promotion Assn. His guess isn't too far off from ours (Vol. 7:17). Coy also reiterated faith in uhf and doggedly plugged CBS color.

Coy's failure to mention "partial" unfreezing has led some to believe everything may have to await ultimate decision on whole allocation. This would include hoped-for "quick" unfreezing of vhf stations in Territories, increases in power for existing stations, grants of uhf everywhere. But FCC's answer on partial unfreezing won't come until it has studied all comments on allocation plan (see p. 4).

To back up his hopes for uhf, Coy pointed out that it will serve 30-40 mile radius, contrasted with hundreds of AMs covering 15-20 miles day, 3-5 miles night.

RCA has spent \$2,500,000 in uhf research, chairman Sarnoff told May 1 stockholders meeting. "Our engineers," he said, "taking the initiative in pioneering the upper frequencies, have determined that a major expansion is practical and possible at uhf. By adding a simple and inexpensive converter, owners of present TV sets can enjoy high quality reception from uhf as well as the vhf."

Enthusiast John Poole, Long Beach, Cal. (Vol. 6:21,27), this week asked FCC permission to conduct propagation tests from Mt. Wilson, using 15-kw beamed signal.

FCC is worried about transmission line losses in uhf. It has written manufacturers, asking for answer to this problem: For 1000-ft. tower, using some 1200 ft. of 3/8-in. line, only 20% to 30% of power would get to antenna at 890 mc. A 6/8-in. line would be more efficient, except that undesirable reflections, etc., might arise. Commission wants to know what can be done about it.

RCA is reported offering 10-kw transmitter (Type TTU-10A), plus 20-gain antenna and monitoring equipment, for \$180,000. Delivery dates aren't indicated, but "late 1952" is considered likely.

That 1-kw uhf transmitter of GE's (Vol. 7:15), will cost \$75-100,000, in-

cluding associated equipment, deliverable in about 18 months, the company says.

Federal Telephone & Radio points out that it produced first 1-kw unit for 490-mc, for CBS in 1946 and states it will have uhf transmitters "when required".

Federal also reports increased vhf activity, saying 2 of last year's new stations use its transmitters, that 2 more will be delivered within 60 days, that company has number of additional orders on hand.

Zenith unleashed another full-page ad in April 29 New York Herald Tribune, stating: "FCC Announces Plans For 10 TV Stations For New York City-Newark...3 in the New Ultra-High Frequency Channels! And Zenith Sets Need No Converter!"

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NPA hasn't set policy on materials availability for transmitters and towers, but its Electronics Division this week submitted plan to top echelon, making some provision for them (see p. 13). NPA climate appears favorable at this moment.

TV-radio station construction is no longer exempt from NPA building restrictions (Vol. 6:3,6). In move designed to save structural steel for defense and defense-supporting civilian programs, NPA May 4 amended M-4 order to require specific authorizations to build or make major alterations on TV-radio broadcasting buildings and newspaper plants. Larger apartment house and luxury home construction are major targets of new ruling.

**FREEZE COMMENTS BEGIN, DELAY FEARED:** Flood of TV allocation comments -- first wave -- broke on FCC this week when educators filed some 200 statements. Second wave -- from commercial stations and applicants -- will arrive on May 7 deadline. Some of latter, like strongly-worded petition filed this week (see below) may augur delays of various sorts, including even possible court action.

[Note: We'll summarize all the comments filed after they're all in.]

Among comments on allocation principles to come next week will be requests for: changes in height-power-interference ratios, correction of uhf terrain factor, lifting of 200-kw ceiling on uhf, changes in Gulf area channel spacings.

City-by-city comments will include the obvious -- opposition to educational reservations and channel-juggling to provide more vhf stations. A number are bound to say: "We're willing to take a reduction in power in exchange for slight reduction of 180-mile separation." Others will point out: "City-to-city, we're just under 180 miles, but transmitter-to-transmitter we're over 170-mile minimum."

DuMont is filing whole new allocation proposal, with prime objective of getting more channels where population density is greatest -- furthering network competition. It will stipulate new system of "priorities," claiming them to be more realistic than FCC's. DuMont claims FCC hasn't stuck to its own priorities.

DuMont is even using big electronic computer at MIT to evolve answers to complex allocation formulas, reports results so far are very encouraging.

It has also prepared elaborate map for hearing, with lights representing top 300 markets. Lights are actuated by punched cards, can show at a glance which channels are reserved, which are occupied, how each channel is allocated, etc.

DuMont plan reduces amount of vhf-uhf intermixing, but says survey of applicants indicates uhf will go ahead fairly well, even in intermixed areas.

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Vast majority of comments from schools -- large and small -- are almost identical. Actually, most merely filled out or followed a form, saying they commend FCC for reserving channels, hope to make use of them eventually although they have no plans now. And in cities where only uhf is reserved, they regret that vhf isn't set aside. A very few say they plan to apply for stations soon.

Joint Committee on Educational Television, formed to conduct campaign and aided by Ford Foundation money (Vol. 7:17), will again carry ball for educators when city-by-city hearings begin June 11. In its comments, it asks for (a) reservation of "flexibility" channels (see TV Allocation Report) where no others are available, (b) change in "priorities" to specify an educational service to all parts of U.S., (c) vhf reservation even in cities with fewer than 3 vhf channels, (d) a chance of



some sort at vhf channels in "closed cities" where all vhf are now occupied -- presumably at renewal time.

Educators and Comr. Hennock don't see eye to eye any longer on question of "percentage" reservation. Miss Hennock keeps plugging for 25% of all channels. Educators, JCET at least, have dropped talk of percentages, merely ask for "more".

Ford Foundation came across again, to tune of \$260,000, for Iowa State College's WOI-TV -- though it's on FCC lists as a commercial outlet since it takes such programs from all networks. At week's end, Foundation granted \$300,000 for "tape network" of National Assn. of Educational Broadcasters, to be administered by Lowell Institute, Boston. Institute itself has applied for FM, presumably will go for TV.

Sen. Benton took up cudgels again in May 3 closed-circuit address from New York to Columbus, Ohio, meeting of Institute for Education by Radio-TV. The Senator has been working closely with JCET, its counsel Telford Taylor (who recently joined board of Skiatron, promoter of Subscriber-Vision; Vol. 7:17), and Ford Foundation. He suggests that Congress might make "grants-in-aid" to support educational TV, that FCC put the bee on commercial stations for more "public service", that educators become "publicists and promoters and politicians."

Sen. Benton tells us he's reexamining his resolution (S.Res. 127, calling for 90-day Congressional study of educational question) to see whether it needs changing. He said Senators Johnson and McFarland have assured him hearing soon.

Percentage of time on commercial stations seems to be Sen. Benton's major motive now. Here's how he puts it: "I'd rather have one hour every night on NBC than an educational station in every state."

He also continues pitch for subscription TV -- a la Skiatron's Subscriber-Vision and Zenith's Phonevision -- thinks they'd contribute to education in addition to "providing healthy competition" to an "advertising-supported system."

In speech to the Ohio group, Comr. Hennock said she wants 500 channels reserved instead of 200, that "the obstacle of funds has been overrated."

New York's Rep. Emanuel Celler renewed lobbying for his bill (H.Res. 3542) to make commercial stations devote 25% of their time to "non-commercial, educational programs, sustained or sponsored." In letter to New York Times May 4, he again labels channel reservation idea "unworkable and undesirable."

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Spokesman for the radio broadcasters, many standing to be left out in cold in view of paucity of channels and educators' slice, Broadcasting Magazine was quite bitter in its editorial attack April 30 on Hennock scheme. It stated:

"In unvarnished words, this is a crusade for socialized TV...Our school systems are in dire financial need. Teachers are under-paid. New construction is needed. The entire program lags. Then how can prudent government, whether local, state or Federal, espouse TV stations involving an initial investment of half a million per entity plus annual operating overheads (deficits) to match?"

"There must be a reason. It is the lust for power -- political power and perpetuation of politicians in office..."

Opposition from Sen. Johnson is indicated, for he said: "I doubt very much that any educational institution in Colorado will attempt to operate a TV station in the next 20 years. The cost is way beyond them. They're having a hard time keeping their doors open, let alone spending \$1000 a day to operate a TV station. I can't speak for other states, but I certainly can for Colorado."

And some ostensibly well-heeled schools have approached lawyers with query: "Can't we become partially commercial somehow?"

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Filed this week was potentially significant document from WKMH, Dearborn, Mich. Station owner Fred Knorr stuck his neck out, cautioned FCC that its freeze-ending procedures appear to violate statutes and "invite court action" -- making possible more years of delay. At same time, petition said "no threat of court action" was intended, and it suggested method of lifting freeze "almost immediately."

Laws violated, according to petition (not an allocation comment) filed by

counsel Bingham, Collins, Porter & Kistler, include Sec. 4(b) of Administrative Procedures Act, Secs. 307(b) and (c) of Communications Act. Generally, petition contends that FCC hasn't given parties full opportunity to participate in rule-making; that Congress hasn't delegated authority to make channel reservations; that channel allocations must be guided by demand, rather than fixed allocation plan to be changed only by rule-making.

In lieu of present procedures, petition suggests that allocation plan be placed in engineering standards "as a guide." According to counsel, this could mean lifting of freeze within couple months. Otherwise, they fear, whole procedure is extremely vulnerable to tieup in courts anywhere along the way -- even after grants have been made. For example, a single court test of any of the 31 proposed channel shifts, they say, could throw whole allocation into litigation for 2-3 years.

Similar word of caution will be voiced by Federal Communications Bar Assn. in petition to be filed shortly (Vol. 7:17).

**OLD ORDER MAY CHANGE IN FCC SHAKEUP:** FCC underwent something of a revolution this week -- in move that didn't make newspaper headlines but can have enormous influence on its future actions.

It removed Harry Plotkin, assistant general counsel, from driver's seat on broadcasting matters, picked chief engineer Curtis Plummer to head newly established Broadcast Bureau which will have vast authority over aural and visual broadcasting.

Plotkin is widely regarded as prime architect of much Commission policy, the "master mind" behind recent moves arousing bitter controversy. He's a brilliant, persuasive, relentless advocate of greater and greater govt. control over industry.

FCC vote of 5-2 was harsh defeat for Chairman Coy, Plotkin's staunchest supporter. Only he and Comr. Hennock voted for Plotkin. Until month or so ago, it was considered virtually unthinkable that anybody else would get prize \$11,200 job.

Hennock vote was surprise, for she's at constant odds with Coy (she's suspected of harboring ambition to be next chairman) and it was she who once gave Plotkin fiercest public tongue-lashing we've ever heard in FCC hearing room (Vol. 6:48), accusing him of underhandedly sabotaging her pet educational TV program.

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All isn't settled yet, since Plummer's second in command is still to be named. He may want Plotkin, since they've worked together for years. But FCC majority could reiterate what some lawyers styled "lack of confidence vote" by refusing to accept Plotkin, who has gained enmity of considerable proportion of FCC bar.

Future policy also may rest on choice of 5 division chiefs under Plummer. If they're "Plotkin men" -- and he has gathered devoted group around him -- his thinking is likely to be perpetuated to considerable degree.

Even Chairman Coy's future is drawn into speculation -- whether he can now hold majority of commissioners, as in past; whether he will seek renomination before term expires June 30. Despite number of unpopular actions he's supported, political consensus seems to be he can have job if he wants it.

Some think he wants to get out -- because he needs more money, because of sheer physical strain of fierce intra-FCC and extra-FCC struggles, huge work load.

"But Coy never runs from a fight," his friends say. Since Commission is always under attack, there's plenty to keep him going. Even this week, resolution to investigate Commission (H. Res. 214) was introduced by Rep. Bernard W. Kearney, Republican, of Gloversville, N.Y. He's member of Un-American Activities Committee, says he has reason to suspect group within FCC of pro-Communist leanings -- an old story not likely to stand up, probably stemming from Lawyers Guild members on staff.

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What kind of broadcast boss Plummer will be, only time will tell. Up to color decision, he had firmest kind of support from industry as well as Commission. It's not known how much he contributed to decision itself, notably its ill-starred bracket-standards gimmick (Vol. 6:35, et seq) -- but he's held responsible.

Credit for highly-commended engineering aspects of TV allocation plan must



be placed on his shoulders, as should his sound record as chief of TV engineering. It's uncertain who will get chief engineership, but appointment is expected from within. Principal contenders seem to be Edward W. Allen, technical information chief; Edward W. Chapin, lab chief; George S. Turner, asst. chief engineer for field services and monitoring; James E. Barr, chief of AM broadcasting.

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Broadcast Bureau plan is effective June 4, part of program of functional reorganization. Other two bureaus are Common Carrier and Safety & Special Services. Most TV-AM-FM jobs are taken away from general counsel, chief engineer and chief accountant, put under head of Broadcast Bureau. In bureau will be 5 divisions, each to have chief: Aural Facilities (AM-FM), Television Facilities, Renewal & Transfer, Hearing, Rules & Standards. Race is now on to see who gets coveted jobs. Plummer says he hasn't decided; in past, chief's preferences have carried great weight.

**INDUSTRY AGREED ON COLOR SYSTEM:** Color fight is warming up again, as everybody stands by each Monday awaiting Supreme Court decision.

This week, Ad Hoc color subcommittee of National Television System Committee (Vol. 7:1), top-level all-industry group whose counsel FCC followed in setting up monochrome standards, has completed its work, reported to whole NTSC.

Results are now undergoing field testing, and NTSC members are so hot about them that they say Court's decision will have little bearing on accelerated efforts to perfect compatible system, place it before FCC.

Details are being withheld, but among new developments is an "oscillating color sequence" -- said to reduce susceptibility to interference by 6-8 db, produce steadier color, move color carrier up to 4 mc, make system "even more compatible."

This apparently is what New York Times' Jack Gould saw on his home set May 2, leading him to write front-page story May 3 which reported reception of picture "superior to the monochrome images normally seen."

RCA had begun off-hour experimental transmissions, which will continue. It's plain now that RCA's plans, once Court decision is rendered, embrace public demonstrations, sponsor-product shows, networking, remote pickups.

Philco and DuMont are also conducting field tests, while all other NTSC members are being urged to build color sets to test available signals. Hazeltine continues its color classes, is starting fourth 2-week course of 20 engineers each.

CBS plans Denver closed-circuit public showings of its system. It's Sen. Johnson's home state, and affiliate KLZ is cooperating in May 14-18 demonstrations. RCA picked next-biggest non-TV city, Portland, Ore., gave it first taste of TV this week with black-and-white demonstrations in cooperation with U of Portland.

**KINE-RECORDINGS BIG FACTOR IN TV:** Much of the future of TV programming depends on kinescope recordings -- otherwise called kines, TV-recordings, tele-transcriptions.

Despite early thinking that they would lose their importance as networks expanded and more films were produced for TV (to say nothing of release of feature films from big producers' vaults; see Vol. 7:13,16), it's increasingly apparent that off-the-camera films of TV shows will gain added importance with time.

Consensus of experts at May 1 session of Society of Motion Picture & TV Engineers in New York this week seemed to be that, despite their present deficiencies, kines will be answer to (1) high cost of intercity coaxial and/or microwave hookups; (2) programming of independent or non-interconnected TV stations; (3) delayed programming, where station time cannot be immediately cleared; (4) such complications as daylight saving time, time zones, etc.; (5) auditions and records.

Thus kines will serve same purpose -- possibly on bigger scale -- as radio transcriptions, now an enormous factor in broadcasting and capable of quality every whit as good as live shows.

Even today, it was noted, top TV shows are being kine-recorded, shipped to our troops overseas for showings in their cinema setups. Among the more noteworthy developments reported at SMPTE meetings were these:

- (1) Some 3,000,000 ft. of 16mm film per week are already being processed by

TV networks, based on 120 hours of original negative. That's equivalent of 60 two-hour films per week. This year, networks will make 40,000 prints, each to be shown at least twice. This information came from CBS's Howard Chinn, NBC's Frank Lapore.

(2) Kine-recordings for military training films were described by Navy's Lt. Comr. J. S. Laffin, who said, "Pictorial quality, while not up to motion picture standards, is acceptable for most types of subject matter...Pictures look better than a purely mathematical analysis of resolution would indicate."

(3) How kine recordings might be used to make Hollywood movies, with consequent savings in production costs, was described by G. R. Stevens, of Television Film Productions Ltd., London. He told of British experiments whereby TV camera chain, instead of film camera, is used to "shoot" a scene, with best shots recorded on film off face of monitor tube. This permits director to edit scenes before they are recorded on film, thus eliminating repeated film shots, lengthy editing processes. Idea presupposes that kine recordings will be of same quality as today's motion picture films. Similar experiments are being conducted in Hollywood.

**Personal Notes:** Jack P. Blume, FCC examiner, resigned May 1 to join law firm headed by former FCC chairman James Lawrence Fly, heading newly-opened Washington offices at 1028 Connecticut Ave. (headquarters are New York). Firm will henceforth be known as Fly, Shuebruk & Blume. Blume was examiner in San Francisco and Detroit TV hearings (no decision rendered due to freeze) and in Paramount-DuMont case . . . Rodney Chipp, DuMont Network engineering director, leaves May 18 on business-vacation flying trip to Europe, accompanied by Mrs. Chipp, who is also an engineer; she's v.p. and chief engineer of Newark Controls . . . Theodore C. Streibert, president of WOR & WOR-TV, left May 1 for Tel Aviv, Israel, on inaugural flight of new El Al Israel Airlines, returning May 22; he was subject of sketch April 30 in "Business & Finance Leaders" column in *New York Herald Tribune* . . . Robert N. Wold, ex-Knox Reeves Adv., named promotion mgr., WTCN & WTCN-TV, Minneapolis . . . James Kilian promoted to asst. program mgr., WAAM, Baltimore . . . Jack Barlass, ex-Meredith Publishing Co., named executive v.p., Princeton Film Center . . . Paul Monroe named executive director of TV-radio production, Theodore Gannon director of program development, Wm. H. Weintraub & Co. . . . Irvin B. Levin new head of TV-radio dept., Degner & Associates, L. A. . . . Tom Wright, ex-BBDO, joins Dundes & Frank Inc. as TV-radio director . . . Robert Gillham, TV-commercial film v.p., J. Walter Thompson Co., has resigned to join Cunningham & Walsh . . . Florence Smith, ex-H. B. Humphrey Agency, appointed TV-radio timebuyer for Hewitt, Ogilvy, Benson & Mather, N. Y. . . . Howard Chernoff, ex-West Virginia Network, named mgr. of KFMB & KFMB-TV, acquired by purchase by John Kennedy interests (Vol. 7:17) . . . Edward L. Sellers, director of FM dept. of NARTB, resigns May 1 to join Carl Byoir & Associates, public relations counsel (for RCA, among others) . . . Leroy Bremmer, WABD engineer, has applied for 250-watt AM station on 1490 kc in Atlantic City . . . Wm. Doty Edouarde, ex-KFWB, appointed NBC spot sales rep for So. California, succeeding Robert E. Howard, resigned.

**Station Accounts:** Union Pacific Railroad buys *Singing Rails* on KTSL, Sun. 7-7:30, and *Polyzoides*, political columnist, on KTTV, Wed. 8-8:15, thru Caples Co. . . . Banks were first to buy *March of Time Through the Years* in 28 cities (Vol. 7:7, 11), but Ohio Standard Oil Co. has taken it on stations in Cincinnati, Columbus, Dayton, Toledo . . . McLevy Dance Studios and Slenderizing Salons sponsoring *Video Venus*, new beauty-talent search show starting May 11 on WJZ-TV, Fri. 10:30-11, thru Associated Adv. Service . . . Elgin American Division, Illinois Watch Case Co., buys heavy schedules of pre-Mother's Day (May

13) TV spots, thru Russel M. Seeds, Chicago . . . Cribben & Sexton Co. (Universal gas ranges) sponsoring *Sally Smart's Blue Flame Gas Kitchen* on WOR-TV, Wed. 11:30-noon, kinescopes to be syndicated by Paramount Television Productions . . . Among other advertisers reported using or preparing to use TV: Pan American-Grace Airways Inc., thru J. Walter Thompson, N. Y. (WABD); Personal Products Corp. (Co-ets facial tissue), thru Young & Rubicam, N. Y. (WABD); Vitrex Co. (reducing plan), thru Courtland D. Ferguson Inc., N. Y. (WABD); Olson Co. Inc. (roofing materials), thru E. T. Howard Co., N. Y. (WABD); Nestle Co. Inc. (Nes-Tea), thru Needham & Grohmann, N. Y. (WABD); Bardahl Oil Co. (lubricants), thru Harold Kirsch Co., St. Louis (WDTV); C. H. Musselman Co. (apple products), thru Clements Co., Philadelphia (WBAL-TV).

**Network Accounts:** Brown Shoe Co. (Buster Brown Shoes) moving *Smilin' Ed McConnell Show* from NBC-TV alt. Sat. 6:30-7 to CBS-TV every Sat. 11:30-noon, starting Aug. 11, thru Leo Burnett Co., Chicago . . . Nash-Kelvinator, starting June 9, takes over full sponsorship of *Paul Whiteman TV Teen Club* on ABC-TV, Sat. 8-9, thru Geyer, Newell & Ganger; American Dairy Assn. dropping 8-8:30 segment. Nash-Kelvinator reported dropping *Star of the Family* (Morton Downey) on CBS-TV Fri. 10-10:30 . . . Gillette sponsoring kine of *Kentucky Derby* on CBS-TV from WHIO-TV, Dayton, evening of May 5, 9:45-10 p.m.; Gillette will also sponsor *Preakness* from Baltimore on CBS-TV May 19, 5-5:30, thru Maxon Inc. . . . Pabst slated to sponsor Ezzard Charles-Joey Maxim championship fight from Chicago May 30 on CBS-TV, 10 p.m., thru Warwick & Legler . . . Anchor-Hocking Glass Corp. dropping Mon. & Wed. but continuing Tue.-Thu.-Fri. sponsorship of *Broadway Open House* on NBC-TV, 11-midnight, with Jack E. Leonard replacing Jerry Lester, thru Wm. H. Weintraub & Co. . . . Procter & Gamble replacing *Fire-side Theatre* with *Cameo Theatre* on NBC-TV from July 3, Tue. 9-9:30, thru Compton Adv. . . . Lucky Strike replacing *Your Hit Parade* on NBC-TV with unnamed program starting July 14, Sat. 10:30-11, thru BBDO . . . Philip Morris reported to have signed for *I Love Lucy*, new comedy series on CBS-TV to start in fall with Lucille Ball and Desi Arnez, thru Biow Co. . . . Next *Jack Benny Show* on CBS-TV will be May 20, sponsored by Lucky Strike, Sun. 7:30-8, in lieu of *This Is Show Business*.

Don Fink, editor of *Electronics Magazine*, will be U. S. spokesman at TV sessions of CCIR conference June 5-July 6 in Geneva, Switzerland. Conference is expected to vote regional TV standards on world-wide basis so they can be recommended at 1952 world telecommunications sessions in Buenos Aires.



**Financial & Trade Notes:** DuMont earned net income of \$6,900,788 (\$2.87 per common share) after provision of \$6,300,000 for taxes on gross income of \$76,362,565, according to 1950 annual report released this week. This compares with \$3,269,880 net (\$1.49) after \$2,250,000 taxes on \$45,267,089 gross in 1949 and \$2,701,767 net (\$1.29) on \$26,934,239 gross in 1948. Report does not break down factory and network operations, but does reveal 78% increase in TV receiver output, 250% increase in units with higher margin of profit on CR tube production, increase of distributors to 34 covering 52 TV markets. Total current assets at end of 1950 were \$31,087,710 vs. \$15,481,032 at end of 1949, liabilities \$14,134,480 vs. \$7,260,662. Working capital was \$16,953,230 vs. \$8,220,370. (For network estimate, see Telecasting Notes.)

Best first quarter in its 31 years was reported by RCA, with sales of \$185,590,755, net profit of \$11,901,542 (75¢ on 13,881,016 common shares) after taxes of \$15,842,000 for 3 months ending March 31. This compares with \$127,369,550 sales, \$11,236,231 (75¢) net profit, \$7,709,000 taxes in first quarter 1950 (Vol. 6:18). Company's business volume is 4½ times what it was 10 years ago, chairman Sarnoff told stockholders at annual meeting in NBC's TV studio 8H May 1, with TV biggest factor in new sales record. He also said military orders recently "reached a volume that required conversion of some of our commercial production facilities to manufacture of equipment to national defense." Stockholders overwhelmingly approved hotly-contested proposal to grant purchase options on 100,000 shares of stock to Gen. Sarnoff and 50,000 to president Frank M. Folsom.

Philco annual meeting of stockholders will be held May 18 in Philadelphia, proxy statement disclosing these directors to be elected, their present stockholdings (in parentheses) and their 1950 compensation if active in management: Wm. Balderston, president (7188 shares), \$75,000 salary and \$118,750 bonus; James T. Buckley, chairman (21,966), \$37,500 & \$59,375; Harold W. Butler, v.p. (11,245), \$30,000 & \$52,250; James H. Carmine, executive v.p. (31,225), \$60,000 & \$95,000; Wm. H. Chaffee, v.p. (901), \$22,083 & \$26,600; Charles S. Cheston, director (237); Joseph H. Gillies, v.p. (9437), \$32,500 & \$59,850; Larry E. Gubb, director (28,973), \$30,000; Larry F. Hardy, v.p. (7809), \$37,500 & \$71,250; Russell L. Heberling, v.p. (24,087); Robert F. Herr, v.p. (27,578), \$22,083 & \$42,750; Thomas A. Kennelly, v.p. (25,474), \$35,000 & \$71,250; Wm. Fulton Kurtz, director (200); John M. Otter, v.p. (7312), \$40,000 & \$57,000; Courtney Pitt, v.p. (1270), \$25,625 & \$35,625; David B. Smith, v.p. (3273), \$35,000 & \$19,000; Leslie J. Woods, v.p. (9905), \$40,000 & \$66,500.

**Dividends:** International Resistance Co., 10¢ payable June 1 to holders of record May 15; CBS, 40¢ payable June 1 to holders May 18; Avco, 15¢ payable June 20 to holders of record June 1; Blaw-Knox, 25¢ payable June 12 to holders May 14; Telecoin Corp., 5¢ payable May 15 to holders May 5; Television Electronics Fund, 15¢ payable May 29 to holders May 15.

Motorola's first quarter report, released May 4, shows record sales of \$46,659,847, earnings before taxes \$6,782,105, net income \$2,572,718 (\$2.93 per share). This compares with \$35,846,974 sales, \$4,720,775 earnings before taxes, \$2,825,966 (\$3.21) net income for same 1950 period.

Wilcox-Gay Corp. (Majestic) reports net earnings of \$355,787 for first quarter on sales of \$3,707,658. This compares with net loss of \$227,223 on sales of \$1,220,560 for same 1950 period. (For 1950 report, see Vol. 7:13.)

Collins Radio reports sales of \$5,853,000, net profit of \$132,161, for 6 months to Jan. 31 vs. \$5,551,000 sales and \$145,243 profit for 6 months ended Jan. 31, 1950.

TV is "superb" as means of public education, Kefauver Crime Investigating Committee said in its widely-publicized May 1 report summing up hearings on organized gambling and racketeering.

Senate Committee gave telecasters "major part of the credit" for impact of recent hearings on public, credited telecasts with "salutary effect in awakening the public to the menace of organized racketeering that now confronts our national life."

But report points up new problems raised by televising of legislative processes—including possible invasion of privacy—and urges "code of Congressional procedure . . . to insure the continuing dignity and maximum effectiveness of legislative proceedings which might be televised as well as to preserve the constitutional rights of citizens."

With memory of Kefauver telecasts still in sharp focus, Gallup Poll released April 27 shows 70% of voters think it would be good idea to telecast sessions of Congress, 16% said poor idea, 5% fair, 9% no opinion. Despite possibility of dull and long-winded speeches, 78% said they thought such telecasts would be interesting, 14% said no, 8% no opinion.

Rep. Jacob K. Javits (R-N. Y.) May 2 inaugurated discharge petition in attempt to get House action on his H. Res. 62—pigeonholed by Rules Committee—to provide for telecasting and broadcasting important House debates.

National Union Radio Corp. sales volume was \$5,021,822, profit after taxes \$448,443 in first quarter 1951 which compares with \$2,485,746 sales and \$186,182 net earnings for same 1950 quarter. CR and radio tube sales accounted for favorable report, company reported to stockholders May 1, but CR production at Hatboro (N. J.) plant has been curtailed due to decline in TV buying. "It is expected," report states, "that towards the end of the second quarter there will be a favorable upturn, with demand for CR tubes continuing to increase into the early fall." Meanwhile, construction will not be delayed on new 140,000-sq. ft. plant at Rhwan & Dugan Sts., Philadelphia, costing \$5,000,000, to be devoted to miniature and sub-miniature tube production.

National Union's recent annual report for 1950 (Vol. 7:14), showing record sales and earnings (Vol. 7:14), was accompanied by proxy statement disclosing C. Russell Feldman, chairman, as owner of 232,000 shares (entire issue) of preferred stock, no common, with director Harry E. Collins, senior partner in Collins, Norton & Co., investments, owning 219,000 shares of common, Mrs. Collins 80,500, and president Kenneth C. Meinken 35,900 out of 1,375,766 shares outstanding. Mr. Meinken's 1950 salary is given as \$40,000, bonus \$10,000.

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Standard Coil Products Co. reports consolidated net sales of \$12,756,856 for quarter ended May 31, net profit of \$1,123,539 after provision of \$995,646 for estimated Federal income taxes. This is equal to 76¢ per share on 1,470,000 outstanding shares of common. Report includes figures for Kollsman Instrument Co., purchased Jan. 1, 1951, big govt. contractor for optical products. Standard's recent 1950 report (Vol. 7:12) showed net profits of \$5,266,442 on sales of \$35,632,396.

Color performance of Eidophor theatre TV system (Vol. 7:7), specified in 20th Century-Fox's agreement with Institute of Technical Research in Zurich, should be "not substantially less good than existing motion pictures in Technicolor." According to 20th Century's annual report, prototype of such color equipment is to be delivered in 18 months. Big movie firm has exclusive license on system.

**NEW LOW IN TV OUTPUT, RADIO HOLDS UP:** TV production nose-dived fourth week in April (ending April 27), dropping to 83,516, of which 6720 were private label. Inventories at factory stayed high -- 403,642 vs. 433,930 at end of preceding week (Vol. 7:17). Week's output was lowest since beginning of 1950, save for two July vacation weeks.

Output drops began in mid-March, accelerated through April (Vol. 7:13-17) when first week showed 140,964, second week 133,576, third 122,489 -- so that month's RTMA total is 480,545, lowest since last July's 330,377. They compare with 874,634 in March (5 weeks), 679,319 in February, 645,716 in January (revised RTMA figures). Further drops are expected.

Radio output for fourth April week held up reasonably well, totaled 313,348 -- as against 349,767, 361,652 & 332,463 preceding April weeks (Vol. 7:16-17). Month's total thus was 1,357,830 vs. 1,737,141 in March, 1,325,450 in February, 1,235,114 in January. Fourth April week's radio breakdown: home radios 138,241, auto 130,717, portable 44,390.

**PLANS AND PURPOSES OF THE SET MAKERS:** RCA and GE committed themselves definitely this week to hold their TV price lines -- RCA until Aug. 1, GE until Sept. 10. In addition, RCA assured distributors it will introduce no new models before Aug. 1.

This seems to contravene downward trend indicated by current trade lull and Emerson's deep price slashes ordered as of May 1 (see Topics & Trends).

Fact is that, despite discouraging apathy of today's retail market, despite huge inventories forcing what look like distress sales and intercity dumping, despite factory curtailments, a sort of quiet optimism appears to have settled over many manufacturers in contemplating future prospects.

It will be surprising if Admiral, Motorola and Philco, who with RCA form industry's Big Four, will offer new models by usual time of Chicago Furniture Mart, June 18-28. Nor will many other name brand producers, so far as we can learn.

If some do come out with new models next few months, and do any appreciable promoting, the big fellows figure that such promotion will build store traffic on which present models can ride. New "1952" gimmicks, whether furniture or gadgets, aren't likely to obsolete current lines, is general belief.

Talk about uhf is seen adding to confusion, helping no one sell sets now or until such stations are actually on the air -- still long time away. Color, even if Supreme Court should uphold FCC choice of CBS system, isn't regarded likely to do more than create still more confusion in buyers' minds -- since colorcasting isn't going to be done on any big scale for long time and industry forces opposed to CBS system will renew pitch to FCC and public with better, compatible system.

Impulse of the manufacturers now is to underproduce, particularly higher-priced sets. Laid off workers are protesting loudest now, their unions among the foremost urging more haste in lifting freeze and easing of Regulation W (Vol. 7:16).

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RCA called its decision "a positive move to stabilize the dealers' investment in [our] inventories in the face of the current slump...to bolster dealer confidence in the long-range stability of the TV market." Consumer v.p. Joe Elliott promised to continue advertising of current models at present lists, urged dealers to "go out and sell TV" and reiterated conviction that materials shortages will limit his company's TV production during second half of year.

Mr. Elliott told Pacific Coast NEDA, later in week: "In regard to the production of TV sets, hard times are ahead...A stock of TV receivers today is money in the bank tomorrow." He warned dealers who dump inventories that they will be "making a mistake they will seriously regret." Said he: "Employment is high, there is plenty of money in circulation, consumer demand is certain to pick up...opportunities are unlimited for the capable business man who can and will plan, sell and work."



GE's receiver sales chief Arthur A. Brandt stated price-holding policy was formally adopted because "price uncertainties in a few lines are creating a depressing effect on all segments of the industry." Purpose is not only to stabilize the market but protect distributors and dealers, he stated, and he predicted:

"Despite the fact that TV sets are in plentiful supply at this time, curtailed production will catch up with the industry later in the year when the full impact of material restrictions is felt by manufacturers."

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DuMont sales chief Walter Stickel told Buffalo group April 29 that defense limitation orders must inevitably cut TV production -- forecast best rate of output rest of this year would not exceed 60% or 65% of 1950's fourth quarter peak rate. By sheer coincidence, his line of reasoning seemed to follow closely that of Philco's Jack Otter and other Philco executives in recent trade talks: shortages are coming, current slump is no reason for panic and in many respects seasonal, talk of "saturated markets" comes only from "weak sisters" among field men and dealers, period of stress affords chance "to separate the men from the boys."

Dr. DuMont says his plant is now producing "no more sets than we can sell."

Admiral's Ross Siragusa sees pickup by end of third quarter. Motorola's Robert Galvin said production is now down about 35%, thought third quarter may revert to first quarter's pace. Olympic's Percy Schoenen wasn't quite that optimistic, thought third quarter will continue low but fourth should be better even than fourth quarter 1950; he feels time will alleviate current condition, also is convinced that shortages impend and plans no new models in June or July.

Tele-tone's Morton Schwartz attributes current troubles to overexpansion of plants, thinks next big sales push should be second sets in homes. Another manufacturer said he would have color sets coming off lines in September if Supreme Court renders decision before June favoring CBS system.

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To dealers, NARDA v.p. H. B. Price Jr., head of Price's Inc., Norfolk, offered this advice at appliance dealer confab in Wilmington May 2: "Stop buying. Don't buy until you need merchandise for sales -- not anticipated sales." He urged lowered sights on volume, advised:

"It is reasonable to expect a shortage of certain models of popular brands, but don't stock up planning another killing; take smaller volume and sleep nights." He even had good word for manufacturers: "Their only sin was aggressive selling."

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**Trade Personals:** Edward F. Harbison, recently chief of guided missiles plans, Air Materiel Command, Wright Field, Dayton, appointed mgr. of new Pacific Coast office for Philco's Govt. & Industrial Division, located at 260 S. Beverly Drive, Beverly Hills, Cal. . . . John Ward Dawson, ex-Stanford Research Institute, named chief engineer of Electronics Div., Sylvania . . . George O. Smith, well known as science-fiction writer, during last war writer of manuals for National Defense Research Council, named by Emerson as mgr. of components engineering . . . Anthony Dillon, recently with Olsen & Co., Philadelphia DuMont distributor, has rejoined Air King as field sales mgr. . . . B. G. Hickman, TV-radio service mgr., promoted to asst. sales mgr., Sparks-Withington.

Largest theatre-TV purchase yet was announced this week by United Paramount Theatres, which ordered 22 systems for installation by fall. RCA got 20 orders, and Paramount Pictures (which uses intermediate-film equipment) got 2. Theatres into which installations are going will be mainly in Midwest. This will bring to 27 number of UPT houses with large-screen installations; present ones being New York Paramount, Chicago State-Lake and Tivoli, Detroit Michigan, Minneapolis Radio City. It will bring to more than 40 number of theatre-TV installations throughout country.

**Plant Expansions:** Webster-Chicago considering new office-plant building sites in Chicago area, but won't move right away; executive v.p. C. P. Cushway told stockholders meeting May 1 that company currently has \$2,000,000 in war contracts . . . Wilcox-Gay has leased 85,000 sq. ft. factory in Burbank, Cal., to produce TVs, radios, recording products, etc. . . . Tracerlab Inc., Boston, nucleonic instruments, has leased 20,000 ft. of manufacturing space for assembly of electronic equipment . . . Lewyt Corp., Brooklyn, plans new \$3,800,000 plant in Nassau County, Long Island, for military electronic production, covering about 250,000 sq. ft., employing 2000 . . . GE will triple Syracuse electronics laboratory, May 4 announcement stating new 2-story wing to start this month will increase space from 33,000 to 101,000 sq. ft.

National TV-radio set and station ads last year brought \$22,760,000 in revenue to newspapers, 78.4% increase over \$12,756,000 in 1949, according to ANPA report. This included: set advertising \$16,507,000, up 98.9% from \$8,300,000 in 1949; station ads \$6,097,000, up 39.4% from \$4,373,000; miscellaneous \$156,000, up 88% from \$83,000. TV-radio set advertising showed biggest increase of any category on publishers' list. Total national newspaper advertising amounted to \$499,019,000 in 1950, up 12.1% from \$445,015,000 in 1949.

**Topics & Trends of TV Trade:** Philadelphia may or may not be indicative of national trend, but its first quarter TV sales figures, as released by Electrical Assn., are quite eloquent. They show total of 79,907 sets sold first 3 months of this year for retail dollar volume of \$27,992,605. This compares with 93,188 for \$26,992,605 in same period last year, the dollar volume holding up because 1951 average price per unit was \$350 vs. \$279 in 1950. During all 1950, total TV sales in Philadelphia area were 364,233 units as against 220,366 in 1949 and 82,606 in 1948.

Seventeen brands of receivers are covered in Philadelphia report, which showed 34,329 sold in January (up 43% from the 23,970 for same month last year); 25,151 in February (down 15% from 29,688); 20,427 in March (down 49% from 39,530). Apparently, the recession in sales volume began in February.

Chicago Electric Assn. reports TV sales there fell to 18,176 in March, only slightly more than half preceding month. Washington's downward trend is indicated by estimates that sales fell from 14,150 in January to 10,350 in February, 9500 in March, 8540 in April.

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Machinery price order (CPR-30), issued by Office of Price Stabilization May 3, is practically identical with manufacturers' price order issued last week (Vol. 7:17), covers TV-radio transmitters, studio equipment, all electronic parts. OPS is expected, however, to divide controls on electronic parts to bring those primarily used in TV-radio under manufacturers' regulation.

RTMA production figures for first 1951 quarter, revised by its statisticians, indicate 645,716 TVs turned out by industry as whole in January, 679,319 in February, 874,634 in March—total of 2,199,669, as against the 2,196,016 we reported on basis of tallying first 13 weeks' reports (Vol. 7:14). Radio total is given as 4,235,669, of which 2,603,532 were home radios, 1,329,875 auto, 302,190 portable. The TV total compares with 1,605,200 for same 1950 quarter, radio with 3,343,600 for same 1950 quarter.

Casualty of current trade slump was revealed this week with announcement that small private-label set and components maker S. M. A. Co., Chicago, had been sold to investment banker Samuel C. Rudolph, 640 Madison Ave., New York, who paid \$173,000 for assets and inventory. Chester Lytle continues as president. TV production, half company's business, is down to 60% of first quarter, which ran at rate of 20,000 sets a year. Heavy inventories, lull in TV sales, lack of military orders were given as reasons for sale.

RTMA annual meeting will be June 4-7 in Chicago's Stevens Hotel, not dates previously reported erroneously; RTMA board May 8 will be host to new president, Glen McDaniel, at reception in Carlton Hotel, Washington. Other upcoming meetings include May 21-23 Parts Distributor Show in Hotel Stevens, Chicago, to be addressed by Indiana Steel's A. D. Plamondon Jr., RTMA chairman Robert C. Sprague, Sylvania's Frank W. Mansfield.

March excise tax collections on TV-radio sets, components, phonos reached new high of \$23,390,352, more than double \$11,349,880 collected in February (Vol. 7:13), considerably more than \$19,439,774 in January (Vol. 7:10). Total excises collected from TV-radio industry for 9 months from July 1950 were \$82,881,327, compared to previous 9 months' \$29,474,108.

"Rediscovery" of the 14-in. tube is reflected in RTMA members' picture tube sales for March. Although 91% of 608,396 total were 16-in. and up, 6% were 14-in., compared with 3½% in February. At same time, 24-in. and 30-in. rose from 1483 to 2324. Total sold for \$16,064,425, compared with February's 634,080 at \$17,555,375 (Vol. 7:14).

Emerson cut prices \$15 to \$145 on full 22-model line as of May 1, distributors being rebated on all purchases of last 30 days and instructed to rebate dealers on same terms. Prices are lowest yet offered by Emerson, but schedule was to be effective "no longer than 60 days," according to president Ben Abrams. New prices do not include excise tax or warranty, lumped extra, which had been included in old prices. Hence, down payment under Regulation W should be within reach of average purchaser, said Mr. Abrams. Move was dictated by oversupply, he admitted, estimating industry inventory is about 2,000,000 sets and Emerson production is now down to 60% of first quarter. These are new Emerson prices, not including excise or warranty (old prices, including tax-warranty, are in parentheses):

Table models—14-in., Model 662, plastic walnut \$149.95 (\$179.95). 17-in., 676, mahogany, \$199.95 (\$299.95); blonde, \$209.95 (\$309.95); 680, mahogany, better cabinet, \$219.95 (\$299.95); 696, mahogany, deluxe cabinet, \$219.95 (\$299.95).

Consoles—17-in., Model 686, mahogany, \$249.95 (\$349.95); blonde, \$259.95 (\$359.95); 681 & 687, mahogany, doors, \$279.95 (\$379.95); blonde \$299.95 (\$399.95). 19-in., 688, mahogany, \$269.95 (\$439.95); 689, mahogany, half doors, \$299.95 (\$459.95); blonde, \$319.95 (\$479.95); 690, mahogany, full doors, \$319.95 (\$479.95); blonde, \$349.95 (\$509.95). 20-in., 692, mahogany, \$259.95 (\$459.95); 693, mahogany, half doors, \$379.95 (\$479.95); blonde, \$399.95 (\$499.95); 694, mahogany, full doors, \$399.95 (\$499.95); blonde, \$429.95 (\$529.95).

Combinations—16-in., 666, mahogany, AM-FM-phonos, \$399.95 (\$499.95).

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Trade Miscellany: Federal Reserve Bank of New York reports dollar value of TV inventories held by dept. stores in Second Federal Reserve district as of March 31 was 446% ahead of same date 1950 . . . Herald Tribune April survey of N. Y. dept. stores showed 5 went ahead of April year ago in TV-radio sales "as a result of heavy promotional effort," showing gains up to 65%; but 6 stores showed declines ranging from 6% to 74% . . . Newspaper advertising of TVs in 49 cities totaled 10,766 standardized newspaper pages first quarter 1951, reports Advertising Checking Bureau, about 77% placed by local dealers; total was nearly same as same period 1950 . . . Latest RCA Antenaplex installation is in 261-suite "100 Memorial Drive" apartment house, Cambridge, Mass., owned by New England Mutual Life . . . Reeves Soundcraft Corp. has purchased Bergen Wire Rope Co., Lodi, N. J., maker of specialty wire . . . Sylvania has released new vest pocket TV Tube Selector, listing more than 100 picture tube types, indexed as to sizes, shapes, metal or glass, coating, etc.

Price Miscellany: Kaye-Halbert lists 20-in. walnut table at \$239.95, mahogany \$259.95, blonde \$279.95 . . . International Television Corp. this week advertised 17-in. mahogany table at \$199.95 . . . Pathe cut 20-in. console from \$399.50 to \$249.50, with doors from \$449.50 to \$269.50; these are in addition to 12 & 17-in. price cuts reported last week (Vol. 7:17).

"Selective" mobile communications system for cabs, trucks, etc. was announced by GE this week. It permits headquarters to talk to each car individually, all others excluded from conversation.

Avco has purchased all stock of Horn Mfg. Co., Ft. Dodge, Ia., manufacturer of hydraulic loader attachments for tractors, stalk shredders, wagon boxes; will operate it under Horn name as wholly owned subsidiary.

British Marconi, beating U. S. competition, has sold 3 camera chains to UN for program originations from New York headquarters.



**READYING FOR CMP, LISTS & FORMS OUT:** Govt. set machinery in motion this week for trial run of its production-regulating Controlled Materials Plan (Vol. 7:15).

If you're a manufacturer, in next few days you'll probably receive NPA's official "Class B" product list together with CMP Regulations 1 & 3 and Application Form CMP-4B for third quarter allotment of steel, copper and aluminum. If you don't receive this material, it's important to get it as soon as possible from Commerce Dept. field office, local Chamber of Commerce, or by writing NPA.

There'll be plenty of paper work, plenty of red tape, plenty of mistakes -- both by you and by Govt. But production officials don't expect plan to run smoothly until first quarter 1952. And they pledge to rectify mistakes as rapidly as possible during this trial period.

Class B list, issued May 3 by NPA, contains more than 4000 manufactured articles containing the 3 controlled materials -- steel, copper, aluminum. Class B products are common industrial components and other general purpose items. Allotments of the 3 metals for these products will be received directly from NPA.

Complete Class A list won't be made public -- but if your product is a military item and it's not on B list, you can assume it's an A item. Special purpose products built to order for military agencies are in Class A. Some electronic items -- military type radar, for example -- will be on list A, others more closely related to civilian products are on B list.

Class A producers will receive production authorizations and material allotments from their customers, and pass allotments down to their suppliers. Allotments of controlled materials for Class B items will be made by NPA industry divisions, after DPA makes general decisions on how nation's materials supply is to be divided. Allotment of steel to radio transmitter manufacturer, for example, will come from NPA Electronics Div.

If your product is on Class B list, you must state your third quarter requirements for steel, copper and aluminum, along with proposed production schedules, on form CMP-4B and file form with NPA by May 31. It will go to industry division assigned to your product. When you receive, from your industry division, your third quarter CMP allocations, they will generally be accompanied by priorities to obtain other needed materials (nickel, cobalt, mica, etc.).

You needn't file CMP-4B if your quarterly requirements don't exceed 5 tons of carbon steel, 1000 lb. of alloy steel, 500 lb. of copper and copper-base alloy, 500 lb. of aluminum -- or if you manufacture consumer durables exclusively.

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Consumer durables won't be covered by CMP, during third quarter at least. But their repair parts and components will. If you're a durable goods manufacturer and you make some of your own repair and replacement parts, you should file a CMP-4B to get materials for these parts only. But no consumer durable maker is permitted to apply for allotment of metal to make the product itself.

These electronic and related consumer goods won't come under CMP: All household-type TVs, radios, phonos, record players, combinations, auto and portable radios, radio receiver chassis, phono needles and cutting styli. CMP allocations for repair parts for these items will be handled by Electronics Div.

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These electronic products which come under CMP are assigned to Electronics Div. for allotment of controlled materials: Amplifiers & public address systems; recorders, recording wire & tape; TV, AM & FM broadcast transmitters & studio equipment; communications transmitters, receivers & transceivers; civilian radar; oscilloscopes & oscillographs.

Nearly all electronic components, including transmitting, receiving, indus-

trial and cathode ray tubes, as well as all TV-radio parts, will come under Electronics Div. for CMP allocations.

Electronic and related items covered by CMP but assigned to divisions other than Electronics Div. for materials allotments:

Scientific & Technical Equipment Div. -- Broadcast monitoring, transmitter test, other electronic test equipment; X-ray tubes, equipment & components.

Electrical Equipment Div. -- Specialty, power & distribution transformers & parts (except those used in radio); motors & generators; industrial electrical control apparatus; industrial capacitors; non-communications rectifiers.

Communications Equipment Div. -- Microwave relay equipment, telephone & telegraph; intercommunication equipment. General Industrial Equipment Div. -- High frequency induction & dielectric heating apparatus. Consumer Durable Goods Div. -- Electric hearing aids.

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Plans for allocation of materials for all electronic items on B list have been worked out by Electronics Div. for approval of higher NPA and DPA echelons. This includes program for manufacture of TV-radio broadcast transmitters and related facilities. It's believed Govt. will take liberal attitude toward granting materials to build new stations because of importance of communications to defense effort and relatively small amount of controlled materials involved (see p. 3).

For more information on CMP, you'll have opportunity to attend NPA-conducted "school." The one-day sessions will be held in 20 principal U.S. industrial cities between May 15 & 23. Dates for specific cities haven't yet been announced.

**MAY-JUNE NICKEL ALLOTMENT FOR TUBES:** Receiving tube makers will get less nickel than they asked -- but a little more than they expected -- during May and June.

NPA will allocate 200,000 lb. in May, 180,000 in June, for use in all types of receiving tubes. Manufacturers had asked 250,000 lb. for May, 225,000 for June -- their rock-bottom requirements. Nevertheless, May-June ration is high in view of April's allotment of 169,000 lb. (Vol. 7:16) and recent warnings by high NPA officials that May's allocation would be considerably less than 200,000.

An NPA official said the allotment, "while not large by industry's standards, should be adequate, with maximum conservation efforts, for essential requirements." He stated manufacturers have given assurances they'll turn out enough replacement tubes to prevent shortage in that field.

Nickel allotment covers military, industrial, export as well as tubes for civilian TV-radios. And because of lead time in manufacture of tube elements, it will probably be fall before nickel authorized this month is incorporated in tubes rolling off production lines. By that time, much of tube makers' output is expected to be for armed forces.

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On another component front, NPA Electronics Div. has finally succeeded in arranging system to get copper for speaker manufacturers as substitute for cobalt. In past, TV-radio and speaker makers have been stymied in attempts to switch from cobalt-containing alnico speakers to copper-wound electromagnetic speakers.

Under new program, speaker makers will be permitted to substitute some copper as cobalt allotment is reduced. But before NPA stamps "OK" on this type of arrangement, it will require evidence of copper conservation by set manufacturers for whom the speakers are made.

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Govt. may buy tungsten abroad to help relieve shortage, but even this additional supply wouldn't be enough to meet all requirements. So NPA told meeting of transmitting and power tube manufacturers April 27. There's little relief in sight, NPA said, and July and August tungsten allocations will be "considerably reduced." Tube makers reported growing shortages of cobalt-containing products, but NPA replied cobalt outlook is probably better than that for tungsten. Nickel situation won't get better soon either, manufacturers were informed—but

NPA did tell them it recognizes importance of electronics industry and "some relief on critical metals can be expected" as result of CMP. Members of Transmitting & Special Purpose Tube Industry Advisory Committee attending meeting: W. L. Meier, Chatham Electronics; J. A. McCullough, Eitel-McCullough; G. W. Henyan, GE; H. J. Hoffman, Machlett Laboratories; W. Thompson, Raytheon; C. E. Burnett, RCA; C. A. Rice, United Electronics; H. Myrl Stearns, Varian Associates; L. C. Jarvis, Western Electric.



**Mobilization Notes:** John G. Daley resigned this week as director of NPA Electronics Div., effective June 1. He's retired general plant mgr. of New England Telephone & Telegraph Co., has served as division chief 5 months, is leaving for personal reasons. Successor hasn't been named.

Tentative staff assignments in Daley's division (Donald S. Parris, deputy director) were announced this week. These are section chiefs: J. A. Milling, end equipment (including TV-radio receivers); J. Bernard Joseph, TV-radio transmitters; Louis H. Niemann, tubes; R. D. Parker, capacitors; E. MacDonald Nyhen, transformers; Edward W. Glacy, conservation; Eric D. Bovet, statistical; J. R. Sypher (acting), resistors; Delmus J. Fagge (acting), connectors, relays, sockets & plugs; J. A. Pfau, executive assistant.

\* \* \* \*

President Truman's military budget of \$60.65 billion for fiscal 1952 year includes about \$3.6 billion for electronics-communications, according to best estimates. Budget includes \$29.7 billion for major procurement and production, with \$1.74 billion for electronics-communications. But this isn't complete sum for electronics-communications, since that kind of equipment is also included in figures for aircraft, ships, combat vehicles and artillery, guided missiles, etc.—each of which has separate estimate. In budget message, President strengthened powers of Defense Dept.'s Munitions Board over Army, Navy, Air Force procurement and requirements, charged it with watching military's bite of civilian economy.

\* \* \* \*

Govt. aid for expansion of electronic production facilities continues on small scale previously established (Vol. 7:10-11, 16-17). Of 98 accelerated tax amortization certificates granted by DPA April 14-26 for all types of defense facilities, costing \$215,277,047, the 9 granted for expansion of electronic and related production totaled \$3,892,896, or less than 2%. Only one of these certificates represented a sizeable venture—the one granted to Varian Associates for radar tube production facilities valued at \$2,455,933 at Palo Alto, Cal., with 5-year write-off for tax purposes on 75% of that amount.

Other firms receiving certificates for expansion of facilities relating to electronic production: Collins Radio, Cedar Rapids, radar equipment, \$903,266 at 80%; General Ceramics & Steatite Corp., Keasbey, N. J., transformer cores and materials for condensers, \$345,253 at 75%; Technicraft Laboratories Inc., Thomaston, Conn., electronic components, \$76,006 at 75%; New York Transformer Co., Alpha, N. J., transformers for electronic equipment, \$50,000 at 75%; DuMont, Clifton, N. J., electronic equipment, \$27,625 at 75%; Hogan Laboratories Inc., New York, electronic research & development, \$14,205 at 85%; United States Testing Co., Hoboken, testing of electronic equipment, \$11,829 at 75%; Electronic Associates, Long Branch, N. J., electronic instrumentation, \$8709 at 85%.

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Stepping down as DPA administrator to resume IT&T presidency, Gen. Wm. H. Harrison May 1 assured newsmen there's been no delay in military electronics procurement program. He said slowness of program hasn't been due to bottlenecks, but to time required to develop "entirely new products," many of them unheard of before rearmament effort. Before full-scale military electronic production can begin, these designs must be reduced to manufacturing stage. We're in this phase of electronics program now, the general said.

Col. Elton F. Hammond, ex-Pentagon G-4 executive officer, became Signal Officer of Far East Command, succeeding Maj. Gen. George I. Back, sworn in May 2 in Tokyo as Army Chief Signal Officer, due back May 23.

For benefit of subcontractors, aviation electronics and communications equipment and related equipment will be displayed next month in New York and Chicago by Navy Bureau of Aeronautics and Air Force. Munitions Board has invited 2400 representatives of electronics and related firms to exhibits May 8-10 at New York's Grand Central Palace and May 21-23 at Chicago's Navy Pier. Displays will give prime contractors opportunity to show their products to potential subcontractors. If you want to attend the exhibition in Chicago and haven't been invited, you must apply at least 5 days before exhibit at nearest Air Force Procurement Field Office in order to allow time for interim security clearance. Electronic exhibit is separate from current Air Force general subcontractor clinic ending May 9 at Chicago's Navy Pier.

Revised "critical occupation" list, issued by Labor Dept. for use by draft boards and Defense Dept. in considering deferments and delays in call-up of reservists, includes electronic technician (except TV-radio transmitter and receiver repairmen), electrical engineer, electrical instrument repairman, mathematician, physicist. List is to be used in connection with Commerce Dept.'s list of "essential activities" (Vol. 7:14). Copies are available from Defense Manpower Administration, Dept. of Labor, Washington, and from Labor Dept. field offices.

\* \* \* \*

Defense priority orders consume 25-100% of the production of electronic porcelain parts manufacturers. So NPA was told April 23 by Steatite Electrical Procelain Industry Advisory Committee. These manufacturers urged prime govt. contractors to advise them as early as possible on estimated needs because of time involved in tooling for new items. Some producers said their plants were running at full capacity; others said they had idle production facilities—but all agreed both military and civilian orders were being met. Industry members present: John Krnesi, American Lava Corp.; H. Collin Minton Jr., Frenchtown Procelain Co.; George H. Aderhold, Saxonburg Potteries Co.; Christopher L. Snyder, General Ceramics & Steatite Corp.; William S. Parsons, Centralab Div., Globe Union Inc.; Harold I. Danziger, Henry L. Crowley Co.; Joseph Schermerhorn, National Ceramic Co.; W. S. Mills, D. M. Steward Mfg.; S. H. Stupakoff, Stupakoff Ceramic.

Rudolph Wurlitzer Co., which makes juke boxes and musical instruments, announced it has total of \$10,000,000 in defense contracts and is negotiating for \$2,000,000 more. Its principal military products are electronic equipment, guided missiles and electronic organs for armed forces chapels. In addition to Army and Air Force prime contracts, Wurlitzer holds subcontracts from Emerson, Zenith and Bell Aircraft.

Defense production officials April 24 visited Wright-Patterson Air Force Base, Dayton, to inspect electronics and aircraft production progress. Among those making flying visit: ODM Director Wilson, DPA chief Harrison, NPA Administrator Fleischmann, Munitions Board chairman John D. Small, DPA production executive committee chairman W. W. Watts, Electronics Production Board chairman Edmund T. Morris Jr.

Only NPA can grant materials aid to manufacturers, Munitions Board said in recent directive to Secretaries of Army, Navy and Air Force. At the same time it requested manufacturers to seek assistance of NPA field offices rather than ask armed forces for help.

Weekly DPA publication, *Defense Production Record*, made first appearance May 4. It summarizes orders, regulations, recommendations and other activities of govt. defense production agencies. It can be obtained for \$2.50 a year from Govt. Printing Office, Washington.

**Telecasting Notes:** DuMont's 1950 annual report (see Financial & Trade Notes) does not reveal network profit-and-loss figures, as did 1949 report—but it does state that “network continued to operate at a loss, although to a considerable less extent than during 1949.” Gross billings of DuMont Network and its 3 TV stations (WABD, WTTG, WDTV) were reported 207% of 1949 billings, which had been reported as \$2,435,966 (Vol. 6:14). It can therefore be adduced that 1950 income was around \$5,000,000. DuMont network-station operating loss ran \$2,564,491 in 1949 and \$1,424,530 in 1948 (Vol. 6:14) . . . Billings of many if not most TV station operations are now running ahead of their AM counterparts, where jointly owned, but first ad agency to reveal TV billings exceeding AM is Young & Rubicam; *Variety* reports that 1951-52 season, starting Sept., will find that agency spending \$30,000,000 on TV-radio (out of total billings of \$93,000,000), with \$17-18,000,000 going for TV time and production, \$12,000,000 for radio . . . Either Chicago or Philadelphia, due to convention halls and availability of TV pickups, seen certain to get 1952 Republican and Democratic national conventions; Radio Correspondents Assn. has designated Bill Henry, MBS commentator, to arrange for pooled telecasts as well as network and station broadcasts . . . Manual titled *The ABC's of Television Film Production*, setting forth time and cost factors in production of commercial spots for TV, has been issued by Henri, Hurst & McDonald, Chicago agency . . . Catholic U and NBC's WNBW, Washington, have arranged tieup for Television Workshop, dramatic productions, educational broadcasts . . . TV applicant KRNT, Des Moines (Cowles) plans to share new 709-ft. TV-FM tower, now under construction, with other stations, a la Empire State Bldg. (Vol. 7:11) . . . KPHO-TV, Phoenix, April 15 raised base hour rate from \$250 to \$300, one-min. from \$40 to \$60. Following increased rates May 1: WAAM, Baltimore, \$550 to \$650 & \$95 to \$113.75; WHIO-TV, Dayton, \$400 to \$525 & \$50 to \$90; WTVR, Richmond, \$400 to \$500 & \$90 to \$100; KLAC-TV, Los Angeles, \$750 to \$1000 & \$125 to \$175 . . . KOB & KOB-TV, Albuquerque, N. M., appoints Branham Co. as national rep.

Five applications for TV stations this week bring total pending to 404. Applying were: WLVA and WWOD, Lynchburg, Va., both for Channel No. 13; WNEX, Macon, Ga., No. 13; WTOC, Savannah, Ga., No. 11; *Texarkana (Tex.) Gazette & News (KCMC)*, No. 6. [For further details about applicants, principals, etc., see *TV Addenda 12-Q* herewith; for listings of all applications to date, see *TV Factbook No. 12*, with Addenda to date.]

Application for proposed sale of facilities of WSB-TV, Atlanta, to group of local business men but with investment firm of Clement Evans & Co. holding 66% (Vol. 7:16) was returned to applicant by FCC this week on grounds it could not tell who ultimate stockholders would be. Investment firm proposed to sell shares locally, and is expected to re-file with complete list of prospective stockholders.

FCC liberalized rule prohibiting separate operation of visual and aural TV transmitters this week. New regulation, effective June 13, permits use of test pattern, still pictures, slides for not more than one hour daily to accompany aural announcements of station's program schedule, newscasts, commentaries. Previous rule limited this to 15 minutes a day. New rule also permits sign-on test pattern to be accompanied by music for 15-minute “warmup” period, previously prohibited.

May 1 sets-in-use reported since NBC Research's “census” of April 1 (Vol. 7:17): Washington 261,300, up 7500; Dallas-Fort Worth 117,068, up 4068; Memphis 86,221, up 3221; Greensboro 66,972, up 3072; Miami 65,000, up 5000; Utica 42,000, up 1300; Norfolk 67,309, up 3109.

Talk of coast-to-coast TV in time for World Series has just enough substance to make it possible. AT&T just doesn't know whether Omaha-San Francisco microwave will be in service by October, but reiterates that system “may be equipped for TV service before the end of the year.” It announced that telephone service would be instituted via microwave from Omaha to Denver in July; from Chicago to Omaha in August; from Denver to San Francisco in late August. It also reported that on April 1 an additional coaxial circuit was put into operation from Toledo to Dayton, making total of 4 southbound, one northbound. On May 14 additional microwave circuits will be opened from Columbus to Dayton (making total of one westbound, 3 eastbound) and from Dayton to Cincinnati (making 3 southbound, one reversible on notice).

Advertisers are using new money for TV, not taking it from other media. That's conclusion of Magazine Advertising Bureau in recent study titled *Where Are TV Budgets Coming From?* Bureau took 126 TV advertisers, found that although they increased TV expenditures 286.5% last 6 months of 1950 compared to same period 1949, they also increased magazine buying 11.8%, Sunday newspaper supplements 20.1%, network radio 0.6%. Non-TV advertisers, on other hand, increased magazine advertising by 10.3%, but reduced Sunday newspaper supplements 9.1%, network radio 3.3%.

Value of movies in vaults of 5 major producers is figured at \$281,520,000 in the TV market by New York stockbroker Reynolds & Co. in April 19 report titled *Hidden Values in Motion Picture Production Companies*. In much same vein, Paramount's Paul Raibourn touched on subject recently (Vol. 7:13). Reynolds report estimated that TV can pay \$20,000 per half-hour film, that Hollywood movies run for 2 hours, therefore each film is worth \$80,000. Here's what Wall St. firm figured each of the 5 majors has in way of films made between 1933 and 1949: MGM, 670, value for TV estimated at \$53,600,000; Paramount, 732, \$58,560,000; RKO, 694, \$55,520,000; 20th Century-Fox, 758, \$60,640,000; Warner Bros., 665, \$53,200,000.

Two SMPTE committees are working on standards for TV films. Joint SMPTE & RMTA committee on film equipment is working on 3 standards: (a) dimensions of TV slides and opaques; (b) development of 16 mm motion picture projector for use with TV cameras operating on full-storage basis; (c) location and size of picture area in TV recordings of 16mm and 35mm motion picture film. Committee on TV films is working on getting industry to accept additional markings on film “leaders” (that portion of film preceding actual pictures), including 16mm sound start, pattern for TV adjustment, switch-on mark.

Eastman-Kodak's new 16mm film projector for TV stations was described for first time at SMPTE convention in New York this week. Principal feature is method by which pull-down time of film is coordinated with blanking period of TV camera. Especially built for TV, \$6500 apparatus is said to furnish greater definition, more light, higher sound quality than can present equipment. Also described was new 35mm TV recording camera developed by Producers Service Co., Burbank, Cal.

Telecasters Film Syndicate Inc. is new corporate name of cooperative TV film syndicate recently formed as Consolidated Television Broadcasters Inc. (Vol. 7:17), with Richard E. Jones (WJBK-TV, Detroit) president and Harrison Dunham (ex-KTTV, Los Angeles) executive v.p.

All FM stations operating functional music fall within purview of FCC “order” declaring such operations illegal, Commission announced this week. Last month, FCC wrote 4 such stations advising them of such ruling, told them to state why they shouldn't be forced to cease such broadcasting (Vol. 7:15).



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# Television Digest

WITH AM FM REPORTS

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 Bitners Buy WLAV-TV for \$1,300,000, page 5.      Topics & Trends, Financial Reports, pages 9-10.

**'THE GREAT CHANNEL HUNT' SLOWS FREEZE:** Freeze-end appears further away than ever, as FCC and industry stagger under load of some 600 comments on end-of-freeze plan (see TV Allocation Report of March 24), dumped in Commission's lap this week.

[For digests and listings of all comments available -- 308 commercial, 215 educational, 56 from municipalities -- see Supplement No. 72 sent herewith to all full-service subscribers. We'll catch any stragglers next week.]

Beyond sheer weight of comments, presaging protracted city-by-city hearings, intimations of possible court action in many of the comments render timing of end-of-freeze even more nebulous.

FCC's plan is already in court, in a sense, since City of Jacksonville has asked District of Columbia Court of Appeals to enjoin proposal to move Channel 2 to Daytona Beach. City is fighting to recapture CP it once held (Vol. 6:41).

Court action is "being seriously considered" by number of applicants, according to their attorneys. Some say such action is "probable," on any or all of these grounds, among others:

- (1) Educational reservations.
- (2) Pre-determined allocation plan, fixed in rules.
- (3) Denials of applications where hearings have already been held, via plan's channel shifts and reservations (Detroit, Philadelphia, San Francisco, etc.).

When such court appeals might come isn't clear. They could come immediately or wait until final decision on whole allocation.

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Legalities aside, FCC's own procedural plan is bound to undergo delays. For example, legal and engineering associations, plus NARTB-TV, plan to ask for postponement of deadline for counter-comments from May 22 to June 11, will undoubtedly get it. That means early July before city-by-city hearing starts; it's presently scheduled for June 11.

Hearing itself will be a dilly. In addition to commercial interests -- who certainly won't let channels slip out of their cities by default -- educators' spokesmen claim that 3 or more witnesses from each of 50-75 cities will be on hand.

That doesn't sound like a mere couple months of hearings, even though FCC will strain to keep testimony to the point. There's some thinking in Commission that hearing's gait will accelerate after heavy initial testimony.

And Congress isn't out of the picture, by any means. Sen. Johnson himself filed a comment for Colorado, as did colleague Sen. Millikin, proposing reshuffle to get more channels into Denver and State in general. Still pending, too, are educational resolutions of Sen. Benton and Rep. Celler (Vol. 7:18).

\* \* \* \*

Nature of most comments is obvious from glance at Supplement 72:

- (1) Channel shifts. Everyone discovered the obvious in FCC's plan -- it's "loose" (Vol. 7:12), most co-channel allocations being 200-220 miles apart, rather than 180-mile minimum. Thus, adroit juggling frequently allows additional stations

without violation of proposed standards or robbing any city of channels. In addition, many propose simply to shift channels from neighboring cities, claiming their own are under-served.

(2) Reduced spacings and powers. When FCC's standards couldn't be met with any parlay, exceptions to Commission's minima are requested. Frequently requested is abandonment of 180-mile city-to-city spacing, retention of 170-mile transmitter-to-transmitter spacing.

(3) Educational reservations. Schools simply endorse idea, want more channels, particularly vhf. Same goes for mayors, city councils, etc. Commercial interests either simply oppose reservation, frequently claiming principle illegal, or suggest giving schools uhf instead of vhf.

\* \* \* \*

Those pitches account for bulk of comments, but almost every other angle is covered, sometimes at exhaustive length:

(1) Of the 31 existing stations required to shift channels, none gives flat "no," but several don't want to, offer alternative shifts -- generally to stay on low vhf channels.

(2) Network reactions vary. ABC likes plan in general, but doesn't want adjacent-channel restrictions on heights and powers. CBS wants enough flexibility to allow more stations in major markets. DuMont attacks basic philosophy of plan, holds that it promotes monopoly, offers complete substitute in huge document (Vol. 7:18). NBC thinks plan pretty good, engineering-wise, but suggests procedures for faster freeze-lifting.

(3) In Gulf area, existing stations want more space between stations, applicants see no good reason for it.

(4) Move all commercial TV to uhf, say a few "outs," suggesting vhf for the educators, if anyone.

(5) Uhf powers are too low, is claim of some who say that ceiling should be left open, changed quickly as propagation data is gleaned from experience.

(6) A very few educators say they don't want vhf channels, ask their release for commercial use. A few more want to go commercial themselves.

(7) State-wide educational network, 10 cities at first, is planned in New York. Board of Regents says it will ask legislature for \$3,500,000.

**HOW BUILDING CONTROLS AFFECT TV-RADIO:** NPA hasn't "banned" construction of TV-radio stations -- notwithstanding plethora of wild rumors and reports.

Even FCC people were in dither this week about these tales, which are about as correct as saying NPA has banned construction of schools, churches, hospitals, highways, bridges, public utilities and railroads -- covered by same NPA order which governs TV-radio station construction.

New order (M-4 as amended) simply says you'll need authorization from NPA if you want to build any of these items, as well as others previously put under controls (Vol. 7:3,6). The only actual construction ban issued by NPA came out last fall and affects amusement building (6:43,44), not including broadcasting plants.

Effect of new regulation -- together with earlier ones -- is to put all construction under NPA controls, paving way toward inclusion of construction in Controlled Materials Plan (Vol. 7:15,18) by July 1.

But every present and prospective broadcaster and telecaster will be affected by the regulation. It requires NPA authorization for any construction using more than 25 tons of steel (some 500-ft. antenna towers weigh less) or alteration costing more than \$5000.

If you've already begun construction, cleared site for new building before May 3, you can go ahead and finish without authorization. Same is true of alterations if you used "substantial quantities of materials" before that date.

After you apply to NPA, what are your chances of getting go-ahead to build? From all indications, they're very good -- probably excellent if you plan to build new station in community which doesn't have one now. NPA officials long ago placed



TV-radio broadcasting in "essential" category, even specifically exempted this type of construction from earlier controls.

NPA will look favorably upon your application if you can answer "yes" to any one of these questions:

(1) Would it further the defense effort by providing needed facilities near military establishments or defense projects?

(2) Is it essential to maintenance of public health, safety or welfare?

(3) Would it alleviate or prevent hardship to a particular community?

TV-radio's value in civil defense, information and morale makes strong case on each point. In final consideration of application, NPA says it "will consider the type and quantity of materials on hand, and needed, for the facility, and the effect on the community at large if the authorization were denied."

NPA will consult FCC to work out detailed criteria for authorization of station construction. But two things are certain now:

(1) NPA won't approve any plans for station construction if station doesn't have CP from FCC. New building and alterations by radio stations, which take into account future expansion into TV -- common in past -- probably won't be approved.

(2) Frills and furbelows will have to be eliminated. NPA says "architects and engineers...must give fullest consideration to using substitutes for critical materials and keep the design simple."

Complete, detailed plans, specifications and lists of materials to be used must accompany applications -- on form NPAF-24, available from Commerce Dept. field offices or NPA Construction Controls Div., Washington.

Approval by NPA won't carry with it any certified check for materials. As things stand now, there'll still be a scramble. But picture will change when construction is brought under CMP. Then, authorization will probably entitle builder to necessary materials.

Structural steel -- vitally needed for expansion of defense plants -- is big bottleneck. If shortage gets much worse, it's possible all non-defense building will be banned for a period, as it was during most of last war.

But at present, NPA would rather see that all new stations conserve to the limit -- than give any a flat turndown.

**ABC SALE DEAL STILL ON THE FIRE:** Complex deals upon which projected purchase of ABC by CBS was predicated -- involving sale or re-sale of ABC's radio network and of 1, 2 or 3 of its 5 TV stations -- were still supposed to be cooking at end of week. There were indications, though, that CBS might not be the package-purchaser.

Apparently the hottest of all the "sub-purchase" prospects, Yankee-Don Lee interests, went glimmering this week after long and detailed negotiations. Storer interests also definitely dropped out, and IT&T deal apparently never was serious.

United Paramount, big movie theatre chain recently separated from Paramount Pictures, was revealed as having entered the lists as a possible purchaser of the whole kit and kaboodle -- with thought of re-selling only Chicago TV outlet, WENR-TV. Natural purchaser would be CBS, which had indicated willingness to pay as much as \$10,000,000 for 3 of the 5 TV outlets owned by ABC (Vol. 7:18).

Conferences were under way in New York as this was written, with topkicks of United Paramount and ABC participating but CBS executives notably absent. It's common knowledge that United Paramount is more than pleased with highly profitable operation of its WBKB, Chicago, and its executives have never shared the aloofness of other movie tycoons toward the parvenu TV competitor.

There's many a slip, and an announcement one way or the other -- probably in the negative -- should be forthcoming by the time you read this.

Part of Paramount's consideration is said to be disposal of AM network, for its prime interest is TV. Discussions about the AM properties were held with Farm Bureau Insurance Co., big Ohio concern which owns Peoples Broadcasting Corp., recent purchaser of WOL, Washington, and owner of WRFD & WRFD-FM, Columbus, O. But these were said to have come to naught.

All this week has been merry-go-round for newsmen seeking to plumb confused

off-again-on-again ABC-CBS "deals". They have had entire broadcasting-telecasting fraternity buzzing ever since story broke last week about proposed \$28,000,000 CBS "package purchase" (Vol. 7:18).

"A lot of opium smoking," was way one newsman described phantasmagoria of reports, rumors, denials -- and that just about tells the story. Only thing certain was that ABC is definitely on block, can be had by any customer who can not only meet majority stockholder-chairman Edward J. Noble's demands but can also satisfy qualifications (notably anti-trust) of FCC, Dept. of Justice and Congress.

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Until mid-week, apparently, CBS had reason to believe it had deal all buttoned up, whereby it would buy ABC, retain 2 or 3 of its TV outlets (in Chicago, Detroit, possibly San Francisco), maybe even keep an ABC-AM outlet here or there, sell off the rest for \$18-20,000,000. (Detroit entered into speculation because CBS has one of its toughest AM affiliation deals there, with Dick Richards' WJR.)

Buyer was to have been General Tire & Rubber Co., which owns Yankee and Don Lee networks. Those networks would have been sold, along with their own stations, but Yankee TV outlet in Boston (WNAC-TV) was to have been retained.

Tom O'Neil, 35-year-old son of General Tire president, who runs the radio properties, would have turned attention to running ABC radio network and a revamped ABC-TV network, whose nucleus would be WNAC-TV plus ABC's WJZ-TV, New York; KECA-TV, Los Angeles; KGO-TV, San Francisco, and such present affiliates as would stick.

CBS would thus get only WENR-TV, Chicago, and WXYZ-TV, Detroit. It was felt such a parlay would be acceptable to Washington, since neither the AM nor TV network would be discarded. Indeed, even keener competition was envisaged -- for the young O'Neil, who is also chairman of MBS, would have to pull out of that network.

The legal fraternity, watching developments closely, are of one mind in their conviction that no deal which would eliminate or curtail competition could possibly win approval of Washington. Hence, any mergers seem out of the question.

\* \* \* \*

As things stand now, it's apparent Noble will eventually sell -- may indeed be constrained to do so, regardless of frequent disavowals that probably will be repeated if Paramount deal falls through, because the negotiations have already had these palpable effects:

(a) ABC staff morale has been seriously shaken, along with confidence in management. Everybody's worried, many are casting about for new jobs. Resignations already include 2 vice presidents within week (see Personal Notes).

(b) ABC affiliates, both AM and TV, make no bones about their anger toward ABC management -- for creating state of uncertainty, failing to tell them the score. They've been disaffected long time, anyhow, by dwindling network income, latterly worried (along with all other network affiliates) by projected AM rate cuts.

(c) Sponsors are asking whether there's going to be a network, whether they may safely make long-term commitments for time, personnel, etc. It's manifest current negotiations -- with inevitable crop of rumors -- aren't good for business.

(d) Minority stockholders of ABC, which is traded on N.Y. Stock Exchange, are also puzzled and disturbed about future status of their holdings. There are 1,698,017 common shares outstanding, of which Mr. Noble owns 901,667, or 53.38%. Executives' holdings, reduced in recent years, aren't very large (Vol. 7:13). Whatever deal Noble makes is bound to be subject to approval of minority stockholders.

Latest asking price was reported \$26,000,000, based on a 14-15 valuation of ABC stock. Noble is said to have wanted exchange-of-stock deal with CBS, not cash -- and same idea was being considered in Paramount discussions.

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Some CBS affiliates are also outspoken in their dislike of what's going on, also sore because they've been told nothing. They're really smarting under recent rate cut order (Vol. 7:15-16), and some who went along with CBS in not applying for TV channels now don't like the enormous testimonial to TV implicit in their network's zeal to get stations via the high finance route.



There can be little doubt that network domination of the industry is thing of past, its collapse hastened by recent events -- particularly the impact of TV. Since rate cuts, NBC suffers from disaffection only little less than ABC and CBS.

This week, Securities & Exchange Commission disclosed that Isaac D. Levy, one of CBS's founders, a major stockholder and director, had sold 5000 shares of his Class A stock as of April 30. It's generally assumed he and his family sold the block of 35,000 shares also marketed privately last week (Vol. 7:18).

**BITNERS BUY WLAV-TV FOR \$1,300,000:** Deal for sale of WLAV-TV, Grand Rapids, was closed in Washington May 11 -- purchase price \$1,300,000, purchasers the group headed by Harry M. Bitner, onetime top Hearst executive, former publisher of Pittsburgh Sun-Gazette. Bitner family and employe interests (WFBM Inc.) own WFBM-TV, Indianapolis, which with its AM counterpart is managed by Harry M. Bitner Jr. They also operate AM stations WOOD, Grand Rapids; WFDF, Flint; WEOA, Evansville.

Seller is Leonard A. Versluis, who established WLAV-TV in August 1949. He retains companion AM outlet WLAV, which probably means WLAV-TV call will be changed to WOOD-TV. Station is on Channel 7, which is only vhf outlet allotted Grand Rapids under FCC's new allocation plan; city gets 2 uhf channels, one for education.

Price is highest ever paid for TV outlet in comparable market, exceeded only by the \$1,400,000 which Washington Post (55%) and CBS (45%) paid for WOIC, Washington, now WTOP-TV (Vol. 6:25). When CBS last winter bought KTSL, Los Angeles, it paid \$333,765 plus \$228,000 annual rental of facilities (Vol. 6:52).

Only other TV station sales deals since telecasting came into own -- though a few others are known to be in the making -- were KFMB-TV with KFMB, San Diego, sold to John A. Kennedy for \$925,879 and other considerations (Vol. 6:46, 7:17); KBTW, now WFAA-TV, Dallas, sold to Dallas News for \$575,000 (Vol. 6:4,11); KLEE-TV, now KPRC-TV, Houston, sold to Houston Post for \$740,000 (Vol. 6:13,21).

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**Personal Notes:** Otto B. Brandt, ABC-TV stations v.p., resigns as of June 1 to become v.p. & gen. mgr. of KING & KING-TV, Seattle, succeeding Hugh Feltis . . . Frank Samuels, ABC Western Div. v.p., has resigned to join William Morris Agency as head of TV-radio dept., Hollywood . . . Richard Doherty, NARTB's labor relations director, appointed by President Truman as one of the 6 management representatives on new National Wage Stabilization Board . . . Robert S. Woolf promoted to mgr., DuMont Teletranscription Dept., succeeding Edward R. Carroll, resigned . . . Lloyd Dennis promoted to director of program service, WTOP & WTOP-TV, Washington, succeeding Mrs. Hazel Markel, resigned to join MBS . . . A. Donovan Faust, ex-WLWD, appointed asst. gen. mgr. of WDTV, Pittsburgh; Byron Dowty, ex-WDSU-TV, named production director . . . Harry W. Zipper, ex-asst. to J. Kelly Smith, CBS v.p. in charge of owned & operated stations, named production business mgr., KTSL, Los Angeles . . . W. H. Case, director and senior v.p., appointed head of creative and TV staff for all offices of Campbell-Ewald Co., Detroit; Frank W. Townshend, v.p., named mgr. of New York office . . . Richard McKeever, ex-Wm. Esty & Co., appointed head of TV-radio timebuying, Walter Weir Inc. . . . Edward F. Kenahan, ex-FCC and recently with Welch, Mott & Morgan, Washington, has joined legal staff of RCA Victor, Camden . . . Edgar F. Vandivere Jr. leaves FCC's Technical Information Div., joins Washington consultants Weldon & Carr . . . Newly-elected officers of Assn. of Federal Communications Consulting Engineers: George C. Davis, pres.; James C. McNary, v.p.; Frank G. Kear, secy.; Frank H. McIntosh, treas.; Ronald H. Culver and John Creutz, members of executive committee . . . Mark Woods, ABC vice chairman, awarded honorary Doctor of Laws degree by Ithaca College May 12 . . . Richard C. Dreyfuss, ex-CBS, named film director of WDTV, Pittsburgh . . . Charles A. Batson, TV director, NARTB, has resigned.

**Station Accounts:** Major newcomers to TV, buying participations on WCBS-TV, New York, are reported by that station to be: Tasty Toothpaste Co. (strawberry & bubble gum flavors), in *Sheriff Bob Dixon Show*, thru Victor Van Der Linde, N. Y.; Pan American World Airways, in *The Early Show, The Real McKay* and *One o'Clock Matinee*, thru J. Walter Thompson Co., N. Y.; British Xylonite Inc. (Halex combing brushes), in *Margaret Arlen Program*, thru Coppo Co., N. Y.; National Enameling & Stamping Co. (Nesco electric roasters), in *Margaret Arlen Program*, thru Needham, Louis & Brorby, Chicago . . . TV-Radio included in plans for National Guard recruiting, for which Congress has been asked for \$600,000 for 1952, Robert W. Orr Co., New York, reappointed agency . . . Among other advertisers reported using or preparing to use TV: Clover Lamp Co. Inc. (lamps), thru Ed Shapiro Adv., Philadelphia; Maybert Corp. (Merrie Magic cream shampoo), thru Hilton & Riggio Inc., N. Y.; Rean Mandell Inc. (Candle-Glo home permanent wave), thru Allen & Reynolds, Omaha; Temptin' Products Inc. (Temptin' hair makeup), thru Jay Gabriel Bumberg, N. Y.; Roselux Chemical Co. (Rose-X bleach & starch), thru Murray Director Associates, N. Y.; Altes Brewing Co. (Golden Lager beer), thru McCann-Erickson, Detroit; Pearson Pharmacal Co. (Ennds deodorant pills), thru Harry B. Cohen Adv. Co. Inc., N. Y.; Comal Hosiery Mills Inc. (Comette hosiery), thru Glenn Adv. Inc., Dallas; Brock Candy Co., thru Liller, Neal & Battle Adv., Atlanta (WSB-TV); H. W. Lay & Co. (potato chips), thru Liller, Neal & Battle Adv., Atlanta (WSB-TV); Jose Escalante & Co., Chicago (Cornia cigars) (WENR-TV); Amity Leather Products Co. (bill-folds), thru Cramer-Krasselt Co., Milwaukee (WABD); Minnesota Paints Inc., thru Nelson-Willis Inc., Minneapolis; Parfums L'Orle Inc. (Silkmist hair beautifier), thru L. H. Hartman Co. Inc., N. Y.; Hoffman Candy Co. (Cup-o-Gold bar), thru Mayers Co., Los Angeles,

**NO REGULATION W RELIEF, OUTPUT DWINDLES:** Federal Reserve Board flatly rejected RTMA requests for relaxation of Regulation W -- even as IUE-CIO radio and television conference board was being told by its researchers that about 25,000 TV-radio workers are now unemployed and as official trade statistics showed production falling to new low and factory inventories climbing to new high.

It now looks like a trade stalemate that can be relieved, at least in immediate future, only if there's resurgence of public buying, which nobody contemplates will resume before fall on anything like last year's scale.

Inventories continue high (see Topics & Trends), and situation wasn't alleviated by RTMA auditors' report that week ending May 4 saw only 66,077 TVs produced (3833 private label), year's new low, comparing with 83,516 preceding week. Factory inventory figure as of May 4 went to 474,541, new high, compared to 403,642 the week before. Radios fell, too -- totaling 298,149 for week, with inventory of 187,305, auto sets actually exceeding home units. Week's output comprised 136,538 auto radios, 122,686 home sets, 38,925 portables.

\* \* \* \*

RTMA decided to appeal to Congress for relief, disagreeing with the FRB's finding that Regulation W isn't to blame. It had asked amendment of credit regulation to permit trade-ins to be applied against 25% down payment, or else that TV-radio sets be placed in house furnishings category so that down payment might be 15%. Both ideas were rejected, FRB stating:

"Although the Board recognizes that there has recently been a marked softening of demand for TV sets, compared with the heavy buying wave during December and January, it doubts that the restrictions of Regulation W have been the dominant factor in this relative slackening of demand for such sets.

"The phenomenal expansion of TV production and sales in the relatively short span of the past few years raises a question as to whether there may now be a temporary condition of near-saturation of existing major markets. Also, many potential purchasers in the existing major markets probably are deferring purchases for one reason or another, such as the expectation of further price reductions as present inventories are liquidated, or the imminence of uhf TV.

"In so far as Regulation W is not the cause of the reduction in sales of TV sets, a relaxation of the requirements of the regulation could not reasonably be expected to solve the problem...

"A major relaxation for one regulated article -- such as allowing trade-ins to be counted as down payments on television sets -- would tend to create important competitive inequities unless there was also such an equivalent relaxation for competing articles as to amount to a general relaxation that would tend to nullify the effectiveness of the regulation."

Board's letter, whose economic reasoning regarding TV markets and "the imminence of uhf TV" are obviously open to challenge (see statement on p. 7), says it can't make exceptions for one regulated article, concludes it must "consider the necessity for curbing the inflationary effect of installment credit in the interests of the country as a whole in this period of national emergency."

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RTMA has engaged consulting economists Boni, Watkins, Mounter & Co., New York, which worked with its tax committee, to prepare data on effects of Regulation W on sales for presentation to Congress. Philco general counsel Philip Dechert was appointed chairman of special committee to prepare testimony. Members: Robert S. Alexander, Wells-Gardner; H.C. Bonfig, Zenith; John W. Craig, Crosley; S.R. Curtis, Stromberg-Carlson; Allen B. DuMont; Paul V. Galvin, Motorola; H.L. Hoffman, Hoffman Radio; Robert Seidel, RCA Victor; Glen McDaniel, RTMA; Frank Uriell, Admiral.



# THE CASE FOR THE TV-RADIO & APPLIANCE INDUSTRY

*Editor's Note: Here is a sizeup of the TV-radio and appliance trade's current dilemma, with recommendations what to do about it—so clearly and succinctly stated, so sound, that the full text merits close reading by everybody in the industry. The author prefers to remain anonymous. Suffice to say he's one of the business' older and wiser heads, who wrote this as a memorandum for certain govt. officials as an industry service, not for aggrandizement of himself or his firm. It wasn't intended for publication, but we were able to obtain a copy with permission to reprint.*

**A**N important artery of the national economy has developed a clot—and remedial measures are urgently needed.

This clot is in the form of excessive inventories in the appliance and television industries. The condition of distributor and retail inventories in this field has reached a state which, if allowed to continue, can do great harm in our economy. It is already causing bankruptcies, and due to increased factory inventories which are not moving will result in the layoff of a large number of our labor force before the Government's defense program is ready to absorb this labor.

While it makes no difference at this time how the present condition came about, it will be helpful in finding a solution to review exactly what has happened and *not* happened.

Last fall the Government, of necessity, released publicity indicating to the public, manufacturers, distributors and dealers that there were going to be shortages. These shortages, according to the statements, would begin to take effect in the spring of 1951 and would get worse as the year wore on.

The reaction was immediate. The manufacturer, having large stocks of material on hand, was galvanized by fear that his production would gradually diminish and decided to ignore the normal seasonal trends by building everything possible in the little time that he felt was available.

The dealer shared this fright. He decided to buy everything he could in order to protect himself, so as fast as the goods were produced they were absorbed by the dealers.

The consuming public, watching the Korean war and remembering the war shortages, bought in anticipation of its future needs.

As is always the case when decisions are made in fear and haste, they were wrong.

\* \* \* \*

The Government misjudged how rapidly the defense orders would be placed and industry switched over to defense production. Manufacturers were wrong in accepting the Government's appraisal of how fast this was going to happen and also in ignoring seasonal trends. Equally in error were the distributors and retail dealers in buying too much and in buying from many different manufacturers. Everybody was wrong in the light of today's developments.

Neither second-guessing nor recrimination can change the present situation, which is now acute. But an error in judgment may be compounded—as we all hope it will not—by ignoring the unhappy result and letting it continue. Unfortunately, with this condition existing the Government in its effort to control inflation recently announced it was “rolling back prices to pre-Korean levels.” This announcement, coupled with the price break which had already taken place in television due to distress stocks in dealers' hands, has caused the public to reduce buying on all appliances.

So the combination of the pre-buying which took place last fall, the application of Regulation W which has eliminated the low-income groups from purchasing, the price break in television and the government's announcement of rollbacks has drastically reduced retail sales.

\* \* \* \*

What is to be done with these vast inventories? Stagnating in distributor and dealer stocks, these products will not do anybody any good. They are both wanted and needed by the public, but they cannot serve the public in warehouses. The terminals, being used to store these and

other inventories, are also needed for defense purposes. Unsold, they will not produce any profits from which taxes are paid.

It is in the best interest of everyone—government, industry, distributors, dealers and the public—to help move these inventories and dissolve the clot in our distribution system at the earliest possible moment.

The effect of the present situation on labor is of special urgency. Because of the inventory congestion, manufacturers are now forced to lay off workers, and unless sales are stimulated quickly large unemployment will result as activation of defense orders are not presently sufficient to absorb the labor. The result is not only a loss of trained manpower to the manufacturer but loss of tax revenues to the government. The laying off of this labor places a strain on the economy and an extra burden on these people.

In the electronics field, this dispersal of labor is very dangerous. Skilled help must be retained to a reasonable degree by those companies upon whom the Government must depend to produce the electronic equipment that will be needed when the full impact of defense production is upon us.

We believe that these inventories can be relieved within a reasonable time if a temporary modification of some of the orders and Regulation W can be made.

In modifying Regulation W, there are two ways in which this can be done. One is to discontinue the discriminatory requirements that trade-ins on appliances and television sets do not apply to the down payment. The Federal Reserve Board has permitted trade-ins to apply in automobile sales, and there is no reason why they should not apply to the sales on television and appliances. These articles which are traded in have value and represent an investment in money by the people who own them.

\* \* \* \*

The second way to help sales is to reduce the 25% down payment now required to 15%. The 25% payment is discriminatory against the low-income groups, forcing them either to forego purchases altogether or in many instances causing them to sell “E” bonds to make the down payments. These people, under our present standard of living, require appliances and the advantages of television sets as much or more than do the more fortunate individuals with larger incomes or more money. It has been proved in the past that low-income groups which are accustomed to buying on low down payments live up to their contracts. As labor leaders have stated, these people should not be discriminated against. In normal times thousands upon thousands of these low-income people would now be purchasing these articles at this season of the year, but under the credit regulations cannot do so. These modifications would do much toward relieving the excessive inventories.

\* \* \* \*

The Government should also do something quickly to correct and clarify its price rule order which has just been issued. An analysis indicates that this order is vitally affecting sales and companies cannot do the accounting required by the order in the time allotted, which is May 28. This order, as written, may precipitate a real crisis if not corrected.

In effect, the public has been told that prices are going to be lower on May 28. It is only natural that they will put off buying until after that date unless the dealers and factories guarantee to rebate the difference if prices are reduced. These rebates which would have to apply to present stocks as well as production may amount to millions of dollars, and no factory would dare guarantee prices without knowing the amount involved. It is a

physical impossibility for the accounting departments of companies to comply with the order as written, and analyze and furnish to the government the information that is necessary in determining the prices by May 28. If the Government extends the time allowed when it is evident that this accounting work cannot be done, it will only have the effect of further delaying sales as the public will continue to put off buying. This delay in purchasing is happening during May and June which usually produces about 25% of all appliance sales of the year's total volume.

While this delay in sales is taking place, the factories must continue to produce enough products to hold the labor force. The situation is obviously most serious unless sales can be increased and the inventories reduced.

It has been the practice of the Government in the past to recognize dislocations in our economy and to correct them. The Government, for instance, helps keep farm production and prices on an even keel with a carefully planned program. There are programs to protect wages and help labor in many ways. There are other programs, and there should be a program to protect the distributive system of the country, which is the bloodstream of business

and so important to our economic welfare. Since the distributive system now is clogged, action should be taken—immediately—to get the system functioning again.

Unlike the assistance usually given to other segments of our economy, relief in this case calls for no subsidies, and no additional taxes. All that is needed is the correction of orders which are proving to be unworkable and the temporary relaxation of restrictive measures that the government has taken in anticipation of conditions that did not materialize and as a result are impeding the normal functioning of our country.

We, therefore, recommend that the Government immediately modify temporarily these orders. Control of production will automatically be effected in the future through the Controlled Materials Plan for essential industries.

Today, living in a dual economy, part war and part peace, for the first extended period of our history, our country needs flexible approaches to problems that are bound to change from time to time unless we have an all-out war. False consistency can be as dangerous as false security, and our strength will be in our ability to quickly recognize and to change anything that is not working.

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### **THE TV BUSINESS—TAKE A LONG LOOK AHEAD!** It isn't often that anybody's ad is worth

repeating as news -- but Bendix Radio's inspiring full-page in recent Retailing Daily, captioned "Take a Long Look Ahead!" ought to be posted prominently in every business house in TV, ought to be must reading for every employer and employe alike who may feel any sense of gloom about TV's currently becalmed trade winds. The text:

"We who are in the television business -- whether as manufacturers, distributors, or retailers -- are fortunate, indeed.

"Here is a business as sure of its future as the automobile industry, and for an identical reason: television fills a fundamental human need.

"Nothing can stop it -- not Regulation W, station freezes, material shortages, taxes, competition from other consumer products, or any other spectre evoked by the prophets of gloom.

"What the public wants it gets -- and it is now beyond question that the public regards television as an essential of living. As sure as sunrise every home will have it, for the obvious reason that -- unlike almost every other necessity -- it has no substitute.

"The bogey of market saturation also vanishes before the facts revealed by a nearly perfect business parallel.

"The radio business is nearly thirty years old. Ninety per cent of American homes have radios. Yet, despite the competition of television in radio's major outlets, in 1950 this old and allegedly saturated market absorbed 14,500,000 new radio sets -- more in a single year than all television sets sold to date.

"The future is brighter still for television. For the past decade population increase in the United States has averaged 1,900,000 a year. Simple mathematical progression should increase that figure in coming years...

"Normal replacement of small picture sets, worn out sets, and sets outmoded by improvements now in prospect, plus multiple set ownership, assure a steady yearly market of many millions more...

"Actually, the lifting of the station freeze will eventually multiply the number of buyers many times, and benefit today's markets immeasurably by opening up sales to the millions in the marginal regions around present broadcasting areas. Phenomenal as its volume has been to date, the business is still but a shadow of what it will become.

"In fact, a business opportunity as broad as television has appeared only two or three times in this century. As far as thought can reach, the market is big and prosperous. It is one of the richest bonanzas of all time.

"If you have a soundly backed and soundly financed television franchise, hang on to it -- you own a gold mine. If you have television sets in storage, don't be panicked into price-cutting. The radio industry, stampeded by every seasonal change in the selling pace, threw away untold millions of dollars in profits by unnecessary dumping. We know better today. The market is there. Take a look ahead, then get back to good old-fashioned aggressive, intelligent selling."



**Topics & Trends of TV Trade:** Inventory statistics are next quarry of Frank Mansfield's RTMA statistics committee, with Dun & Bradstreet to do monthly survey of wholesale and retail establishments to determine exactly how many TV and radio receivers are on hand. Factory inventories are already being reported weekly, along with RTMA's production estimates, compiled by Haskins & Sells. Plan is to have about 40 manufacturers underwrite effort for about year, see how well it works, then make it part of regular RTMA statistical service if figures fill a real need.

While industry leaders have guessed total TVs now in pipelines at anywhere up to 2,000,000, Television-Electronics Fund Inc. this week released what it believes is first published "study" of TV industry's inventory position. Details of how figures were arrived at weren't disclosed, but investment trust's statisticians estimated accumulated inventory on May 1 at between 1,750,000 and 1,850,000 sets, or about a 3 to 3½ months' supply based on average monthly sales for preceding 12 months.

Report estimated inventory at 1,261,000 as of Jan. 1, 1951, rising to 1,835,000 as of April 1 and 1,935,000 as of April 27. Latter figure, it is stated, should be adjusted to allow for between 150,000 and 200,000 sets scrapped and destroyed—hence the above May 1 "guesstimate."

\* \* \* \*

Radio, TV & Parts Conference of IUE-CIO, representing about 75,000 workers (Daniel Arnold, RCA, chairman), adopted resolutions in Chicago May 5 making these points:

(1) Asks companies to cut prices, produce lower-priced models. Asks Federal Reserve Board "to temporarily liberalize the credit rules [by] reducing the down payment to 15% and permitting old sets to be used as part of the down payment." Opposes proposed increase in excise tax to 25%.

(2) Wants defense agencies to "take more vigorous steps" to see that "proper share" of electronics prime and subcontracts go to electronics industry, and that such contracts "be distributed widely and not concentrated into a few firms." Union refers to 190,000 workers in TV, radio, parts industries, foresees 400,000 within another year. It claims "resources of this industry have not been adequately utilized," asserts "new facilities are being built while present facilities are inadequately used, new manpower is being hired and trained in new centers while present manpower suffers unemployment."

(3) Seeks to wipe out what it calls present "12-15¢ an hour differential our industry suffers compared with others." Asks that (a) wages be adjusted for increases in living costs; (b) wages be adjusted for increases in productivity; (c) all segments of industry be brought up to date with respect to pensions, insurance, severance pay, vacations, holidays, etc.; (d) \$2000 wage floor be set for average year's work; (e) layoff plan be adopted providing for full pay for short periods of unemployment, half-pay for prolonged layoffs—all to come out of company profits (Vol. 7:16).

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Admiral is introducing 14-in. table model at \$159.95, including excise tax, lowest price it has ever quoted. Purpose stated by sales v.p. Richard Graver: "To bring TV back within the buying power of the majority of American wage earners, whose ability to buy more expensive models has been seriously handicapped by the high down payments and short repayment period imposed by Regulation W."

John Meck May 8 guaranteed prices against reduction until Sept. 15, and RCA distributor Krich-New Jersey this week went RCA's guarantee to Aug. 1 (Vol. 7:18) one month better and extended it to Sept. 1.

DuMont's guarantee against price reductions, announced this week in wake of RCA and GE guarantees (Vol. 7:18), is all-inclusive, reads thus: ". . . beginning May 9, 1951, and continuing until Sept. 10, 1951, [DuMont] guarantees distributors against any reduction in distributor prices below the published price schedule of Nov. 1, 1950, on merchandise purchased by distributors during the period of guarantee. Under this guarantee, the distributor will receive a merchandise credit or cash covering reduction of distributor prices, whether brought about by price control, rollback, or otherwise . . ." No new models will be offered before fall, DuMont also stated.

New trade-in policy developed by Krich-New Jersey Inc., RCA distributor, which may be extended to other areas where there are lots of 10-in. receivers: Krich guarantees to pay dealers \$50 for any 10-in. sets they take as trade-ins against purchase of more expensive 1951 model with larger screen. If dealer wants to keep set for resale, RCA Service Co. will overhaul it for \$8.95.

RTMA tax committee has submitted study on effect of proposed excise tax increase to 25% to House Ways & Means Committee, supporting industry's recent testimony (Vol. 7:5-13). Report prepared by Boni, Watkins, Mounteer & Co., New York, shows that increase would "drastically affect industry sales," particularly among lower income consumers; also that loss of revenue to Govt. from income and excess profits taxes would largely offset additional revenue that might be obtained from higher excise.

Meeting on trade practice rules will be held by RTMA in Washington June 21, preparatory to industry conference with Federal Trade Commission which has called conference but set no date (Vol. 7:10). Proposals to be submitted to industry meeting first will be approved by RTMA board at June 4-7 Chicago meeting.

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RCA has started production of electrostatically-focused 17-in. tube sets, to be delivered later this month. Electrostatic picture tubes will be used in RCA's 14 & 19-in. sets when current supply of magnetic-type tubes and focusing components is exhausted. No model change is involved. Majestic will begin production of electrostatically-focused set in 6-8 weeks, using new 21-in. all-glass rectangular tube to be produced by American Television Inc. (U. A. Sanabria) beginning June 1.

Canadian RMA reports 5995 TVs sold by factories for \$3,501,795 during March, with inventory of 2830 units as month ended. Table models under \$400 list price totaled 338, over \$400 totaled 1735. Consoles under \$500 totaled \$432, over \$500 totaled 2985. TV-phonos numbered 465. Windsor area (Detroit) took 38% of March sales, Toronto-Hamilton took 39%. First 3 months of 1951 unit sales were 14,052, valued at \$7,696,855. Cumulative TV sales to March 31 totaled 51,875 valued at \$23,973,438, with 44% in Windsor area, 35% in Toronto-Hamilton, 16% in Niagara Peninsula, 5% other areas.

Plant Expansions: Bendix Radio has leased 40-acre former Pimlico tract, Baltimore, has remodeled field's 2 hangars, will use space to train Air Force personnel in maintenance of electronic equipment . . . Radio Materials Corp. (ceramic condensers) building new one-story plant at 3311 N. California Ave., Chicago; it adds 15,000 sq. ft. to the 6500 already available in 1708 Belmont Ave. plant and 30,000 in Attica, Ind. . . . Canadian Westinghouse, which recently completed new plant at Three Rivers, Que., plans 2 new plants in Hamilton, Ont., for defense electronics and other production.

GE is shipping its 24-in. console to distributors, priced at \$775 (Vol. 7:2). GE is also shipping 24-in. tube to distributors.

**Trade Miscellany:** "We Have the Most to Save, Let's Save the Most," was slogan that won \$600 all-plant prize in RCA contest to promote savings of critical materials; winner, out of 17,000 entries, was Theodore Miley, operator in engineering section of Lancaster tube plant . . . Custom TV market took about \$10,000,000 worth of chassis in 1950, which means estimated 90,000 such units were bought and installed in fireplaces, bookcases, wall recesses, special cabinets, etc., according to John H. Cashman, Radio Craftsmen president . . . Arvin has new 12½-in. console at \$199.95; it also recently put last year's 8½-in. table model at \$129.95 back into line (Vol. 7:15) . . . Second TV outlet projected in Sao Paulo, Brazil, is reported by IT&T, whose subsidiaries have orders for complete equipment, including Telecruiser remote pickup coach and microwave links; new company is Radio Televisao Paulista, S. A. . . Some 3000 TVs are now in use in Rio de Janeiro and Sao Paulo, reports Philco International v.p. R. L. Romeyn, and another 5000 should be sold in those cities by end of 1951 . . . RCA Victor is first to announce summer vacation close-down period—July 7-16, same dates as many of its suppliers . . . Admiral consoles will be installed in all suites of both Ambassador East and Ambassador West Hotels in Chicago, beginning June 1; contract between hotel management and Admiral was signed May 9 . . . Hotel Book-Cadillac, Detroit, has installed RCA "Antenaplex" system to permit TV reception in each of its rooms; installation was by Wells Television Inc.

TV-radio workers averaged \$57.53 per week in February, reports Bureau of Labor Statistics. This compares with \$57.55 in January, \$56.96 in December. BLS also noted that TV-radio employes worked 40.4 hours in February, 40.9 in January, 41.1 in December; earned hourly average wages of \$1.424 in February, \$1.407 in January, \$1.386 in December. Average weekly earnings for all 1950 were \$53.85, compared with \$50.68 for 1949, average weekly hours were 40.7 vs. 39.5, hourly earnings \$1.323 vs. \$1.283. BLS also reported industry employed 180,900 production workers in February, 179,900 in January, 190,300 in December—compared to average of 159,000 for all 1950.

Admiral's Ross Siragusa said May 12 his company is now producing 40,000 TVs a month, same as second 1950 quarter, adding that "sales have turned the distress corner." He said Admiral owes no money, contemplates no bank loans.

Offering of 400,000 shares of Sylvania common, priced at 29½, was sold quickly this week when placed on market by Paine, Webber, Jackson & Curtis and about dozen associated underwriters. About two-thirds of proceeds will be used to increase working capital, remainder largely for new equipment.



**Trade Personals:** Wm. C. Scales appointed gen. sales mgr., DuMont cathode ray div. . . Milton R. Benjamin promoted to sales v.p., Majestic . . . Harold W. Giesecke, ex-Westinghouse, appointed asst. to gen. mgr., Bendix Radio . . . George Axmacher has resigned as sales mgr., Freed Radio . . . Edward J. Penberthy named sales mgr., Radio Condenser Co.; David DeWitt named research v.p., Devereaux Martin asst. to president, Allan Easton mgr. of communications engineering, Radio Receptor Co. . . Joseph B. Hersh named executive v.p., O. L. Cohen purchasing v.p., John A. Van Auken, sales v.p., Utility Electronics Corp. . . N. J. Sims promoted to mgr. of distribution, F. T. Myles to mgr. of home instruments dept., RCA Victor Ltd. of Canada . . . Rex Wilson, chief engineer, elected engineering v.p. of Tele-Vogue Inc., Chicago, manufacturing subsidiary of Muntz TV Inc.; W. G. Henke, ex-Admiral, named coordinator of engineering.

**Financial & Trade Notes:** Philco discloses govt. defense orders totaling about \$100,000,000 for radar, electronic and ordnance equipment, research and development programs, training projects—one of largest, if not largest, totals in electronics industry. Nearly 2000 Philco technical representatives are on duty all over the world with Army, Navy and Air Force, working on electronic equipment, president Wm. Balderston stated in announcing first quarter report.

Philco sales first 3 months of 1951 were \$113,524,000, new record for any quarter in its history, comparing with \$79,487,000 same quarter last year. Net income after taxes was \$4,354,000 or, after preferred dividends, \$1.21 per share on 3,525,372 shares of common outstanding. In same period last year, profit was \$4,074,000 (\$1.13). Increased taxes brought Federal tax bill for quarter to \$9,542,000 vs. \$3,358,000 same quarter 1950, up 184%.

"We are now going through a period of balancing production with sales, which may last for another few weeks," said Mr. Balderston. "The country has demonstrated that it can maintain a high level of civilian output at the same time it is building up its defenses, and this means that Philco production and sales for 1951 promise to be considerably greater than appeared likely in January."



Among officers' and directors' stock transactions reported by SEC for March: Lynn C. Park gave 1000 Admiral as gift, holds 24,820; Joseph B. Hall bought 200 Avco, holds 400; Herbert W. Clough bought 100 Belden Mfg., holds 600; Arthur L. Wanner bought 50 Belden Mfg., holds 1850; William C. Decker bought 3000 Corning Glass, holds 7296; Charles D. LaFollette bought 2000 Corning Glass, holds 5200; Allen B. DuMont gave 100 DuMont as gift, holds 56,400; Anthony R. Kirsch bought 50 Indiana Steel (Feb.), holds 50; Percy L. Schoenen sold 1900 Olympic (Sept. 1950), holds 22,600; Courtney H. Pitt sold 200 Philco, holds 1270; William Gammel Jr. gave 100 Raytheon as gift, holds 17,170; Robert H. Bishop sold 400 Sylvania, holds 659; Arthur L. Chapman bought 38 Sylvania, holds 58; Curtis A. Haines bought 43 Sylvania, holds 143; John S. Learoyd bought 37 Sylvania (Feb.), holds 587; Don G. Mitchell bought 174 Sylvania, holds 3174; Donald MacGregor sold 100 Zenith, holds 150.

Oak Mfg. Co. transactions reported by SEC: Common—William Bessey bought 800, inherited 7418, holds 12,229; John A. Rovelstad bought 300, holds 2556; Elof Sandstrom bought 800, holds 5512. Warrants for common—Peter B. Atwood sold 2000, holds 1500; William Bessey sold 800, Robert A. O'Reilly sold 1800, John A. Rovelstad sold 1000, Elof Sandstrom sold 1500, Irwin N. Walker sold 1470, no longer hold any warrants.



Hoffman Radio, due to sharp declines in TV sales in March, showed first quarter sales of \$5,771,607 as against \$6,240,660 for same 1950 period. Net dropped to \$107,876 (18¢ a share) from \$680,596 (\$1.19) for same period last year. Inventories at end of quarter were \$5,955,878 vs. \$2,763,332 on March 31, 1950. Hoffman, according to financial reports, expects to apply later this year for listing on N. Y. Stock Exchange.

Olympic has borrowed \$500,000 from Irving Trust Co. on 4% notes running to 1956, payable semi-annually at rate of \$100,000 a year. Proceeds will be used to prepay \$375,000 balance of present term loan and for working capital.

Dividends: Hytron, 10¢ payable June 15 to holders of record May 31; Television-Electronics Fund Inc., 15¢ payable May 29 to holders May 15; Blaw-Knox, 25¢ payable June 12 to holders May 14.



**Mobilization Notes:** Controlled Materials Plan rules on inventories and distributors' sales (Regs. 2 & 4) were issued May 10 by NPA. Reg. 2 generally limits steel inventories to 45 days' supply, copper and aluminum to 60 days' supply. Reg. 4 requires distributors to accept all orders bearing CMP allotment numbers or DO ratings. Application form CMP-4A for manufacturers of military items and machinery not on "B" list (Vol. 7:18) is now being mailed to manufacturers. NPA has issued Product Assignment Directory, listing 13,000 items and indicating in each case the NPA industry division assigned to the product for purposes of CMP and limitation orders. Also issued by NPA, and being mailed to all firms who are expected to operate under CMP, is brief non-technical booklet, *ABC's of CMP*. All of this CMP material will soon be available from Commerce Dept. field offices, and can be obtained now from NPA, Washington 25, D. C.

Only one of 90 certificates for rapid tax amortization of new production facilities granted by DPA April 27-May 3 went to manufacturer of electronic products. Collins Radio was issued certificate for 5-year writeoff of 80% of \$77,382 in new Arcadia, Cal. facilities for production of radio units. The 90 certificates represented expansion costing \$291,112,376. Total certificates issued through April 13 covered expansion valued at \$3.25 billion, vast majority for production and processing of basic materials. Electronic and electrical production facilities represented about 1% of this amount, or \$32,800,000.

Nickel is so critical that NPA has ordered International Nickel Co., sole supplier, not to furnish during May more than 60% of nickel called for in any defense-rated (DO) order, or more than 15% of monthly average first-half 1950 consumption to civilian users. This directive doesn't apply to receiving tube industry, to which 200,000 lb. of nickel was allocated for May, 180,000 for June—close to 75% of the industry's first-half 1950 average monthly rate of use. Allotment is for both military and civilian tubes, and comparative size of tube industry's ration indicates how vital NPA regards electronic industry.

To help relieve copper shortage, Congress this week passed bill to suspend 2¢-a-pound copper import duty retroactively from April 1 until Feb. 15, 1953, with duty to go back into effect whenever domestic copper price falls below 24¢ a pound. Duty was suspended during World War II and during most of post-war period. President is expected to sign bill. General Services Administrator Jess Larson told Congressional committee govt.'s program of tungsten purchases will total about \$185,000,000, with losses not expected to run over \$25,000,000 when the tungsten is resold domestically. Meanwhile, NPA officials said less than 5% of nation's rearmament program is "in trouble" because of metal scarcities.

Radio, TV and Household Appliance Wholesale Advisory Committee (Vol. 6:51, 7:2) will meet with NPA May 17 in Washington, with replacement parts problem prime topic on agenda.

**Mobilization Personals:** John Dillon, former IUE-CIO board member and ex-Sperry Gyroscope employe, on loan from union to serve as labor consultant to NPA Electronics Div. director John G. Daley . . . Willard Green, formerly in FCC AM Engineering Div., named to staff of NPA Electronics Div., to serve in end products section under J. Bernard Joseph . . . Berlon C. Cooper, ex-eastern editor of *Electrical Construction & Maintenance*, named consultant to NPA Building Materials Div. . . . Kenneth H. Klipstein, on leave as gen. mgr., Calco Chemical Div. of American Cyanamid Co., succeeds Joseph S. Bates, resigned, as head of NPA Chemical Div.

Steel limitation order M-47 definitely will be tightened next quarter. Here's why: More than half the nation's record steel output will probably have to be set aside for defense and defense-supporting programs in July, even more in August. So NPA told steel industry May 10. That will mean 10-15% greater bite into steel supplies—much of it to be absorbed by consumer durables industries.

M-47, which permits TV-radio manufacturers to use steel during second quarter at 80% of first-half 1950 rate (Vol. 7:10-11, 14) will probably be chopped to 70% for third quarter. Auto makers have already been cut to 75% for June, and told their July quota will be 70%.

Principal complaint of TV-radio makers continues to be that M-47 freezes manufacturers' permitted intermixture of models and types of products. NARDA president Mort Farr, in letter this week to NPA chief Fleischmann, said in this respect "M-47 goes beyond the required limits and creates artificial obstacles to the normal free play of our economy." In TV-radio-phono field, Farr said, Regulation W has brought lower-priced units into "greater demand than they normally would be." Combining or reducing number of the 5 listings in this category, he said, would help fill this demand and benefit "every segment of the industry, from consumer to manufacturer."

Industry got promise last month from NPA assistant administrator Horace B. McCoy that effort would be made to break TV-radio-phono category down to 3 listings, so that steel quotas for radio-phonos could be shifted to radios, and quotas for TV combinations could be used to make more lower-priced TV-only sets.

The Russians, self-proclaimed "inventors" of TV, say they're engaged in big expansion program, according to May 7 *New York Times* dispatch from Moscow. *Izvestia* reports stations operating in Moscow, Leningrad and Kharkov, more under construction. Number of sets isn't known, but *Pravda* reported 7845 in Moscow last August, and *Times*' correspondent says number of antennas on apartments is "visibly growing." Three types of sets made are: T-1 & KV-49 (4¼x5½-in. screen), T-2 (5x7-in.), with "same price as American console TV sets." Soviets use 625-line system, and definition "compares well with the American." *Izvestia* says world's first TV set was built in 1907 by Boris L. Rossing, a teacher, calls him TV's inventor. This week, New York longshoremen refused to handle baggage of home-going Soviet UN delegates; included were TV sets, washing machines and refrigerators.

Optimistic views of future, as enunciated by industry leaders in current statements: "I think the TV market for the next 10 to 12 years will average from 6,000,000 to 9,000,000 sets per year, depending on the initiative of the manufacturers."—Joseph B. Elliott, RCA Victor. "This year's autumn and winter TV business will be very strong."—Robert W. Galvin, Motorola (who also told stockholders meeting May 7 that Motorola will have profitable second quarter due to good rate of communications, auto and radio sales). "The general condition which we and the industry are now experiencing gives every indication of being only a pause in the extraordinary growth of TV receiver sales."—H. L. Hoffman, Hoffman Radio.

**Footnote on TV demand:** Letter received by FCC from a citizen of Ft. Wayne, Ind.: "Isn't there any way you could figure Television herein Ft Wayne were a large City with 26 towns with in a aeria of 25 miles. Sir it's hard for us we need a technician bad and I had a fine operator to come here, as soon as he learnd there wasent any television he flatly refused. NO. All so I understand the the International harvester had an engineer a 25 thousand year man point blank refuse to come here on account of no television . . ."

**Telecasting Notes:** Here's trend that can't be blinked: NBC-TV billings in March (\$4,594,203) were only about \$500,000 or so under its AM billings (\$5,085,636)—and it's confidently expected TV will surpass AM shortly. Figures do not include own stations' income. PIB report (Vol. 7:17) also showed January-March quarter NBC-TV billings at \$12,730,785 vs. its network radio's \$15,033,209. Speedy rate of change is indicated by fact that NBC-TV billings in March 1950 were only \$1,175,186 vs. its AM network's \$5,847,374 . . . Mutual, pointing with pride at upsurge of AM billings, reports \$6,139,450 for first 4 months of this year vs. \$5,932,407 for same 1950 period, gain of 4% . . . WATV, Newark, signed lease to join 5 New York stations on Empire State Bldg., leaving WOR-TV only station not included. Novel antenna for WATV, designed by Andrew Corp.'s M. W. Scheldorf, ex-GE, features elements located around 29-ft. mooring mast itself . . . Paramount's KTLA, Los Angeles, set up own microwave relay for 102-mi. remote last week from Pt. Loma, San Diego, to Mt. Wilson, to pick up arrival of First Marine Division contingent from Korea—believed to be longest remote on record, rivaled only by WBKB's South Bend-to-Chicago 92-mi. remotes for Notre Dame football . . . Denver Post considering applying for TV; if it does, it will be city's eighth applicant (see TV Factbook No. 12) for the 4 vhf (one educational) and 2 uhf channels earmarked for area (see Allocation Report) . . . Bulldozer worked by farmer near Aberdeen, Md. cut 2 coaxial cables afternoon of May 7, cut off network shows south of Philadelphia for about day before they were repaired . . . Abbott & Costello latest to contract with NBC-TV, other top comedians on its contract list being Milton Berle, Bob Hope, Groucho Marx, Jimmy Durante, Eddie Cantor, Ed Wynn, Sid Caesar, Imogene Coca, Danny Thomas, Jack Carson, Dean Martin & Jerry Lewis . . . PRB Inc., TV-radio producing firm set up by Mary Pickford and Buddy Rogers, being dissolved after partner Mal Boyd decided to study for Episcopal priesthood.

Affiliates Committee growing out of opposition to network rate cuts (Vol. 7:16-17) has collected \$10,000 from almost 150 stations, seems assured of continuance. Committee meets May 15 in New York, plans to hear A. C. Nielsen and J. B. Ward, Advertising Research Bureau Inc., Seattle, on research to prove AM still a good buy. Meanwhile, latest survey showing pickup in radio listening among TV owners is from WOR, New York. Based on Pulse Inc. study, it shows that 53.7% of TV owners with sets more than 2 years old listen to radio on average night, compared to 36.2% who've had set 9 months or less. Among TV owners who have had set 2 years or more, 27.8% listen to radio for hour every night; of newer TV owners, only 17.8% listen for hour each night.

Georgia Tech (WGST) has protested to FCC the sale of Atlanta's WSB-TV to group of local businessmen (Vol. 7:16), advocating instead that its Channel 8 be assigned to one of 3 existing applicants (TV Factbook No. 12). Application for sale of WSB-TV was returned last week by FCC on grounds it couldn't tell who ultimate stockholders would be, since two-thirds of stock was proposed to be held by investment firm of Clement Evans & Co. Application is expected to be refiled shortly (Vol. 7:18).

General Tire & Rubber Co. (O'Neil interests), for tax and other business reasons, has secured FCC approval to transfer Yankee Network stations to Thomas S. Lee Enterprises, purchased last year from estate of Thomas Lee (Vol. 6:42-45). Plan is to operate that subsidiary as 2 divisions: Don Lee Network and Yankee Network. Yankee stations involved: WNAC, WNAC-TV & WNAC-FM, Boston; WICC, Bridgeport; WONS, Hartford; WEAN, Providence; WGTR (FM), Paxton, Mass.

**D**OUBLED uhf signal strength at receiver was achieved, RCA announced this week, by tilting Bridgeport transmitting antenna 2½ degrees up or down. These results have obvious and enormous implications for improved service with lower-powered, less-expensive transmitters.

RCA is now studying effect on station interference, but experienced engineers doubt whether tilting will produce extra trouble. In fact, they think it may reduce interference.

Practice isn't new, since work of this kind was done for military during war. In Los Angeles, KECA-TV is now titled "electrically," through phasing. KTTV has experimented with both physical and electrical tilting. WJZ-TV will be tilted electrically when it begins operations from new Empire State Bldg. antenna.

Way technique works, as we understand it, is that tilting permits direct signal and ground-reflected signal to combine, produce cumulative effect.

FCC budget for July 1, 1951-June 30, 1952, was cut \$575,000 to flat \$6,000,000 May 4, when House, in economy mood, pruned all independent offices appropriations. FCC cut was marked by bitter diatribe against "pinks and reds" in Commission by Rep. Cox (D-Ga.), who was chairman of 1943 Select Committee that investigated FCC. Cox charged that the Law Dept. controls Commission and "has sought to dominate, to control and to terrorize" station operators. He was abetted by Rep. Rankin (D-Miss.), who proposed elimination of entire FCC appropriation. To defense of FCC came Rep. Thomas (D-Tex.), who cited Comr. Jones (an ex-Congressman) as being "no more a Communist than this table is"; he also defended other commissioners. FCC officials hope Senate will restore cut; otherwise it may be difficult to maintain present 1205 employes.

Crosley asked for Channel 11 in Toledo this week, making third application for that one-station (WSPD-TV) city (TV Factbook No. 12). Crosley now operates WLWT, Cincinnati; WLWD, Dayton; WLWC, Columbus; is applicant for Indianapolis. Also this week, WTBO asked FCC to dismiss its application for Cumberland, Md.

Supreme Court's color decision (Vol. 7:13) should come May 14 or 28, possibly June 4—since Court doesn't sit May 21, is trying to recess for summer on May 28 or June 4 at latest. Traditionally, Court doesn't hold such cases over until beginning of fall sessions.

First uhf transmitter order received by RCA came from WFPG, Atlantic City, which bought 1-kw unit (TTU-1B), plus antenna and monitoring equipment. Antenna will be mounted on station's 408-ft. AM-FM tower.

Latest to announce uhf converter is Air King, whose parent Hytron was recently purchased by CBS (Vol. 7:15). Company quotes lowest price yet, \$29.95 including antenna, says it will have units ready when uhf stations are on air.

More May 1 sets-in-use reported since NBC Research's "census" of April 1 (Vol. 7:17): Los Angeles 1,038,750, up 138,750; St. Louis 289,000, up 7000; Kansas City 118,523, up 3523; Omaha 77,415, up 4615.

### Copies of Digests of Comments

Included herewith, for all full-service subscribers, is our 8-page *Digests of Comments on Proposed TV Allocation Plan* (Supplement No. 72). Extra copies of this report, containing digests and listings of all commercial, educational and municipal comments, are available at \$2, or \$1 in quantities of 25 or more.



Appearances for Hearing

## Digests of Comments on Proposed TV Allocation Plan

Hearing Scheduled to be Conducted before FCC en banc Starting June 11, 1951; Docket No. 8736

For proposed rules and table of allocations, see TV Allocation Report issued by FCC March 22, 1951 and published in full text by Television Digest March 24, 1951

(Note: Included are digests of all proposals filed through May 7, 1951 available in FCC files)

### SPECIFIC AND GENERAL COMMENTS

(For list of educational institutions favoring plan in general terms, see page 7)

#### ALABAMA

Johnston Broadcasting Co., Birmingham (WJLD)—Requests assignment of Channel 7 to Birmingham, substituting 4 for 2 in State College, Miss., 2 for 7 in University, Ala. (Franklin K. Lane & Orville H. Walburn).

Birmingham Broadcasting Co. Inc., Birmingham (WBRC & WBRC-TV)—Favors FCC proposal to shift WBRC-TV from Channel 4 to 6. (George O. Sufton).

Voice of Dixie, Birmingham (WVOK)—Requests assignment of Channel 7 to Birmingham, affecting following cities: Meridian, West Point, State College, Miss.; University, Ala. Stephen Tuhy, Jr.).

Deep South Broadcasting Co., Montgomery (NEW)—Requests assignment of Channel 3 to Montgomery, substituting 4 for 11 in Meridian, Miss., 11 for 13 in Biloxi, Miss., 13 for 3 in Pensacola, Fla. (Stephen Tuhy Jr.).

Tuscaloosa Broadcasting Co., Tuscaloosa (WTBC)—Requests assignment of Channel 2 to Tuscaloosa from State College, Miss.; add 4 to State College. If plan proposed by WREC Broadcasting Service is adopted, requests assignment of 8 to Tuscaloosa. (Prince, Taylor & Crampton).

#### ARKANSAS

Southwestern Publishing Co., Fort Smith (KFSA)—Requests assignment of Channel 8 to Fort Smith from Muskogee, Okla.; 11 instead of 8 for Muskogee. (Haley, McKenna & Wilkinson).

#### CALIFORNIA

McClatchy Broadcasting Co., Bakersfield (KERN)—Requests assignment of Channel 8 to Bakersfield. (Dow, Lohnes & Albertson).

Radio Station KERO, Bakersfield (KERO)—Requests assignment of Channel 8 to Bakersfield. (Pierson & Ball).

California Inland Broadcasting Co., Fresno (KFRE)—Requests assignment of Channel 3 to Fresno from Visalia, substituting 49 for 3 in Visalia. (Pierson & Ball).

KARM, George Harm Station, Fresno (KARM)—Requests assignment of Channel 5 to Fresno from Goldfield, Nev.; substituting 11 for 5 in Goldfield, Nev.; or, 7 to Fresno; or, 9 to Fresno from Tonopah, Nev.; 6 to Tonopah from Ely, Nev.; 12 to Ely. (Hogan & Hartson).

McClatchy Broadcasting Co., Fresno (KMJ)—Requests assignment of Channels 5, 7 & 9 to Fresno. Requests reduction in minimum separation requirements. (Dow, Lohnes & Albertson).

Pacific Video Pioneers, Long Beach (KALI)—Requests liberalization of 23-db maximum power limitation on Channels 14 to 83, permitting single stations to increase to 26 db and permitting horizontal increases by 2 or more stations. (Haley, McKenna & Wilkinson).

American Broadcasting Co., Los Angeles—See New York, N. Y.

Earle C. Anthony Inc., Los Angeles (KFI & KFI-TV)—Requests that adjacent-channel ratio be changed from 0 db to -6 db and clarification of height-power-interference requirements, particularly in relation to mountain-top installations. Also requests arrangement with Mexico permitting KFI-TV and KECA-TV to achieve 200 kw at present heights. (Caldwell-Rollo).

KMTR Radio Corp., Los Angeles (KLAC & KLAC-TV)—Requests change of adjacent-channel ratio from 0 db to -6 db. (John P. Hearne, Los Angeles).

KTTV Inc., Los Angeles, Cal. (KTTV)—Requests amendment of adjacent-channel ratio from 0 db to -6 db. (Hanson, Lovett & Dale).

U of Southern California, Los Angeles—Objects to reservation of uhf channel for educational use. (William H. Sener, TV dept.).

Steven A. Cisler, Monterey—Favors FCC proposals for Monterey. (Barnes & Neilsen).

Monterey Radio-Television Co., Monterey (purchase of KMBY pending)—Favors FCC proposals for Monterey. (Dow, Lohnes & Albertson).

KROW Inc., Oakland (KROW)—Requests reclassification of Channel 9 for commercial use, assign uhf to educational, return 13 to San Francisco-Oakland. (John P. Hearne, Los Angeles).

Tribune Bldg. Co., Oakland (KLX)—Requests assignment of Channel 13 to Oakland from Stockton; 3 to Stockton from Visalia; 2 to Visalia; 4 to Reno in lieu of No. 3. (St. Clair, Connolly & Cerini and Wheat, May & Shannon).

KECC Inc., Port Chicago (KECC, Pittsburg, Cal.)—Requests assignment of Channel 15 to Port Chicago. (Fly, Shuebruk & Blume).

Harmco Inc. (KROY) and KCRA Inc. (KCRA), Sacramento—Request assignment of Channels 3 & 8 to Sacramento from Reno, assignment of 2 or 4 & 11 to Reno. (Hogan & Hartson and Loucks, Zias, Young & Jansky).

KCRA Inc., Sacramento (KCRA)—See Harmco Inc.

McClatchy Broadcasting Co., Sacramento (KFBK)—Requests assignment of Channel 3 to Sacramento from Reno, substituting 4 for 3 in Reno. (Dow, Lohnes & Albertson).

Salinas Broadcasting Co., Salinas (KSBW)—Requests assignment of Channel 8 to Salinas from Monterey, substituting 28 for 8 in Monterey. (Krieger & Jorgensen).

Airfan Radio Corp., San Diego (KFSD)—Requests assignment of Channel 6 or 12 to San Diego, to be replaced in Tijuana, Mex., with uhf channels. (Hogan & Hartson).

Charles E. Salik, San Diego (KCBQ)—Requests assignment of Channel 6 or 12 to San Diego, leaving 6 or 12 to Tijuana, Mex. (Cohn & Marks).

Television Broadcasting Co., San Diego—Requests assignment of Channel 15 to San Diego; 12 to San Diego from Tijuana, Mex.; 27 and 33 to Tijuana from San Diego; assign uhf Channels to Mexico by specific number; have maximum power agreement between Mexican and United States stations. (L. N. Papernow).

Columbia Broadcasting System, San Francisco—See New York City.

Television California, San Francisco (KM2XCW)—Requests assignment of Channel 13 to San Francisco-Oakland from Stockton; substituting 4 for 3 in Reno, 3 for 6 in Sacramento, 6 for 13 in Stockton. (Haley, McKenna & Wilkinson).

Standard Radio & Television Co., San Jose—Favors FCC proposal for San Jose. (Krieger & Jorgensen).

Radio KIST Inc., Santa Barbara (KIST)—Requests assignment of Channel 8 to Santa Barbara. (Hogan & Hartson).

#### COLORADO

Northwestern Colorado Broadcasting Co., Craig (KRAI)—Requests assignment of Channel 5 to Craig. (Fletcher & Midlen).

Sen. Edwin C. Johnson (D.-Colo.), Denver—Requests addition of more vhf channels to Denver, through one of 3 alternative channel shifts involving Boulder and Colorado Springs, Colo.; Cheyenne and Rawlins, Wyo.; Alliance, Neb., plus reclassification of Channel 6 as commercial in Denver.

Sen. Eugene D. Millikan (R.-Colo.) Denver—Objects to allocation of only 10 vhf channels to Colorado; requests that vhf allocations to State be "more equitably" increased.

San Juan Broadcasting Co., Durango (KIUP)—Requests assignment of Channel 6 to Durango. (Wilkinson, Boyden & Cragun).

Western Slope Broadcasting Co., Grand Junction (KFXJ)—Requests assignment of Channel 3 to Grand Junction. (Fletcher & Midlen).

Uncompaghe Broadcasting Co., Montrose (KUBC)—Requests assignment of Channel 11 to Montrose, affecting Price, Provo, Ogden, Logan, Tooele, Utah. (Fletcher & Midlen).

#### CONNECTICUT

State Dept. of Education, Hartford—Requests that uhf flexibility channels be made available to educational institutions. (F. E. Engleman, commissioner).



## CONNECTICUT (Continued)

- Hartford Times Inc., Hartford (WHT)—Requests assignment of Channel 3, 59 & 81 to Hartford by 3 alternative plans, affecting following cities: New Haven, New London, Montpelier, Vt., Lewiston, Me. Requests use of flexibility channels. (Arnold, Fortas & Porter).
- Travelers Broadcasting Service Corp., Hartford (WTIC)—Requests assignment of Channel 3 or 10 and 81 or 83 to Hartford, affecting following cities: New London; Providence; Montpelier, Vt.; Lewiston, Me. Also requests that flexibility channels be assigned to cities for which channels have been provided, that transmitter-to-transmitter spacing, rather than city-to-city spacing, be ruling criterion, and that directional antennas be permitted. (Caldwell-Rollo).
- Connecticut Radio Foundation Inc., New Haven (WELI)—Favors FCC proposals for New Haven. (Dow, Lohnes & Albertson).
- Elm City Broadcasting Corp., New Haven (WNHC & WNHC-TV)—Favors FCC proposal to shift WNHC-TV from Channel 6 to 8, provided no changes are made in suggested rules and standards and in Connecticut allocations. (Fisher, Wayland, Duvall & Southmayd).
- Thames Broadcasting Corp., New London (WNLC)—Favors FCC proposals for New London. (Dow, Lohnes & Albertson).

## DELAWARE

- WDEL Inc., Wilmington (WDEL-TV)—Favors FCC proposal to shift WDEL-TV from Channel 7 to 12. (George O. Sutton).

## DISTRICT OF COLUMBIA

- Federal Communications Bar Assn.—Requests immediate oral argument on legality of allocations procedure. Contends that (a) procedure for making changes in allocation are illegal, depriving applicants of right to be heard, (b) orderly and expeditious review of Communications Act will be thwarted, (c) FCC will be unable to perform duty of providing fair, efficient and equitable distribution of radio service. Requests that allocation plan be regarded only as a guide and that applicants requesting channels not provided for in plan be afforded hearings. (William A. Porter, president; Leonard H. Marks, chairman, committee on practice and procedure.)
- Joint Committee on Educational Television, Washington—Requests that (a) Educational institutions be permitted to apply for flexibility channels where no other channels are reserved, (b) an additional priority be established stipulating a non-commercial service to all of U.S. through reservation of frequencies, (c) cities with fewer than 3 vhf channels have uhf educational channels reserved, (d) provision be made for vhf educational TV in cities where all vhf channels are now occupied. (Telford Taylor and Seymour Krieger).
- McNary & Wrathall, Washington—Questions uhf propagation figures, claims it is erroneous for irregular terrain. Requests engineering conference on use of offset-carrier with uhf, higher powers for uhf, clarification of adjacent-channel ratio for antennas over 500 ft.
- Television Board, National Assn. of Radio & Television Broadcasters—Opposes educational reservations, endorses principle of pre-determined allocation plan and partial lifting of freeze. (Thad H. Brown).
- U. S. Conference of Mayors, Washington—Requests that municipalities operating school systems be eligible to apply for reserved, educational channels. (David L. Lawrence, Mayor of Pittsburgh, president).

## FLORIDA

- Gore Publishing Co., Fort Lauderdale (WFTL)—Requests assignment of Channel 9 to Fort Lauderdale, substituting 13 for 10 in Miami, 11 for 12 in West Palm Beach, 12 for 11 in Fort Myers. (Haley, McKenna & Wilkinson).
- U. of Florida, Gainesville (WRUF)—Requests reclassification of Channel 5 to commercial use. (Dow, Lohnes & Albertson).
- City of Jacksonville, Jacksonville (WJAX)—Requests assignment of Channel 2 to Jacksonville, substituting 11 for 2 in Daytona Beach, 6 for 2 in Tallahassee, 3 for 6 in Thomasville, Ga. (Dow, Lohnes & Albertson).
- Jacksonville Broadcasting Co., Jacksonville (WPDQ)—Requests assignment of Channel 10 to Jacksonville, reclassification of 7 to commercial use, 170-mile transmitter spacing be only separation criterion, additional assignments with reduced power. (Miller & Schroeder).
- Fort Industry Co., Miami (WGBS)—Requests assignment of Channels 9 & 13 or 13 or 5, 9, 11 & 13 to Miami, affecting following cities: West Palm Beach, Fort Myers, Fort Pierce. Requests reclassification of 2 to commercial use, and 29 & 35 be reserved in lieu thereof. Requests review of all channel reservations every 6 months or less, with reservations to continue only if educational groups can show they are taking preliminary steps toward filing applications. (Dow, Lohnes & Albertson).
- Isle of Dreams Broadcasting Corp., Miami (WIOD)—Requests assignment of Channels 9, 11 & 13 or 9 & 13 or 9 & 6 & 9 to Miami affecting following cities: Fort Myers, West Palm Beach, Tampa-St. Petersburg, Jacksonville, Orlando, Daytona Beach. (Dow, Lohnes & Albertson).
- Miami Broadcasting Co., Miami (WQAM)—Requests assignment of Channels 9, 11, 13, 27 & 33 to Miami in lieu of 7 & 10; substituting 7 for 12 in West Palm Beach, 12 for 11 in Fort Myers. (Loucks, Zias, Young & Jansky).
- WKAT Inc., Miami (WKAT)—Requests assignment of Channels 9 & 13 to Miami, affecting following cities: Daytona Beach, Fort Myers, Gainesville, Jacksonville, Orlando, Panama City, Pensacola, St. Petersburg-Tampa, Tallahassee, West Palm Beach. (Arnold, Fortas & Porter).
- Central Florida Broadcasting Co., Orlando (WORZ)—Requests assignment of Channel 2 to Orlando, substituting 11 for 2 in Daytona Beach. (Hanson, Lovett & Dale).
- Tampa Times Co., Tampa (WDAE)—Requests Channel 3 be reclassified to commercial use. (Dow, Lohnes & Albertson).
- Tribune Co., Tampa, Fla. (WFLA)—Requests Channel 3 be reclassified to commercial use. (Segal, Smith & Hennessey).

## GEORGIA

- Radio Athens Inc., Athens (WRFC)—Requests assignment of Channel 11 to Athens from Atlanta, 7 to Atlanta, requiring modification of city-to-city adjacent channel (Atlanta) and co-channel (Johnson City, Tenn.) separation minimums. (Roberts & McInnis).
- Atlanta Newspapers Inc., Atlanta (WSB & WSB-TV, hold CP for WCON-TV)—Favors FCC proposals for Atlanta. (Dow, Lohnes & Albertson).
- Fort Industry Co., Atlanta (WAGA & WAGA-TV)—Favors FCC proposals for Atlanta. (Dow, Lohnes & Albertson).
- Georgia Institute of Technology, Atlanta (WGST)—Requests assignment of Channel 7 to Atlanta. (Arnold, Fortas & Porter).
- Southeastern Broadcasting Co. (WMAZ) and Middle Georgia Broadcasting Co. (WBML), Macon—Requests that Channel 7 be allocated to Macon, that 170-mile transmitter-to-transmitter spacing be retained, that city-to-city minimum be abandoned, that additional assignments be made at reduced power where they would better fulfill priorities. (Pierson & Ball).

## IDAHO

- Boise Valley Broadcasters, Boise (KDSH)—Requests Channel 4 be reclassified to commercial use; 7 or 9 reserved for education, or that uhf channels be added for education. (Arnold, Fortas & Porter).
- KIDO Inc., Boise (KIDO)—Requests reserved channel be changed from 4 to 9. (Fisher, Wayland, Duvall & Southmayd).

## ILLINOIS

- Southern Illinois U, Carbondale—Requests reservation of Channel 10 to Carbondale, moving 6 from Indianapolis to Terre Haute, 10 from Terre Haute to Louisville, 11 from Louisville to Bloomington, 4 from Bloomington to Indianapolis, switching 6 and 12 in Paducah and Cape Girardeau. (D. W. Morris, president).
- Champaign News-Gazette Inc., Champaign (WDWS)—Requests assignment of Channel 3 to Champaign affecting following cities: Cedar Rapids, Iowa City, Mason City, Ia.; Kirksville, Mo.; Springfield, Centralia, Ill.; waive mileage separation rules. (Spearman & Roberson).
- Columbia Broadcasting System Inc., Chicago—See New York City.
- Quad-City Broadcasting Corp., Moline (WQUA)—Requests assignment of Channel No. 10 to Moline-Davenport-Rock Island-East Moline, affecting vhf channels in following cities: Centralia, Quincy, Rockford, Springfield, Ill.; Evansville, Ind.; Cedar Rapids, Iowa City, Mason City, Waterloo, Ia.; Lawrence, Pittsburg, Kan.; Grand Rapids, Iron Mt., Mich.; Austin, Duluth-Superior, Rochester, Minn.; Hannibal, Jefferson City, Joplin, Kansas City, Kirksville, St. Joseph, St. Louis, Sedalia, Springfield, Mo.; Eau Claire, LaCrosse, Madison, Milwaukee, Wausau, Wis. Following stations, now operating, would have to change frequencies: WTMJ-TV, Milwaukee; WLAV-TV, Grand Rapids; KSD-TV, St. Louis. (Dalton Le Masurier, president).
- Peoria Broadcasting Co., Peoria (WMBD)—Requests assignment of Channel 12 to Peoria, affecting following cities: Centralia, Springfield, Urbana, Ill., Cedar Rapids, Iowa City, Ia.; Kirksville, Mo. Requests minimum separation be 180 miles city-to-city or 170 miles transmitter-to-transmitter. (Dow, Lohnes & Albertson).
- West Central Broadcasting Co., Peoria (WEEK)—Requests assignment of Channel 12 to Peoria, Ill., and Brookfield, Mo., deleted from Urbana, Ill., and Kirksville, Mo. (Pierson & Ball).

## INDIANA

- Sarkes Tarzian Inc., Bloomington (WTTV)—Favors FCC proposal to shift WTTV from Channel 10 to 4. (A. L. Stein).
- Chamber of Commerce, Evansville—Requests assignment of Channel 29 to Evansville. (Leslie Lecroix, mgr., Traffic & Research Dept.).
- South Central Broadcasting Corp., Evansville (WIKY)—Favors FCC proposals for Evansville. Suggests educational channels be reserved for one year only. (Franz O. Willenbacher).
- Indiana Technical College, Fort Wayne—Requests assignment of Channel 5 to Fort Wayne for educational use, using low power. (Haley, McKenna & Wilkinson).
- Public Schools, Gary—Requests (a) uhf flexibility channel be reserved, or (b) 50 be reserved, or (c) 44 be moved from Chicago and reserved. (C. D. Lutz, superintendent).
- Lake Broadcasting Co., Gary (WWCA)—Requests assignment of Channel 11 to Gary from Chicago, assignment of 20 in Chicago for education. (Haley, McKenna & Wilkinson).
- William H. Block Co., Indianapolis—Requests assignment of Channel 10 to Indianapolis from Terre Haute, substituting 41 for 10 in Terre Haute. (Caldwell-Rollo).
- Indianapolis Broadcasting Inc., Indianapolis (WIRE)—Requests that Channel 13 be reclassified to commercial use. (Pierson & Ball).
- Radio Indianapolis Inc., Indianapolis (WXLW)—Requests assignment of Channel 13 be reclassified for commercial use, or addition of 38 or uhf flexibility channel to Indianapolis. Contends reservation policy is illegal. (Miller & Schroeder).
- WIBC Inc., Indianapolis (WIBC)—Requests assignment of Channel 4 to Indianapolis, and that minimum separation be changed to 180 miles city-to-city or 170 miles transmitter-to-transmitter. Contends allocation violates Section 307(c) of Communications Act. (Dow, Lohnes & Albertson).
- Logansport Broadcasting Corp. (WSAL), Logansport, and Owensboro on the Air Inc. (WVJS), Owensboro, Ky.—Request assignment of Channel 10 to Logansport and Owensboro; substituting 34 for 10 in Terre Haute. (Bingham, Collins, Porter & Kistler and Loucks, Zias, Young & Jansky).
- W. H. C. Higgins, Michigan City—Favors FCC proposals for Michigan City; requests, if possible, Channel 30 instead of 62 be assigned to Michigan City. (W. H. C. Higgins, West Orange, N. J.).
- Ball State Teachers College, Muncie—Requests classification of Channels 49 or 55 as educational; or add flexibility channels for educational use. (John R. Emens, president).



## IOWA

Iowa State College, Ames (WOI & WOI-TV)—Favors FCC proposal to shift WOI-TV from Channel 4 to 5. (Cohn & Marks).

Gazette Co., Cedar Rapids (KCRG)—Requests Channel 12 be assigned to Cedar Rapids by assigning Channels 3 & 35 to Mason City, Ia., Channels 18 and 41 to Kirksville, Mo. Also requests assignment of 46 to Reedsburg, Wis., 55 to Chariton, Ia., 47 to Trenton, Mo. (Caldwell-Rollo).

Central Broadcasting Co., Davenport (WOC & WOC-TV)—Favors FCC proposal to shift WOC-TV from Channel 5 to 6. (Dow, Lohnes & Albertson).

Davenport Broadcasting Co., Davenport (KSTT)—Requests Channel 2, now reserved for educational use at Iowa City, be assigned to Atalissa, Ia. for commercial use; 11, now reserved at Des Moines, be assigned to Iowa City for educational use. (Loucks, Zias, Young & Jansky).

Cowles Broadcasting Co., Des Moines (KRNT)—Requests that Channel 5, Ames, be classified for educational use; that 11 in Des Moines be reclassified for commercial use. (Segal, Smith & Hennessey).

Independent Broadcasting Co., Des Moines (KIOA)—Requests assignment of Channel 4 to Des Moines exchanging 2 & 4 between Sioux City and Vermillion, S. D.; that 11 be reclassified for commercial use. (Pierson & Ball).

Murphy Broadcasting Co., Des Moines (KSO)—Requests Channel 5 be reclassified for educational use in Ames, reclassify 11 for commercial use in Des Moines. (Spearman & Roberson).

Telegraph Herald, Dubuque (KDTH)—Requests assignment of Channels 5 & 11 to Dubuque, with power limitations. (Eugene L. Burke).

Northwest Broadcasting Co., Fort Dodge (KVFD)—Requests assignment of Channel 4 to Fort Dodge from Sioux City, substituting 2 for 4 in Sioux City, 5 for 2 in Vermillion, S. D.; 4 for 5 in Mitchell, S. D. (Fisher, Wayland, Duvall & Southmayd).

Keokuk Broadcasting Co., Keokuk (KOKX)—Requests assignment of Channel 10 to Keokuk, substituting 7 from Hannibal, Mo. for 10 in Quincy, Ill. (George O. Sutton).

Black Hawk Broadcasting Co., Waterloo (KWVL)—Requests assignment of Channel 12 to Waterloo from Mason City; substituting 3 for 12 in Mason City; 12 to Brookfield, Mo. from Kirksville, Mo. (Roberts & McInnis).

## KANSAS

KFBI Inc., Wichita (KFBI)—Requests assignment of Channel 6 to Wichita from Dodge City, 4 to Dodge City, substituting 11 for 6 in Tulsa, 3 for 11 in Lawton, Okla., 11 for 3 in Wichita Falls, Tex. (Dow, Lohnes & Albertson).

Taylor Radio & Television Corp., Wichita (KANS)—Makes same proposal as KFBI Inc., Wichita. (Dow, Lohnes & Albertson).

Wichita Beacon Broadcasting Co., Wichita (KWBB)—Requests assignment of Channels 45 & 53 to Wichita. (Haley, McKenna & Wilkinson).

## KENTUCKY

Mid-America Broadcasting Corp., Louisville (WKLO)—Requests assignment of Channel 41 to Louisville. (Haley, McKenna & Wilkinson).

Radio Kentucky Inc., Louisville (WKYW)—Requests assignment of Channel 51 to Louisville, Ky.; opposes reservation of channels for educational use; opposes further power increases for vhf stations; deplors restrictions on use of directional antennas for vhf channels; recommends joint antenna locations for cities with more than one vhf station; opposes reservation of 15 uhf flexibility channels for unknown use. (Barnes & Neilson).

WHAS Inc., Louisville (WHAS & WHAS-TV)—Favors FCC proposal to shift WHAS-TV from Channel 9 to 11. (Miller & Schroeder).

Owensboro On The Air Inc., Owensboro (WVJS)—See Logansport Broadcasting Corp. (Ind.).

## LOUISIANA

Baton Rouge Broadcasting Co., Baton Rouge (WJBO)—Requests assignment of Channel 2 to Baton Rouge, affecting following cities: New Orleans, Hattiesburg, Meridian, Miss. (Hogan & Hartson).

Charles W. Lamar Jr., Houma (KCIL)—Requests assignment of Channel 12 to Houma; also that FCC not interpret footnote relating to Gulf area allocations so as to "impose a ban on allocations otherwise in compliance with the Commission's Report." (Haley, McKenna & Wilkinson).

Calcasieu Broadcasting Co., Lake Charles (KPLC)—Favors FCC proposals for Lake Charles. (Bingham, Collins, Porter & Kistler).

Loyola U of the South, New Orleans (WWL)—Requests assignment of Channel 11 to New Orleans; questions legality of reservation of educational channels. (Segal, Smith & Hennessey).

International Broadcasting Co., Shreveport (KWKH)—Favors FCC proposals for Shreveport. (Fly, Shuebruk & Blume).

## MARYLAND

Hearst Radio Inc., Baltimore (WBAL & WBAL-TV)—Objects to change of WDEL-TV, Wilmington, from Channel 7 to 12 on grounds it violates 70-mile adjacent channel station separation in conflict with WBAL-TV (11) and WAAM (13). (Dempsey & Koplovitz).

## MASSACHUSETTS

Columbia Broadcasting System Inc., Boston—See New York City.

Matheson Radio Co. Inc., Boston (WHDH)—Requests assignment of Channel 9 to Boston, affecting following cities: Springfield, Worcester, New Bedford, Brockton, Mass.; Manchester, Berlin, Rochester, N. H.; Storrs, Hartford, Conn.; Providence, R. I. Requests 2 be reclassified for commercial use. (Dempsey & Koplovitz).

Enterprise Publishing Co., Brockton (WBET)—Requests assignment of Channel 5 to Brockton from Boston. Requests addition of 2 footnotes to Appendix B to permit rapid changes in uhf coverage calculations when data becomes available, rather than requiring waiting while data become incorporated in rules. (Haley, McKenna & Wilkinson).

Hampden-Hampshire Corp., Holyoke (WHYN)—Requests that (a) Channel 3 be allocated to Springfield-Holyoke by moving it from New London, allocating uhf flexibility channel to New London and interchanging Channels 3 and 8 between Lewiston and Montpelier, or (b) Channel 10 be allocated to Springfield-Holyoke area by moving it from Providence, allocating uhf flexibility channel to Providence and shifting WJAR-TV, Providence, from Channel 11 to 12 instead of 10 as proposed by FCC. (Bingham, Collins, Porter & Kistler).

Greylock Broadcasting Co., Pittsfield (WBRK)—Requests assignment of Channel 3 to Pittsfield, affecting following cities: Syracuse, Rochester, N. Y.; Montpelier, Vt.; Lewiston, Me.; New London, Conn.; Hamilton, Toronto, Orillia, Sudbury, Canada. Requests that general uhf propagation curves be replaced by specific data when latter available for particular areas. (Haley, McKenna & Wilkinson).

Public School System, Springfield—Requests that uhf flexibility channels be made available for educational use. (Helen P. Conrad, secretary pro tem).

Regional TV Corp., Springfield—Requests assignment of Channel 3 to Springfield from New London, Conn.; interchange of 8 & 3 between Montpelier, Vt. and Lewiston, Me. (Loucks, Zias Young & Jansky).

WTAG Inc., Worcester (WTAG)—Requests assignment of Channel 12 to Worcester from Providence, R. I. Requests that any channel be available, without necessity of rule-making procedures, to any community which has no comparable assignment, providing minimum separations are maintained. (Hogan & Hartson).

## MICHIGAN

Bay Broadcasting Co., Bay City (WBCM)—Requests assignment of Channel 5 to Bay City from Traverse City, 7 to Traverse City. Requests transmitter-to-transmitter spacing be only separation criterion. (Dow, Lohnes & Albertson).

Bay City Public Schools, Bay City—Requests assignment of Channel 12 to Bay City from Flint, classified for educational use.

Twin Valley Broadcasters Inc., Coldwater (WTVB)—Requests assignment of Channel 10, operation with reduced power. (E. H. Munn Jr., station director).

WKMH Inc., Dearborn (WKMH)—Requests an immediate oral argument. Contents that (a) Sec. 4(b) of Administrative Procedures Act is violated, (b) Congress hasn't delegated authority to reserve channels, (c) Sec. 307(b) and intent of Congress is violated, (d) Ashbacker doctrine may be violated, (e) channel shifts of 31 existing stations may delay lifting of freeze due to lack of quasi-judicial hearings. Suggests allocation plan be regarded only as a guide, and that applicants requesting channels not provided for in plan be afforded hearings. (Bingham, Collins, Porter & Kistler).

Booth Radio Stations, Detroit (WJLB)—Requests assignment of Channel 9 to Detroit from Windsor, Canada; 50 to Windsor from Detroit; 6 to Detroit from Lansing, affecting also following cities: Alpena, Iron Mt., Traverse City, Mich. (Arnold, Fortas & Porter).

Fort Industry Co., Detroit (WJBK & WJBK-TV)—Favors FCC proposals. (Dow, Lohnes & Albertson).

Wayne U and Board of Education, Detroit—Request the assignment of Channel 11 to Detroit from Toledo; moving 12 from Flint to Saginaw-Bay City; classifying 11 for educational use. (Krieger & Jorgensen).

WJR, The Goodwill Station Inc., Detroit (WJR)—Requests assignment of Channels 6 & 22 to Detroit, affecting following cities: Lansing, East Lansing, Flint, Ludington, Cadillac. Also requests that transmitter-to-transmitter spacing, rather than city-to-city spacing, be ruling criterion. (Caldwell-Rollo).

Michigan State College, East Lansing (WKAR)—Requests assignment of Channel 10 for educational use to East Lansing, requiring exceptions to minimum separation requirements. (Barnes & Neilson).

Delta Broadcasting Co., Escanaba (WDBC)—Requests assignment of Channel 3 to Escanaba in lieu of 13; 13 to Cadillac and Calumet, Mich.; 5 to Essexville (Saginaw area); 2 to Green Bay, Wis.; 10 instead of 5 to Hancock; 5 instead of 3 to Marquette; 7 instead of 5 to Traverse City, Mich. (Loucks, Zias, Young & Jansky).

Trebit Corp., Flint (WFDF)—Requests assignment of Channel 10 to Flint from London, Ont., 43 and/or 65 to London, requiring exception to city-to-city adjacent channel separation (Windsor, Ont.). (Dempsey & Koplovitz).

Music Broadcasting Co., Grand Rapids (WGRD)—Requests assignment of Channel 6 to Grand Rapids, substituting 2 for 6 in Green Bay, 5 for 6 in Lansing, 7 for 5 in Traverse City. (Cohn & Marks).

Saginaw Broadcasting Co., Saginaw (WSAM)—Requests that Channels 19 and 28 be moved to Saginaw from Midland and Flint, respectively, and that Channel 51 be moved to Midland from Saginaw. (Bingham, Collins, Porter & Kistler).

## MINNESOTA

Southern Minnesota Supply Co., Mankato (KYSM)—Requests assignment of Channel 12 to Mankato from Mason City, Ia.; substituting 3 for 12 in Mason City, 10 for 12 in Brainerd, 12 for 10 in Hibbing, Minn., 12 for 10 in Grand Forks, N. D. (Dow, Lohnes & Albertson).

KNUJ Inc., New Ulm (KNUJ)—Requests assignment of Channel 3 to New Ulm from Watertown, S. D.; 10 to Watertown from Pierre, S. D.; 11 to Pierre. (Frank Stollenwerck).

College of St. Thomas, St. Paul—Requests Channel No. 2 be reclassified for commercial use. (Dow, Lohnes & Albertson).

## MISSISSIPPI

Lamar Life Insurance Co., Jackson (WJDX)—Requests assignment of Channel 5 to Jackson, interchange of 10 & 5 between Mobile and Pensacola. (Spearman & Roberson).

Meridian Broadcasting Co., Meridian (WTOK)—Requests assignment of Channel 4 to Meridian. (Robert F. Wright, president & general mgr.).



## MISSOURI

- Board of Education, Kansas City—Requests reserved educational channel be changed from 9 to uhf channel. (Hunt C. Moore, president).
- City of Kansas City—Requests assignment of 4 vhf commercial channels to Kansas City. (Jerome M. Joffe, Special Utilities & Legislative counsel).
- KCMO Broadcasting Co., Kansas City (KCMO)—See first comment by Midland Broadcasting Co. et al.
- Midland Broadcasting Co. (KMBC), KCMO Broadcasting Co. (KCMO) and WHB Broadcasting Co. (WHB), Kansas City—Request Channel 9 be reclassified to commercial use; Channel 7 now reserved for educational use in Lawrence, Kan., be assigned for commercial use in Kansas City, adding reserved Channel 64 to Lawrence and reserving 19 for educational use in Kansas City. (Arthur B. Church, president, Midland Broadcasting Co.; Tom L. Evans, president, KCMO Broadcasting Co.; John F. Cash, v.p., WHB Broadcasting Co.).
- Midland Broadcasting Co. (KMBC) and WHB Broadcasting Co. (WHB), Kansas City—As alternative to plan presented jointly with KCMO Broadcasting Co., request assignment of Channel 7 in lieu of 9 to Kansas City; 2 to Kansas City from St. Joseph; 9 to St. Joseph; substituting 12 for 7 in Pittsburg, Kan.; 9 for 12 for Joplin, Mo., with 19 reclassified for educational use in Kansas City. Change would require exceptions to city-to-city co-channel (Omaha, Hannibal, Mo.), and adjacent channel separation (Joplin-Springfield, Mo.).
- Midland Broadcasting Co., Kansas City (KMBC)—Similar to proposal presented jointly with KCMO Broadcasting Co. and WHB Broadcasting Co., but requesting Channel 2 be assigned to Kansas City in lieu of 9; substituting 9 for 2 in St. Joseph, Mo. (Arthur B. Church, president).
- WHB Broadcasting Co., Kansas City (WHB)—See first 2 comments by Midland Broadcasting Co. et al.
- U of Kansas City, Kansas City—Requests Channel 9 be reclassified for commercial use, and not less than 4 commercial vhf channels be assigned to Kansas City. (Clarence R. Decker, president).

## MONTANA

- Copper Broadcasting Co., Butte (KOPR)—Requests assignment of Channel 15 to Butte. (Fletcher & Midien).

## NEBRASKA

- Inland Broadcasting Co., Lincoln (KBON)—Favors FCC proposals for Lincoln. (Frank Stollenwerck).
- KFAB Broadcasting Co., Omaha (KFAB)—Requests assignment of Channel 12 to Omaha from Lincoln, 44 to Lincoln; reclassify 7 for commercial use; questions legality of FCC proposals to freeze allocations for one year and refusal to accept application for channel not specified in allocation table; questions legality of reservation of educational channels. (Segal, Smith & Hennessey).

## NEVADA

- Kenyon Brown, Reno (KWRN)—Requests assignment of Channel 11 to Reno. (Haley, McKenna & Wilkinson).

## NEW HAMPSHIRE

- Grandview Inc., Manchester—Favors FCC proposals for Manchester. (Roberts & McInnis).
- Dartmouth College, Hanover—Requests assignment of Channel 21 to Hanover from Rochester, N. H., to be replaced by 51.

## NEW JERSEY

- Board of Education, Newark—Requests that uhf flexibility channels be made available to educational institutions. (Edward F. Kenneily, acting supt. of schools).
- Bremer Broadcasting Corp., Newark (WAAT & WATV)—Requests revision of allocations to delete Newark from New Jersey, revise New York to read: "New York and Northeastern New Jersey. (Segal, Smith & Hennessey).
- Chanticleer Broadcasting Co., New Brunswick (WCTC)—Favors FCC proposal for New Brunswick. (Fletcher & Midien).
- Rutgers U., New Brunswick—Requests that uhf flexibility channels be made available to educational institutions. (Robert C. Clothier, president).
- Princeton U., Princeton—Requests that uhf flexibility channels be made available to educational institutions. (Harold W. Dodds, president).
- Mercer Broadcasting Co. Trenton (WTOA-FM)—Contends that (a) FCC plan is contrary to Secs. 303(d), 303(r), 307(b) and 309(a) of Communications Act, (b) vhf and uhf channels should be distributed independently of each other, (c) vhf-uhf intermixture is contrary to public interest, (d) all commercial TV should be assigned in uhf. (Arthur W. Scharfeld).
- Trent Broadcast Corp., Trenton (WTTM)—Joins in petition filed by Federal Communications Bar Assn., Washington, D. C. (Pier-son & Ball).
- Wilmington Public Schools, Wilmington—Requests that educational channel be reserved. (Ward I. Miller, superintendent).

## NEW YORK

- Board of Regents of the University of the State of New York—Plans educational network. Favors FCC proposals for Albany-Schenectady-Troy, Binghamton, Ithaca, Syracuse, Utica-Rome. Requests reservation of Channel 7 in lieu of 23 in Buffalo, 10 in lieu of 21 in Rochester, additional reservation of 19 or 31 in New York, reservation of 20 in Malone, 21 in Poughkeepsie. As alternative to recommended reservations in New York, Malone and Poughkeepsie, requests shared facilities with commercial stations in those cities. (Fischer, Willis & Panzer).
- Meredith Champlain Television Corp., Albany (WXKW; Meredith itself is operator of TV station WHEN, Syracuse)—Requests assignment of Channels 35 & 41 to Schenectady in addition to proposed channels to Albany-Schenectady-Troy; 62 in lieu of 35 to Watertown, N. Y. (Haley, McKenna & Wilkinson).

Binghamton Broadcasters Inc., Binghamton (WKOP)—Requests assignment of Channel 7 to Binghamton, affecting New York City and Buffalo. (Stephen J. Tuhy Jr.).

Buffalo Courier-Express Inc., WGR Broadcasting Corp. (WGR), WKBW Inc. (WKBW), Buffalo—Request that Channels 2, 4, 7, 9, 17 & 23 be assigned to Buffalo, 59 or 62 to Niagara Falls, 8 instead of 9 to Toronto, Ont., 3 instead of 8 to Owen Sound, Ont., 12 instead of 3 to Orillia, Ont. Also request that transmitter-to-transmitter spacing, rather than city-to-city spacing, be ruling criterion. (Caldwell-Rolio; Fisher, Wayland, Duvall & Southmayd; Fly, Shuebruk & Blume).

WGR Broadcasting Corp., Buffalo (WGR)—See Buffalo Courier-Express Inc.

WKBW Inc., Buffalo (WKBW)—See Buffalo Courier-Express Inc.

Corning Leader Inc., Corning (WCLI)—Requests assignment of Channel 9 to Corning. (Segal, Smith & Hennessey).

Cornell University, Ithaca (WHCU)—Requests assignment of Channel 3 to Ithaca, substituting 2 for 4 in Buffalo, moving 4 from Buffalo to Rochester, adding uhf channel to Niagara Falls. (Cohn & Marks).

Kingston Broadcasting Corp., Kingston (WKNY)—Requests assignment of flexibility Channel 66 to Kingston. (Dow, Lohnes & Albertson).

American Broadcasting Co. Inc., New York (WJZ & WJZ-TV, New York; WENR & WENR-TV, Chicago; WXYZ & WXYZ-TV, Detroit; KGO & KGO-TV, San Francisco; KECA & KECA-TV, Los Angeles, and General Teleradio Inc., New York, N. Y. (WOR & WOR-TV)—Request that stations using heights over 500 ft. not be restricted in power because of adjacent-channel considerations, that co-channel spacings should control powers. Alternatively, New York-New Haven and Los Angeles-San Diego situations should be exempted from such adjacent-channel power restrictions. ABC commends FCC proposals to utilize all of uhf, minimize "in-channel" types of interference (oscillator radiation, etc.), adopt "long range" propagation curves, specify "reasonable compromise" in co-channel separations. ABC also requests that Channels 7 & 9 be deleted from Mexicali, Mex., and replaced by 6 from Tijuana, or that 12 be shifted to Mexicali from Tijuana, moving 7 & 9 from Mexicali to Yuma, Ariz., replacing 11 & 13 in Yuma. (Joseph A. McDonald and Haley, McKenna & Wilkinson).

Bell Telephone Laboratories Inc., New York—Requests right to participate in reallocation of 470-500 mc. (John M. Gepson).

Columbia Broadcasting System, New York (WCBS & WCBS-TV, New York, N. Y.; KNX & KTSI-TV, Los Angeles, Cal.; 45% of WTOP & WTOP-TV, Washington, D. C.; KCBS, San Francisco, Cal.; KMOX, St. Louis, Mo.; WBBM, Chicago, Ill.; WCCO, Minneapolis, Minn.; WEEL, Boston, Mass.)—Requests flexible application of FCC policies on minimum separation, directional antennas, intermixture, reservations, Mexican and Canadian allocations, priorities—to permit additional vhf channels in areas critical to the fostering of competition. (Rosenman, Colin, Goldmark & Kaye).

Columbia Broadcasting System Inc., New York (WCBS & WCBS-TV, New York; KNX & KTSI-TV, Los Angeles; KCBS, San Francisco; KMOX, St. Louis; WBBM, Chicago; WCCO, Minneapolis; WEEL, Boston; owns 45% of WTOP & WTOP-TV, Washington)—Requests assignment of more vhf channels to Chicago, San Francisco, Boston; reservation of uhf instead of vhf channels for educational operation in those cities. Requests assignment of Channel 13 to Chicago, affecting following cities: Urbana, Bloomington, Rockford, Ill.; Indianapolis, Muncie, Connersville, Ind.; Milwaukee, Green Bay, Wis. Also, 11 to San Francisco, affecting following cities: San Jose, Stockton, Madera, Salinas, Sacramento, Cal.; Reno, Nev. Also, 9 to Boston, affecting following cities: Durham, Manchester, N. H., Providence, R. I.; Albany, N. Y.; Portland, Lewiston, Augusta, Orono, Calais, Me.; St. John, Canada. (Rosenman, Goldmark, Colin & Kaye).

Communications Measurements Laboratory Inc., New York—Objects to uhf allocation principles. Contends 41.25-45.75 mc IF is "fictional and inefficient," that FCC's assignment of 10-kw police transmitters in 42-43 mc region renders such IF impracticable, that FCC's findings re "fold-in" principle are incorrect and misleading. (Dana A. Griffin, president).

Allen B. DuMont Laboratories Inc., New York (WABD, New York, N. Y.; WTTG, Washington, D. C.; WDTV, Pittsburgh, Pa.)—Submits national allocation plan as alternative to FCC's, based on general premise that number of channels should be related directly to number of people in area served. Recommends priorities be changed to specify one service without regard to population and to provide at least 4 channels in major metropolitan areas when technically feasible. Recommends (a) use of whole uhf band, starting at 470 mc, (b) shifting minimum number of existing stations, (c) elimination of educational channel reservation, (d) avoidance of vhf-uhf intermixture except when needed to provide sufficient channels for network purposes, (e) analysis of uhf allocations with computers, (f) change in adjacent-channel power-height formula to minimize limitations on power, (g) change in intermodulation-interference separations to specify 20 miles only when channels actually cause interference. Also submits elaborate analysis of station and network revenues and costs. (Roberts & McInnis).

General Teleradio Inc., New York (WOR & WOR-TV)—Requests amendment specifically permitting WOR-TV maximum power without regard to adjacent-channel interference with Channel 8, New Haven, Conn.—in event FCC rejects proposals made jointly with ABC. (Hogan & Hartson).

Radio Corporation of America and National Broadcasting Co., New York (WNBC & WNET, New York, N. Y.; WRC & WNEB, Washington, D. C.; WMAQ & WNBQ, Chicago, Ill.; WTAM & WNBK, Cleveland, O.; KNBC & KNBH, Los Angeles, Cal.; KOA, Denver, Colo.)—Requests lifting of freeze as soon as possible by accepting and granting applications in those cities where no issue has been raised regarding vhf assignments and by holding hearings now where applicants outnumber available channels. Also commends FCC plan in regard to utilization of whole uhf band, offset carrier, increased powers and heights. (Robert L. Werner, Ray B. Houston, Gustav B. Margraf).



NEW YORK (Continued)

- Niagara Falls Gazette Publishing Co., Niagara Falls (WILD)—Favors FCC proposals for Niagara Falls. (Dow, Lohnes & Albertson).
- Federal Broadcasting System Inc., Rochester (WSAY)—Proposes new classification of TV station to serve small communities, identified as "Television Rebroadcasting Station, Limited Common Carrier Class." (Frank Stollenwerck).
- Veterans Broadcasting Co. Inc. Rochester (WVET)—Favors FCC proposal for Rochester. (Fletcher & Midlen).
- WBEN Inc., Buffalo (WBEN & WBEN-TV)—Petitions for the grant of application to increase power and height, on grounds FCC proposal favors such a move and that no conflict with FCC proposal is involved. (Spearman & Roberson).
- WHEC Inc., Rochester (WHEC)—Favors FCC proposals for Rochester. (Dow, Lohnes & Albertson).
- Central New York Broadcasting Co., Syracuse (WSYR & WSYR-TV)—Favors FCC proposal to shift WSYR-TV from Channel 5 to 3. (Dow, Lohnes & Albertson).
- Onondaga Radio Broadcasting Corp., Syracuse (WFBL—See WAGE Inc. (Hanson, Lovett & Dale).
- WAGE Inc., Syracuse (WAGE)—Requests assignment of Channel 11 to Syracuse; waive minimum separation rules. (Spearman & Roberson).
- Troy Broadcasting Co., Troy (WTRY)—Requests assignment of Channel 41 to Albany-Schenectady-Troy area, 62 instead of 48 to Oneonta. (Loucks, Zias, Young & Jansky).
- Brockway Co., Watertown (WWNY)—Requests assignment of Channel 11 to Watertown by (a) substituting 5 for 11 in Ottawa-Hull, Ont. or (b) substituting 7 for 11 in Ottawa-Hull, 8 for 7 in Montreal-Verdun, 11 for 13 in Hamilton, 13 for 11 in Toronto. First recommendation requires modification of city-to-city mileage separation. (Fisher, Wayland, Duvall & Southmayd).

NORTH CAROLINA

- Skyway Broadcasting Corp., Asheville (WLOS)—Favors FCC proposal for Asheville. (Fletcher & Midlen).
- Broadcasting Co. of the South (WIST) and Inter-City Advertising Co. (WAYS), Charlotte—Request assignment of Channel 6 to Charlotte from Wilmington, N. C.; substituting 12 for 6 in Wilmington, 7 for 6 in Augusta, Ga., 4 for 5 in Charleston, S. C., 5 for 7 in Columbia, S. C. (Dow, Lohnes & Albertson).
- Inter-City Advertising Co., Charlotte (WAYS)—See Broadcasting Co. of the South. (Dow, Lohnes & Albertson).
- Durham Broadcasting Enterprises Inc., Durham (WTIK)—Favors FCC proposal for Durham. (Fletcher & Midlen).
- Capitol Broadcasting Co. Inc., Raleigh (WRAL)—Favors FCC proposal for Raleigh. (Fletcher & Midlen).
- WPTF Radio Co., Raleigh (WPTF)—Favors FCC proposals for Raleigh. (Loucks, Zias, Young & Jansky).
- Piedmont Publishing Co., Winston-Salem (WSJS)—Requests assignment of Channel 6 to Winston-Salem. (Fly, Shubruk & Blume).
- Winston-Salem Broadcasting Co., Winston-Salem (WTOB)—Requests assignment of Channel 6 to Winston-Salem. (Krieger & Jorgensen).

OHIO

- L. B. Wilson Inc., Cincinnati (WKCY)—Requests assignment of Channel 13 to Cincinnati affecting Chicago, Rockford, Springfield, Ill.; Bloomington, Indianapolis, Terre Haute, Ind.; Louisville, Paducah, Ky.; Cape Girardeau, Kirksville, Mo.; Clarksburg, Huntington, W. Va.; does not necessitate shift of WKRC-TV from 11 to 12 as proposed by FCC; waiver of minimum mileage separation requirements. (Spearman & Roberson).
- Cleveland Broadcasting Co. (WERE), United Broadcasting Co. (WHK), WGAR Broadcasting Co. (WGAR), WJW Inc. (WJW), Cleveland—Requests that Channels 31, 59 and 65 be added to Cleveland, that educational channel be changed from Channel 25 to 65, affecting following cities: Findlay, Gallipolis, Lorain, Marion, Massillon and Sandusky, Ohio; Detroit, Mich.; DuBois and Pittsburgh, Pa.; Lexington, Ky.; Windsor, Ont., (Spearman & Roberson and Loucks, Zias, Young & Jansky and Caldwell-Rollo and Pierson & Ball).
- Empire Coil Co., Cleveland (WXEL)—Favors FCC proposal to shift WXEL from Channel 9 to 8. (Morton H. Wilner).
- National Broadcasting Co., Cleveland (WTAM & WNBK)—Favors FCC proposal to move WNBK from Channel 4 to 3. (Gustav B. Margraf, v.p. and general attorney).
- United Broadcasting Co., Cleveland (WHK)—See Cleveland Broadcasting Co.
- WGAR Broadcasting Co., Cleveland (WGAR)—See Cleveland Broadcasting Co.
- WJW Inc., Cleveland (WJW)—See Cleveland Broadcasting Co.
- Ohio State U, Columbus (WOSU)—Requests Channel 12 be classified for educational use in Columbus, moving 13 from Indianapolis and Huntington to Cincinnati, 12 from Cincinnati to Columbus, deleting Channel 12 in Clarksburg. (H. L. Bevis, president).
- Miami Valley Broadcasting Corp., Dayton (WHIO & WHIO-TV)—Favors FCC proposal to shift WHIO-TV from Channel 13 to 7. (Dow, Lohnes & Albertson).
- WSTV Inc., Steubenville (WSTV)—Requests assignment of Channel 7 or 9 to Steubenville from Wheeling. (Caldwell-Rollo).
- Community Broadcasting Co., Toledo (WTOL)—Favors FCC proposals for Toledo. (Pierson & Ball).
- Maumee Valley Broadcasting Co., Toledo—Favors FCC proposals for Toledo. (Roberts & McInnis).
- Warren Tribune Radio Station Inc., Warren (WHHH)—Favors FCC proposal for Warren. (Miller & Schroeder).
- Wooster Republican Printing Co., Wooster (WWST)—Requests assignment of Channel 55 to Wooster from Akron. (Pierson & Ball).

Indicator Printing Co., Youngstown—Requests assignment of uhf flexibility channel to Youngstown. (Fisher, Wayland, Duvall & Southmayd).

Southeastern Ohio Broadcasting System Inc., Zanesville (WHIZ)—Requests assignment of Channel 12 to Zanesville from Clarksburg, W. Va., substituting 11 for 12 in Cincinnati, 12 for 11 in Louisville, 65 in Clarksburg. (Dow, Lohnes & Albertson).

OKLAHOMA

- KTOK Inc., Oklahoma City (KTOK)—Requests assignment of Channel 11 to Oklahoma City from Lawton, 12 to Lawton from Elk City, 8 to Elk City from Woodward, 6 to Woodward from Dodge City, Kan., 4 to Dodge City. (Dow, Lohnes & Albertson).
- WKY Radiophone Co., Oklahoma City (WKY & WKY-TV)—Requests that WKY-TV remain on Channel 4 instead of switching to Channel 7 as proposed by FCC, suggesting following vhf allocation in lieu of FCC proposal: Oklahoma City, 4, 7 & 13; Tulsa, 2, 6 & 9; Muskogee, 11. (Pierson & Ball).
- All Oklahoma Broadcasting Co., Tulsa—Requests assignment of Channel 8 to Tulsa from Muskogee, 11 to Muskogee. (Dempsey & Kopolovitz).
- Southwestern Sales Corp., Tulsa (KVOO)—Requests assignment of Channel 11 to Tulsa from Lawton, 12 to Lawton from Elk City, 11 to Elk City. (Dow, Lohnes & Albertson).

OREGON

- Central Willamette Broadcasting Co., Albany (KWIL)—Requests assignment of Channel 12 to Albany, substituting 5 for 3 in Salem, 3 for 12 in Portland. (Fisher, Wayland, Duvall & Southmayd).
- KUGN Inc., Eugene (KUGN)—Requests assignment of Channel 11 to Eugene. (C. H. Fisher, president).
- Lane Broadcasting Co., Eugene (KORE)—Requests assignment of Channel 4 or 5 to Eugene from Medford, 20 or 26 to Medford from Eugene. (John C. Kendall, Portland, Ore.)
- KOIN Inc., Portland (KOIN)—Favors FCC proposals for Portland. (Dow, Lohnes & Albertson).

PENNSYLVANIA

- Lehigh Valley Television Inc., Allentown—Contends that (a) FCC plan is contrary to Secs. 303(d), 303(r), 307(b) and 309(a) of Communications Act, (b) vhf and uhf channels should be distributed independently of each other, (c) vhf-uhf intermixture is contrary to public interest, (d) all commercial TV should be assigned in uhf (Arthur W. Scharfeld).
- Gable Broadcasting Co., Altoona (WFBG)—Requests assignment of Channel 3 to Altoona, requiring exemption from minimum city-to-city separation (Philadelphia). (George O. Sutton).
- WBVP Inc., Beaver Falls (WBVP)—Requests assignment of Channel 16 to Beaver Falls. (Segal, Smith & Hennessey).
- Matta Broadcasting Co., Braddock (WLOA)—Requests assignment of Channel 4 to Braddock requiring modification of city-to-city mileage separation (Columbus, O.). (Spearman & Roberson).
- Easton Publishing Co., Easton (WEEX-FM)—Question legality of FCC proposals to freeze allocations for one year and refusal to accept application for channel not specified in allocation table. (Hanson, Lovett & Dale).
- Erie Television Corp., Erie (WIKK and Erie Times)—Requests assignment of Channel 64 to Erie from Oil City; substituting 62 for 64 in Oil City. (Haley, McKenna & Wilkinson).
- Presque Isle Broadcasting Co., Erie (WERC)—Objects to vhf-uhf intermixture, requests all commercial TV be assigned in uhf. Alternatively, requests that either (a) Channel 12 be reserved for educational assignment and that Channels 35 and 41 both be assigned for commercial use or (b) Channel 58 from Jamestown, N. Y., or 66 be assigned to Erie. (Arthur W. Scharfeld).
- Patriot-News Co., Harrisburg—Requests assignment of uhf flexibility channel to Harrisburg. (Fisher, Wayland, Duvall & Southmayd).
- WJAC Inc., Johnstown (WJAC & WJAC-TV)—Favors FCC proposal to shift WJAC-TV from Channel 13 to 6. (Dow, Lohnes & Albertson).
- Peoples Broadcasting Co., Lancaster (WLAN)—Requests comparative hearing with WGAL-TV for Channel 8. (Stephen Tuhy, Jr.).
- WGAL Inc., Lancaster (WGAL & WGAL-TV)—Favors FCC proposals for Lancaster. (George O. Sutton).
- Lock Haven Broadcasting Corp., Lock Haven (WBPZ)—Requests assignment of Channel 32 to Lock Haven. (A. H. Lipetz).
- Tri-City Broadcasting Co., McKeesport (WEDO)—Requests Channel 13 be moved from Pittsburgh to McKeesport, classified for commercial use. (Fisher, Wayland, Duvall & Southmayd).
- Chamber of Commerce, Philadelphia—Requests assignment of Channel 12 to Philadelphia; 8 in Wilmington in lieu of 7; use of directional antennas. See also Daily News Television Co. (J. Harry Le Brum, general counsel).
- City of Philadelphia—Requests assignment of Channel 12 to Philadelphia, 7 to Wilmington, or assignment of uhf channel to Wilmington in lieu of 7 and use of directional antennas. (Frank F. Truscott, city solicitor).
- Daily News Television Co., Philadelphia (WIBG-Philadelphia Daily News)—Requests assignment of Channel 12 to Philadelphia in lieu of 44; retention of 7 in Wilmington, Del. (WDEL-TV) in lieu of proposed change to 12; that transmitter for 12 in Philadelphia be sited south of city to avoid interference with 12 in Binghamton, N. Y. (WBNF-TV). Or, 12 be assigned to Philadelphia and uhf channels be allocated to Wilmington or Binghamton or both. (Roberts & McInnis).
- Pennsylvania Broadcasting Co., Philadelphia (WIP)—Requests assignment of Channel 12 to Philadelphia, 4 to Lancaster in lieu of 8, 8 to Wilmington in lieu of 7. Requests amendment to allocations providing that in cases where existing stations violate minimum separation requirements proposals for power increases be considered on individual basis. (Dow, Lohnes & Albertson).



PENNSYLVANIA (Continued)

- Allegheny Broadcasting Corp., Pittsburgh (KQV)—Requests assignment of Channel 4 to Pittsburgh or 9 from Wheeling and reclassification of 13 for commercial use. (George O. Sutton).
- Pittsburgh Radio Supply House Inc., Pittsburgh (WJAS)—Requests that Channels 4 and 9 be allocated to Pittsburgh, substituting Channel 16 for 9 in Wheeling. (Bingham, Collins, Porter & Kistler).
- WCAE Inc., Pittsburgh (WCAE)—Requests assignment of Channel 9 to Pittsburgh, affecting following cities: Wheeling, W. Va., Washington, Pa., Bellfontaine, Hamilton-Middletown, O., Muncie, Anderson, Ind. (Dempsey & Koplovitz).
- Westinghouse Radio Stations Inc., Pittsburgh (KDKA)—Requests assignment of Channel 4 & 9 to Pittsburgh; 9 from Wheeling, W. Va. (John Steen).
- WWSW Inc., Pittsburgh (WWSW)—Requests assignment of Channel 4 to Pittsburgh; questions legality of reservation of Channel 13 for educational purposes. (Segal, Smith & Hennessey).
- Eastern Radio Corp., Reading (WHUM)—Requests assignment of Channel 15 to Reading from Lebanon, 55 to Lebanon from Reading. (Arnold, Fortas & Porter).
- Appalachian Co., Scranton—Favors FCC proposals for Scranton-Wilkes-Barre. (Krieger & Jorgensen).
- Scranton Times, Scranton (WQAN)—Requests assignment of uhf flexibility channels to Scranton. (Fisher, Wayland, Duvall & Southmayd).
- Washington Broadcasting Co., Washington (WJPA)—Requests interchange of Channels 9 and 63 between Washington and Wheeling. (Cohn & Marks).

RIIODE ISLAND

- Cherry & Webb Broadcasting Co., Providence (WPRO)—Favors FCC proposals for Providence. (Dow, Lohnes & Albertson).
- Outlet Co., Providence (WJAR & WJAR-TV)—Favors FCC proposal to shift WJAR-TV from Channel 11 to 10. (Dow, Lohnes & Albertson).

SOUTH CAROLINA

- Clemson Agricultural College, Clemson—Requests that uhf flexibility channels be made available for educational use. (R. F. Poole, president).
- Greenville News-Piedmont Co., Greenville (WFBC)—Favors FCC proposals for Greenville. (Dow, Lohnes & Albertson).
- Spartan Radiocasting Co., Spartanburg (WORD)—Requests assignment of Channel 7 to Spartanburg, affecting vhf channels in following cities: Middlesboro, Ky.; Knoxville, Chattanooga, Tenn.; Rome, Ga.; University, Ala.; State College, Miss.; Columbia, S. C. (Spearman & Roberson).

SOUTH DAKOTA

- Midcontinent Broadcasting Co., Sioux Falls (KELO)—Favors FCC proposal for Sioux Falls.

TENNESSEE

- WOPI Inc., Bristol (WOPI)—Favors FCC proposals for Bristol. (W. A. Wilson, president & general mgr.).
- WHUB Inc., Cookeville (WHUB)—Requests assignment of Channel 5 to Cookeville, requiring exception to minimum city-to-city separation (Atlanta). (Dow, Lohnes & Albertson).
- Kingsport Broadcasting Co. Inc., Kingsport (WKPT)—Requests assignment of Channel 2 to Kingsport. Requests transmitter spacing be sole separation criterion, operation with reduced power. (Fisher, Wayland, Duvall & Southmayd).
- WMPS Inc., Memphis (WMPS)—See WREC Broadcasting Service. (Dow, Lohnes & Albertson).
- WREC Broadcasting Service, Memphis (WREC)—Requests assignment of Channel 3 to Memphis from Blytheville; or assign 4, 7, 9, 11, 42, 48 to Memphis in lieu of 5, 10, 13, 42, 48, affecting following cities: Little Rock, Blytheville, Fort Smith, Pine Bluff, Hot Springs, El Dorado, Jonesboro, Ark.; Monroe, Shreveport, Alexandria, La.; Jackson, Tenn.; Tyler, Tex.; State College, Miss. (Spearman & Roberson).
- Capitol Broadcasting Co., Nashville (WKDA)—Requests assignment of Channel 5 to Nashville; questions legality of FCC proposals to freeze allocations for one year and refusal to accept application for channel not specified in allocation table; questions legality of reservation of educational channels. (Segal, Smith & Hennessey).
- City of Nashville—Requests that Channel 2 be assigned to commercial use. (Supported by similar statements from David Lipscomb College, George Peabody College for Teachers, Fisk University, Scarritt College for Christian Workers. (Thomas I. Cummings, mayor).
- WLAC Broadcasting Service (WLAC) and WSIX Broadcasting Station (WSIX), Nashville—Requests assignment of Channel 5 to Nashville and reclassification of 2 to commercial use. Cites local city and school authorities in behalf of latter. (Spearman & Roberson).
- WSIX Broadcasting Station, Nashville (WSIX)—See WLAC Broadcasting Service.

TEXAS

- Beaumont Broadcasting Co., Beaumont (KFDM)—Favors FCC proposals for Beaumont-Port Arthur. (Segal, Smith & Hennessey).
- Stephens County Broadcasting Co., Breckenridge (KSTB)—Requests assignment of Channel 7 to Breckenridge. (P. W. Seward).
- A. H. Belo Corp., Dallas (WFAA & WFAA-TV)—Favors FCC proposals for Dallas. (Loucks, Zias, Young & Jansky).
- A. Earl Cullum Jr., Dallas—Objects to FCC failure to allocate additional channels in 72-78 mc. range, restriction on power in upper vhf and uhf channels, limitations on antenna height, restrictions on directional antennas. (Dempsey & Koplovitz).
- Harbenito Broadcasting Co. Inc., Harlingen (KGBS)—Requests assignment of Channel 4 to Harlingen from Brownsville, 36 to Brownsville. (Loucks, Zias, Young & Jansky).
- Houston Post Co., Houston (KPRC & KPRC-TV)—Requests greater co-channel mileage separation in Gulf area, viz: 240 mi. on Channels 2-6, 200 mi. on Channels 7-13. (Frank W. Wozen-craft).

- KTRH Broadcasting Co. (KTRH) and Shamrock Broadcasting Co. (KXYZ), Houston—Request assignment of Channels 5 & 10 to Houston, substituting 12 for 4 in Beaumont-Port Arthur, 4 for 11 in Galveston; 27 to Fredericksburg, Tex., and 43 to Karnes City. (Dow, Lohnes & Albertson and Haley, McKenna & Wilkinson).
- Shamrock Broadcasting Co., Houston (KXYZ)—See KTRH Broadcasting Co.
- South Texas Television Co., Houston—Requests assignment of Channel 5 & 10 to Houston affecting Galveston and Port Arthur; requests Channel 8 be reclassified for commercial use. (Segal, Smith & Hennessey).
- East Texas Television Co., Longview—Requests assignment of Channel 9 to Longview from Lufkin, Tex., substitute therefore 10. (Johnson, Bohannon, Prescott & Abney).
- Voice of Longview, Longview (KFRO)—Requests assignment of Channel 12 to Longview, substituting 5 for 10 in El Dorado, Ark., 10 for 12 in Shreveport, La. (Frank Stollenwerck).
- Plains Radio Broadcasting Co., Lubbock (KFYO)—Requests assignment of Channel 5 to Lubbock from Amarillo; 9 for 5 in Monahans. (Dow, Lohnes & Albertson).
- McAllen Television Co., McAllen—Requests assignment of Channel 5 to McAllen from Brownsville, 12 for 5 in Brownsville. (Johnson, Bohannon, Prescott & Abney).
- Trinity Broadcasting Corp., Oak Cliff (KLIF)—Requests assignment of Channels 7 & 9 to Dallas in lieu of 8, affecting following cities: Tyler, Lufkin, Ft. Worth, Waco, Tex.; Lawton, Okla. Also contends transmitter-to-transmitter separation should be ruling criterion. (Cohn & Marks).
- Red River Valley Broadcasting Corp., Sherman (KRRV)—Requests assignment of Channels 10 & 17 to Sherman-Denison affecting Fort Worth, Denton, Weatherford, Waxahachie & Hillsboro, Tex. (Fisher, Wayland, Duvall & Southmayd).
- Sherman Television Co., Sherman—Requests assignment of Channel 12 to Sherman. (Johnson, Bohannon, Prescott & Abney).
- Bell Broadcasting Co., Temple (KTEM)—Requests assignment of Channel 6 to Temple. (Fisher, Wayland, Duvall & Southmayd).
- Lack's Stores Inc., Victoria—Requests assignment of Channel 12 to Victoria from San Antonio. (Cohn & Marks).
- KWTX Broadcasting Co., Waco (KWTX)—Favors FCC proposals for Waco. (M. N. Bostwick, mgr.).
- Taylor Radio & Television Corp., Weslaco (KRGV)—Requests channels 4 & 5 be assigned to Weslaco-Harlingen area instead of Brownsville, 2 be assigned to Slatillo, Coahuila, Mexico and Weslaco, Tex., instead of Monterey, Nuevo Leon, Mexico. (Dow, Lohnes & Albertson).
- Rowley-Brown Broadcasting Co., Wichita Falls (KWFT)—Favors FCC proposals for Wichita Falls. (Dow, Lohnes & Albertson).

UTAH

- Eastern Utah Broadcasting Co., Price (KOAL)—Requests assignment of Channel 6 to Price in lieu of 11, affecting following cities: Provo, Ogden, Logan, Tooele, St. George, Utah; Montrose, Colo. (Fletcher & Midlen).
- Salt Lake City Broadcasting Co., Salt Lake City (KALL)—Requests assignment of Channel 2 to Salt Lake City, substituting 9 for 12 in Ogden, 11 for 9 in Provo, 12 for 2 in Logan, 3 for 11 in Price. (Haley, McKenna & Wilkinson).
- Oquirrh Radio & Television Co., Tooele, Utah—Requests that Channel 2 be moved from Logan to Tooele, 12 from Ogden to Logan, 9 from Provo to Ogden, 11 from Price to Provo, 6 be allocated to Price and 39 allocated to Montpelier, Ida. (Pierson & Ball).
- Uintah Broadcasting Co., Vernal, Utah (KJAM)—Requests assignment of Channel 8 to Vernal. (Paul L. Badger).

VIRGINIA

- Appalachian Broadcasting Corp., Bristol (WCYB)—Requests assignment for Bristol, Tenn., be made for Bristol, Va., also, on grounds that both cities are single market. (Fly, Shuebruk & Blume).
- Radio Station WCHV (WCHV), City of Charlottesville and Chamber of Commerce, Charlottesville—Requests assignment of Channel 8 to Charlottesville from Petersburg; requests reclassification of single uhf for commercial use. (Thomas J. Michie and William C. Battle, Charlottesville).
- Piedmont Broadcasting Corp., Danville (WBTM)—Favors FCC proposal for Danville, also supports any possible vhf assignments. (Fletcher & Midlen).
- Shenandoah Valley Broadcasting Corp., Harrisonburg (WSVA)—Requests that (a) Channel 12 be allocated to Harrisonburg, affecting these cities: Zanesville, Clarksburg, Cincinnati and Louisville, or (b) 3 be allocated to Harrisonburg, affecting these cities: Norfolk, Richmond, Huntington and Charleston. (Bingham, Collins, Porter & Kistler).
- Lynchburg Broadcasting Co., Lynchburg (WLVA)—Requests that adjacent-channel ratio be changed from 0 db to -6 db. (George O. Sutton).
- Old Dominion Broadcasting Corp., Lynchburg (WWOD)—Requests assignment of additional vhf channels to Lynchburg. (Fisher, Wayland, Duvall & Southmayd).
- Hampton Roads Broadcasting Corp., Newport News (WGH)—Requests assignment of Channel 12 to Newport News from Norfolk-Portsmouth, 2 to Norfolk-Portsmouth, waiver of minimum city-to-city separation requirements (Baltimore). As alternative to waiver, requests change in engineering standards to specify interference be held to value contemplated by 170-mile transmitter-to-transmitter rule through site selection or reduction in power. (Spearman & Roberson).
- WTAR Radio Corp. Norfolk (WTAR & WTAR-TV)—Objects to FCC proposal to shift from Channel 4 to 10, suggests assignment of 3 to Norfolk from Richmond and No. 12 from Norfolk to Richmond, requiring WTAR-TV to shift from 4 to 3, or add 2 to Norfolk and requiring WTAR-TV to shift from 4 to 2. (Hanson, Lovett & Dale).



## VIRGINIA (Continued)

Haveas & Martin Inc., Richmond (WMBG & WTVR)—Requests continued assignment of Channel 6 to WTVR. (Fletcher & Midlen).

Larus & Brother Co. Inc., Richmond (WRVA)—Requests assignment of Channel 8 to Richmond from Petersburg, 59 to Petersburg. (Fisher, Wayland, Duvall & Southmayd).

Radio Virginia Inc., Richmond (WXGI)—Opposes channel reservations, withholding of flexibility channel assignments, vhf power increase, omission of use of directional antennas on vhf. Requests delay in all station construction until allocations are final, share-time arrangements where facilities are limited, requirement of equal time allotments to networks in localities with two channels, return of all applications now on file and setting of new filing date. (D. H. Robertson, president).

Richmond Newspapers Inc., Richmond (WRNL)—Requests assignment of Channel 8 to Richmond from Petersburg, 59 for 8 to Petersburg. (Spearman & Roberson).

## WASHINGTON

KVOS Inc., Bellingham (KVOS)—Requests assignment of Channel 12 to Bellingham from Chilliwack, Canada; substituting 3 for 12 in Chilliwack. (Haley, McKenna & Wilkinson).

Central Washington Broadcasters Inc., Ellensburg (KXLE)—Favors FCC proposals for Ellensburg. (Roberts & McInnis).

Twin City Broadcasting Corp., Longview (KWLK)—Requests assignment of Channel 2 to Longview using offset carrier and locating transmitter as far south of city as possible to prevent interference with Channel 2 in Victoria, B. C.; or assign Channel 2 to Vancouver from Victoria and assign 6, 8 or 10 to Victoria from Vancouver in lieu of 2. (John W. Kendall).

Tom Olsen, Olympia (KGY)—Requests assignment of Channel 11 to Olympia from Tacoma. (Haley, McKenna & Wilkinson).

Fisher's Blend Station Inc. (KOMO) and Totel Broadcasters Inc. (KJR), Seattle—Requests assignment of Channel 2 to Seattle, replacing 2 in Victoria, B. C. with 3. (Fisher, Wayland, Duvall & Southmayd and Dow, Lohnes & Albertson).

Queen City Broadcasting Co., Seattle (KIRO)—Approves KOMO comment regarding assignment of Channel 2 to Seattle—provided does not require deletion of 4 from Seattle. (Arnold, Fortas & Porter).

Totel Broadcasters Inc., Seattle (KJR)—See Fisher's Blend Station Inc.

## WEST VIRGINIA

Joe L. Smith Jr. Inc., Beckley (WJLS)—Requests assignment of Channel 6 to Beckley. (Pierson & Ball).

WSAZ Inc., Huntington (WSAZ & WSAZ-TV)—Requests assignment of Channel 3 to Huntington in lieu of 8, substituting 8 for 3 in Charleston, adding 4 to Beckley, interchanging 4 and 5 in Raleigh and Chapel Hill, N. C. (Cohn & Marks).

Daily Telegraph Printing Co., Princeton (WHIS Bluefield)—Requests assignment of Channel 6 to Princeton. (Dow, Lohnes & Albertson).

Fort Industry Co., Wheeling (WVVA)—Requests amendment of engineering standards to indicate smaller coverage of uhf stations in rough terrain. Favors FCC proposals for Wheeling. (Dow, Lohnes & Albertson).

Williamson Broadcasting Corp., Williamson (WBTH)—Favors FCC proposal for Williamson. (Fletcher & Midlen).

## WISCONSIN

Green Bay Newspaper Co., Green Bay (WJPG)—Requests assignment of Channel 2 to Green Bay. (Roberts & McInnis).

Badger Broadcasting Co., Madison (WIBA)—Favors FCC proposals for Madison. (Dow, Lohnes & Albertson).

Radio Wisconsin Inc., Madison (WISC)—Opposes vhf-uhf intermixture, requests that Channels 21, 27 & 33 be assigned to commercial use, that 3 be reserved for educational use, contends that all commercial TV should be assigned in uhf. (Arthur W. Scharfeld).

U of Wisconsin and State Radio Council, Madison (WHA)—Requests that 5 additional channels be reserved for educational stations in Wisconsin. (E. B. Fred, president).

M & M Broadcasting Co., Marinette (WMAM)—Favors FCC proposals for Marinette. (Fisher, Wayland, Duvall & Southmayd).

Hearst Radio Inc., Milwaukee (WISN)—See Wisconsin Broadcasting System.

Milwaukee Broadcasting Co., Milwaukee (WEMP)—Requests that Channel 6 be allocated to Milwaukee from Green Bay, 2 to Green Bay. (Bingham, Collins, Porter & Kistler).

Wisconsin Broadcasting System (WFOX) and Hearst Radio Inc. (WISN), Milwaukee—Requests assignment of Channel 6 to Milwaukee from Green Bay; 2 to Green Bay; also, reservation of uhf channel for education in lieu of 10. (Dempsey & Koplovitz).

Aivin E. O'Konski, Wausau (WLN, Merrill)—Favors FCC proposal for Wausau. (Fletcher & Midlen).

## WYOMING

Warren M. Mallory, Laramie—Requests change in reservation for educational use from Channel 8 to 18; or, assign 3 or 5 to Laramie.

## HAWAII

Pacific Frontier Broadcasting Co., Honolulu (KULA)—Requests assignment of Channels 7, 9, 11 or 13 be reserved for educational station instead of 2. (Haley, McKenna & Wilkinson).

## EDUCATIONAL INSTITUTIONS FAVORING RESERVATION PLAN

*Following institutions filed comments endorsing plan in general terms. If comments object to plan or propose changes in specific channels, they are reported along with all other comments in main body of this supplement. All comments are being reviewed by FCC and some may be classified as correspondence rather than comments. Educational institutions commenting are listed alphabetically by States and by cities within states.*

Mobile Public Schools, Mobile, Ala.  
University of Alabama, University, Ala.

Phoenix College, Phoenix, Ariz.  
University of Arizona, Tucson, Ariz.

University of Arkansas, Fayetteville, Ark.

University of California, Berkeley, Cal.  
Fresno City Unified School District, Fresno, Cal.  
Chapman College, Los Angeles, Cal.  
College of Medical Evangelists, Los Angeles, Cal.  
Los Angeles State College of Applied Arts & Sciences, Los Angeles City College, Los Angeles, Cal.

Mount St. Mary's College, Los Angeles, Cal.  
Occidental College, Los Angeles, Cal.  
Sacramento City Unified School District, Sacramento, Cal.  
San Bernardino City Schools, San Bernardino, Cal.  
San Bernardino Valley College, San Bernardino, Cal.  
San Diego Unified School District, San Diego, Cal.  
San Jose State College, San Jose, Cal.  
University of Santa Clara, San Jose, Cal.  
Cogswell Polytechnical College, San Francisco, Cal.

University of Colorado, Boulder, Colo.  
Pueblo Junior College, Pueblo, Colo.  
Pueblo Public Schools, Pueblo, Colo.

University of Connecticut, Storrs, Conn.

American University, Washington, D. C.  
Archdiocese of Washington, Washington, D. C.  
George Washington University, Washington, D. C.  
Howard University, Washington, D. C.

Duval County Board of Public Instruction, Jacksonville, Fla.  
Dade County Board of Public Instruction, Miami, Fla.  
Palm Beach County Board of Public Instruction, Palm Beach, Fla.  
Florida State University, Tallahassee, Fla.

University of Georgia, Athens, Ga.  
Atlanta Public School System, Atlanta, Ga.  
Wesleyan College, Macon, Ga.

University of Idaho, Moscow, Ida.

Chicago Public Schools, Chicago, Ill.  
Columbia College, Chicago, Ill.  
George Williams College, Chicago, Ill.  
Illinois Institute of Technology, Chicago, Ill.  
University of Chicago, Chicago Board of Education, Illinois Institute of Technology, Chicago, Ill.  
Bradley University, Peoria, Ill.  
Rockford College, Rockford, Ill.  
Rockford Public Schools, Rockford, Ill.  
Springfield Board of Education, Springfield, Ill.

Springfield Junior College, Springfield, Ill.  
University of Illinois, Urbana, Ill.  
Urbana School District No. 116, Urbana, Ill.  
Indiana University, Bloomington, Ind.  
Indiana Central College, Indianapolis, Ind.  
Purdue University, Lafayette, Ind.  
University of Notre Dame, South Bend, Ind.  
Indiana State Teachers College, Terre Haute, Ind.

Mount Mercy College, Cedar Rapids, Ia.  
Cedar Rapids Public Schools, Cedar Rapids, Ia.  
Des Moines Board of Education, Des Moines, Ia.  
Des Moines City Council, Des Moines, Ia.  
Des Moines Council of Parent Teacher Associations, Des Moines, Ia.  
Des Moines Independent School District, Des Moines, Ia.  
Des Moines Public Schools, Adult Education, Des Moines, Ia.

Drake University, Des Moines, Ia.  
State University of Iowa, Iowa City, Ia.  
Lawrence Public Schools, Lawrence, Kans.  
University of Kansas, Lawrence, Kans.  
Kansas State College, Manhattan, Kans.  
Washburn Municipal University, Topeka, Kans.

Louisville Free Public Library, Louisville, Ky.  
Louisville Presbyterian Seminary, Louisville, Ky.  
Nazareth College, Louisville, Ky.  
Southern Baptist Theological Seminary, Louisville, Ky.

Louisiana State University, Baton Rouge, La.  
Xavier University of Louisiana, New Orleans, La.

University of Maine, Orono, Me.  
Goucher College, Baltimore, Md.

Boston University, Boston, Mass.  
Emerson College, Boston, Mass.  
Franklin Technical Institute, Boston, Mass.

University of Michigan, Ann Arbor, Mich.  
Mercy College, Detroit, Mich.  
University of Detroit, Detroit, Mich.  
Flint City School District, Flint, Mich.  
Grand Rapids Public Schools, Grand Rapids, Mich.  
Sault Ste. Marie Public Schools, Sault Ste. Marie, Mich.

Minneapolis Public Schools, Minneapolis, Minn.  
University of Minnesota, Minneapolis, Minn.  
College of St. Catherine, St. Paul, Minn.  
Concordia College, St. Paul, Minn.

Mississippi State College, State College, Miss.  
University of Mississippi, University, Miss.

Rockhurst College, Kansas City, Mo.  
St. Joseph School District, St. Joseph, Mo.  
St. Louis Public School System, St. Louis, Mo.  
Springfield Public Schools, Springfield, Mo.

Billings and Laurel public schools, colleges and civic organizations, Billings, Mont.  
 City Council, Billings, Mont.  
 Montana State College, Bozeman, Mont.  
 Great Falls Public Schools, Great Falls, Mont.  
 Montana State University, Missoula, Mont.  
 Creighton University, Omaha, Neb.  
 Omaha School District, Omaha, Neb.  
 Reno School District No. 10, Reno, Nev.  
 Reno United Parents-Teacher Assn., Reno, Nev.  
 University of Nevada, Reno, Nev.  
 University of New Hampshire, Durham, N. H.  
 Albuquerque Board of Education, Albuquerque, N. M.  
 University of New Mexico, Albuquerque, N. M.  
 St. Michael's College, Santa Fe, N. M.  
 Buffalo Board of Education, University of Buffalo, Canisius College, Buffalo, N. Y.  
 Buffalo Public Schools, Buffalo, N. Y.  
 D'Youville College, Buffalo, N. Y.  
 New York State College for Teachers, Buffalo, N. Y.  
 Barnard College of Columbia University, New York, N. Y.  
 Child Education Foundation, New York, N. Y.  
 City College of the City of New York, New York, N. Y.  
 Fordham University, New York, N. Y.  
 New School for Social Research, New York, N. Y.  
 New York City Board of Education, New York, N. Y.  
 New York University, New York, N. Y.  
 Rochester Board of Education, Rochester, N. Y.  
 Rochester Institute of Technology, Rochester, N. Y.  
 University of Rochester, Rochester, N. Y.  
 Le Moyne College, Syracuse, N. Y.  
 Syracuse University, Syracuse, N. Y.  
 Consolidated University of North Carolina, Chapel Hill, Raleigh and Greensboro, N. C.  
 Durham City Schools, Durham, N. C.  
 Board of Trustees, Greensboro Administrative School Unit, Greensboro, N. C.  
 Raleigh Public Schools, Raleigh, N. C.  
 Winston-Salem Teachers College, Winston-Salem, N. C.  
 University of North Dakota, Grand Forks, N. D.  
 Akron Board of Education, Akron, O.  
 University of Akron, Akron, O.  
 Cincinnati City Council and 21 public and private institutions, including schools, colleges, civic organizations, Cincinnati, O.  
 Cincinnati Public School System, Cincinnati, O.  
 Cleveland Public Schools, Cleveland, O.  
 Ursuline College for Women, Cleveland, O.  
 Capital University, Columbus, O.  
 Columbus Public Schools, Columbus, O.  
 University of Dayton, Dayton, O.  
 Kent State University, Kent, O.  
 Miami University, Oxford, O.  
 Toledo Public Schools, Toledo, O.  
 University of Toledo, Toledo, O.  
 University of Oklahoma, Norman, Okla.  
 Oregon State College, Corvallis, Ore.  
 Eugene Public Schools, School District No. 4, Eugene, Ore.  
 Portland Public School System, Portland, Ore.  
 University of Portland, Portland, Ore.  
 St. John Kanty Prep, Erie, Pa.  
 Franklin Institute, Philadelphia, Pa.  
 Duquesne University, Pittsburgh, Pa.  
 Mount Mercy College, Pittsburgh, Pa.  
 Pittsburgh Board of Public Education, Pittsburgh, Pa.  
 University of Pittsburgh, Pittsburgh, Pa.  
 Pennsylvania State College, State College, Pa.  
 Providence Bible Institute, Providence, R. I.  
 Providence College, Providence, R. I.  
 Rhode Island College of Education, Providence, R. I.

Rhode Island State Dept. of Education, for 11 institutions, Providence, R. I.  
 Superintendent of Schools, Providence, R. I.  
 Furman University, Greenville, S. C.  
 Greenville City Schools, Greenville, S. C.  
 Pierre Public Schools, Pierre, S. D.  
 Augustana College, Sioux Falls, S. D.  
 University of South Dakota, Vermillion, S. D.  
 Chattanooga Public School System, Chattanooga, Tenn.  
 Knoxville City School System, Knoxville, Tenn.  
 University of Tennessee, Knoxville, Tenn.  
 Southwestern at Memphis, Memphis, Tenn.  
 Vanderbilt University, Nashville, Tenn.  
 Amarillo Public Schools, City Commission, Amarillo College, West Texas State College, Amarillo, Tex.  
 University of Texas, Austin, Tex.  
 A & M College of Texas, College Station, Tex.  
 North Texas State College, Denton, Tex.  
 El Paso Independent School District, El Paso, Tex.  
 Texas Western College, El Paso, Tex.  
 Galveston Independent School District, Galveston, Tex.  
 University of Houston, Houston, Tex.  
 Our Lady of the Lake College, San Antonio, Tex.  
 St. Mary's University, San Antonio, Tex.  
 Trinity University, San Antonio, Tex.  
 Texarkana Public Schools, Texarkana, Tex.  
 Baylor University, Waco, Tex.  
 Midwestern University, Wichita Falls, Tex.  
 Ogden Public Schools, Ogden, Utah.  
 Weber College, Ogden, Utah.  
 Brigham Young University, Provo, Utah  
 Salt Lake City Public Schools, Salt Lake City, Utah.  
 University of Utah, Salt Lake City, Utah.  
 Virginia Polytechnic Institute, Blacksburg, Va.  
 University of Virginia, Charlottesville, Va.  
 College of William and Mary, Virginia Polytechnic Institute in Norfolk, Norfolk, Va.  
 Norfolk School Board, Norfolk, Va.  
 Washington State Board of Education, Olympia, Wash.  
 State College of Washington, Pullman, Wash.  
 Joint Comment of following educational agencies: State Dept. of Public Instruction, Seattle Pacific College, King County Schools, Seattle Public Schools, Seattle Public Library, Seattle University, University of Washington, Seattle Committee on Adult Education, all of Seattle, Wash. (All also filed separate comments).  
 Seattle City Council, Seattle, Wash.  
 Washington State School Directors' Association, Seattle, Wash.  
 YMCA Technical Schools, Seattle, Wash.  
 Tacoma Public School Board, Tacoma, Wash.  
 Tacoma Vocational-Technical School, Tacoma, Wash.  
 Allied Committee of 16 (public school and PTA officials), Walla Walla, Wash.  
 Kanawha County Schools, Charleston, W. Va.  
 Morris Harvey College, Charleston, W. Va.  
 Marshall College, Huntington, W. Va.  
 West Virginia University, Morgantown, W. Va.  
 Ohio County Board of Education, Wheeling, W. Va.  
 Eau Claire State College, Eau Claire, Wis.  
 Marinette Public Schools, Marinette, Wis.  
 Alverno College, Milwaukee, Wis.  
 Marquette University, Milwaukee, Wis.  
 Milwaukee Board of Vocational and Adult Education, Milwaukee, Wis.  
 Milwaukee Public Schools, Milwaukee, Wis.  
 University of Wisconsin in Milwaukee, Milwaukee, Wis.  
 University of Wyoming, Laramie, Wyo.

## MUNICIPALITIES, CIVIC GROUPS, ETC.

*Comments favoring educational channel reservations, generally submitted by mayors, were filed from the following cities. Comments are usually accompanied by letters and resolutions of endorsement from various civic groups, educational agencies, etc.*

Birmingham, Ala.  
 Montgomery, Ala.  
 Phoenix, Ariz.  
 Little Rock, Ark.  
 Los Angeles, Cal.  
 Sacramento, Cal.  
 San Bernardino, Cal.  
 San Francisco, Cal.  
 San Jose, Cal.  
 Stockton, Cal.  
 Pensacola, Fla.  
 St. Petersburg, Fla.

Atlanta, Ga.  
 Chicago, Ill.  
 Rockford, Ill.  
 Evansville, Ind.  
 Davenport, Ia.  
 Des Moines, Ia.  
 Sioux City, Ia.  
 Baton Rouge, La.  
 Lake Charles, La.  
 Boston, Mass.  
 Ann Arbor, Mich.

Bay City, Mich.  
 Flint, Mich.  
 Duluth, Minn.  
 Jackson, Miss.  
 St. Joseph, Mo.  
 St. Louis, Mo.  
 Billings, Mont.  
 Reno, Nev.  
 Trenton, N. J.  
 Albany, N. Y.  
 Schenectady, N. Y.

Durham, N. C.  
 Raleigh, N. C.  
 Wilmington, N. C.  
 Cincinnati, O.  
 Dayton, O.  
 Toledo, O.  
 Youngstown, O.  
 Oklahoma City, Okla.  
 Portland, Ore.  
 Erie, Pa.  
 Pittsburgh, Pa.

Reading, Pa.  
 Scranton, Pa.  
 Providence, R. I.  
 Columbia, S. C.  
 Memphis, Tenn.  
 Amarillo, Tex.  
 San Antonio, Tex.  
 Norfolk, Va.  
 Richmond, Va.  
 Seattle, Wash.  
 Wheeling, W. Va.  
 Milwaukee, Wis.



MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE  
OF THE  
VISUAL BROADCASTING  
ARTS AND INDUSTRY

# Television Digest

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WITH AM FM REPORTS

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May 19, 1951

**In This Issue:** { Coast-to-Coast Hookups by Year's End, page 1. Financial & Trade Notes, page 7.  
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 Freeze-End Horizon Grows Bleaker, page 3. Trade Up Slightly, Plenty Yet To Do, page 8.  
 Broadcast Construction Can Continue, page 4. Mobilization Notes, page 11.

**COAST-TO-COAST HOOKUPS BY YEAR'S END:** Exactly when transcontinental TV will become reality, is indeterminate at this moment -- except that it should be sometime before end of this year, possibly in time to pipe World Series in October to 3 of the Pacific Coast cities having stations: San Francisco, Los Angeles, San Diego.

Inquiry at AT&T discloses only that Omaha-Denver-Salt Lake-San Francisco microwave extensions of present hookups east of Omaha will be in operation for phone service by late August. After that, technical installations will determine addition of two-way TV circuits, which could thus be linked into present San Francisco-Los Angeles microwave hookup.

San Diego gets service off air from Los Angeles. Nothing has been decided about hooking up San Francisco-Seattle, though there is a coaxial out of Sacramento for phone service to Seattle which could be modified for TV.

Besides this week's additions of microwave circuits between Columbus-Dayton and Dayton-Cincinnati (Vol. 7:18), phone company this year plans more microwaves into Southwest, is considering Kansas City-Wichita-Oklahoma City-Tulsa-Ft. Worth-Dallas-Austin-San Antonio links (Vol. 7:6) -- but primarily for phone use.

Rest of this year, aside from coast-to-coast interconnection, AT&T plans only the Memphis-Birmingham-Atlanta coaxial extension, via Jackson, Miss., due for completion in October and providing second circuit for Birmingham and Atlanta, each now with 2 stations and already linked via Charlotte-Jacksonville. Next year, additional Rochester-Syracuse and Charlotte-Atlanta circuits are scheduled by spring plus Jackson-New Orleans by fall.

**AFTER EFFECTS OF ABC-CBS DEALS:** By their projected "sale and re-sale" deals (Vol. 7:18-19), which came to naught, ABC & CBS have thrown sharper focus on these trends:

(1) Value of TV franchises enormously enhanced -- not only by their profit potential but by willingness of such traditionally smart operators as CBS to go to such great lengths to obtain outlets. Channels now held will be held more tightly than ever, or for huge prices, and those sought when FCC thaws freeze will be sought more eagerly than ever.

(2) Value of radio properties, including ABC's, further depreciated -- the manifest result of tacit and expressed admission that TV is so important. Even more than ABC-CBS negotiations, the reductions in radio network rates are contributing to such depreciation of AM values.

ABC this week followed lead of CBS and NBC (Vol. 7:15 et seq) by announcing 15% radio network rate cuts effective July 1 (see p. 12). This inevitably means curtailed income from that source, while TV revenues climb.

\* \* \* \*

ABC Chairman Noble's explanation of deals is contained in statement issued May 16 and published in full on page 7. This is all that affiliates and sponsors, as well as press, were told. It implies all deals are off -- and "it means what it says," according to an ABC spokesman.

None the less, the trade is utterly convinced that ABC will be sold sooner

or later. Some even saw significance in fact United Paramount's president Leonard Goldenson used word "suspended" when telling stockholders meeting this week about his company's negotiations with Noble.

Nor is it secret that CBS and ABC initiated talks with other prospective customers, notably the O'Neil and Storer interests, to say nothing of IT&T, and that many ABC employes and affiliates are still quite bitter. Said one major affiliate, who operates both AM and TV outlets:

"We ought to be flattered, I suppose, by the very high value placed on our properties by our worthy competitors, but for my money these proposed deals have taken a year off the life of ABC. And the network radio rate cuts are a forewarning of what can happen to radio stations. It all goes to show how we and the networks can love each other today and grow to hate each other tomorrow."

\* \* \* \*

There's scant doubt that all radio networks, in pulling down rates, face increasing difficulty in clearing time on their affiliated stations.

Some ABC affiliates took their troubles, particularly the "merger" stories, to their Senators and Congressmen, and several threatened to sue if deals went through, though principals took pains to make clear all deals were predicated on continuing ABC networks -- CBS's purpose being mainly to get some of its TV outlets.

Another boomerang effect may be new opposition in Washington to network ownership of stations, either AM or TV -- and some talk about that is already heard. FCC has limited any one entity to 5 TV stations (which only ABC and NBC now have) and custom (and proposed FCC rule) limits AMS to 7 (CBS has 7, NBC 6, ABC 5).

If networks were deprived of own stations, which could be done only by act of Congress, they would rightly argue there would be less, not more network service. Their balance sheets, they say, show profits come largely from station and not network operations. That will be more true of TV even than AM because interconnection charges are so much higher for TV.

The political dangers are great, nevertheless, and the networks have always been very sensitive to what FCC and Congress say. There have been a few outbursts in Congress on score of "monopoly" and "merger" as result of CBS-ABC negotiations.

\* \* \* \*

What CBS will do next is subject of much conjecture, but it's common gossip that it has shopped strenuously for key TV stations to add to the 2 it owns plus 45% interest in third. One big city newspaper station is said to have quoted, no doubt facetiously, a \$10,000,000 asking price! CBS is bound to go after new station grants in post-freeze hearings, and it's even conceivable that it will become one of the most earnest protagonists of uhf.

May 19 Variety, without indicating source, quotes what it calls "extremely conservative estimates" of the worth of ABC's TV and AM stations, not taking into account "foreseeable potential and other important facts".

The TV station figures are shown as: WJZ-TV, New York, \$5,000,000; WENR-TV, Chicago, \$1,000,000; WXYZ-TV, Detroit, \$2,500,000; KECA-TV, Los Angeles, \$1,500,000; KGO-TV, San Francisco, \$1,250,000; total for 5 TV stations \$11,250,000. And the AM station quotations: WJZ, \$2,000,000; WENR, \$500,000 (ABC has only half-time on its channel); WXYZ, \$750,000; KECA, \$1,000,000; KGO, \$1,000,000; total radio station valuation \$5,250,000. (No reason is given for low WENR-TV estimate.)

Thus, worth of TV and AM stations alone would aggregate \$16,500,000. In the CBS negotiations, purchase price of whole package was indicated as \$26-28,000,000.

\* \* \* \*

ABC earnings statements have been unimpressive lately, explained as due to huge TV costs. This week, first quarter profits after taxes went up to \$222,000, or 13¢ a share on 1,689,017 shares of common outstanding (of which Mr. Noble owns some 53%). This compares with \$93,000 (5¢) for same 1950 quarter -- but for all 1950 the net profit figure was only \$85,605 on gross operating income of \$45,879,660. Noble's May 16 statement speaks of annual business of "about \$65,000,000."



In 1949, ABC ran deficit of \$519,085 on gross sales of \$40,267,488; in 1948 profit was \$468,676 on \$37,110,726, and in 1947 profit was \$753,911 on \$35,955,004. At end of 1950, earned surplus was \$3,627,559.

PIB figures for 1950, covering only network income, show ABC radio billings of \$35,124,625, TV \$6,470,510 -- total of about \$41,600,000, which might indicate owned and operated stations, both AM and TV, accounted for only slightly more than \$4,000,000. That figure is probably low, however, since PIB network figures cover gross billings. Station profit-and-loss figures aren't revealed by any network, but with very few exceptions their AM and TV stations are reputed to be good earners.

**FREEZE-END HORIZON GROWING BLEAKER:** Confronted with an avalanche of comments on its proposed allocations (Vol. 7:19), FCC could do no less than grant more time in ever-lengthening end-of-freeze procedures -- so as to give its own staff as well as interested parties chance to mull the comments, which reached final total of 645.

[Supplement No. 72-A, herewith, completes our digests of all comments.]

Big allocation hearing was moved forward about month -- to start July 9 -- and deadline for oppositions was extended to June 11.

That means you can add at least one more month to our calendar of probable times when new TV stations can get on the air (Vol. 7:17). It's still good guess first few won't make it before mid-1952. And if applicants come in droves, as indicated, it may be well into 1953 before any sizable market areas get new outlets.

What worries the industry far more than this delay are other factors auguring added years rather than months to freeze now approaching end of its third year:

\* \* \* \*

(1) Legality of FCC's procedures. More and more lawyers are beginning to take it for granted that someone will hail Commission into courts. Regardless who wins in courts, such appeals always take months if not years.

Commission must have known risks it was taking, radio attorneys say, but they find it incomprehensible FCC didn't try to clear legal air 3 years ago when Communications Bar Assn. asked for oral argument on exactly same issue it now poses -- whether fixed city-by-city channels can be laid down in rules, changeable only via the devious and laborious rule-making process.

They oppose fixed assignments, think allocations should be based on demand. Commission is apparently bent on making this latest allocation plan stick -- as is.

Commission counsel have long been cocky about luck in courts, though that attitude may have been somewhat shaken by industry's success in getting color case as far as Supreme Court. And, this week, District of Columbia Court of Appeals indicated that it's very meticulous about seeing that everyone gets a fair shake.

During oral argument on WJAX-City of Jacksonville's request FCC be enjoined from moving Channel 2 out of city (Vol. 7:19), Chief Judge Stephens seemed dubious whether city was getting full "due process" hearing before FCC, as required by the Administrative Procedures Act. Court came up with idea that made injunction unnecessary, doesn't tie up allocation plan:

Last year, FCC took CP for WJAX-TV away from City of Jacksonville, denying it more time for construction (Vol. 6:41). City appealed FCC action to Court of Appeals. After this week's oral argument, Court decided it will try to get out its decision, on city's appeal to recapture CP, before allocation plan becomes final. Thus, city will know whether it has a CP to protect -- before allocation is frozen.

\* \* \* \*

(2) Congress. Sen. Benton is working hard, seeking support for his resolution to study educational TV (Vol. 7:15-18.) This week, he made another long speech in Senate contending that 6-12 months' delay, if necessary, is small price to pay for proper treatment of educational TV.

Commercial interests are of one accord in bucking educational channel reservations worked into allocation plan by Comr. Frieda Hennock, and there are indications quite a few members of Congress don't like that approach either since so few educational institutions are financially equipped to run own expensive TV plants.

Sen. Benton, once an adman (Benton & Bowles), once vice president of U of

Chicago, has a lot of ideas for getting more public service into TV. According to his assistant John Howe, who used to run the U of Chicago Round Table broadcasts, he's exploring such avenues as:

(a) Creation of a national advisory committee to assist Congress and FCC. (b) Resolution requiring FCC to finalize current reservation proposal. (c) Federal grants-in-aid for educational TV stations. (d) Legislation spelling out "public interest," making applicants "stick to promises" when they get stations. (e) Setting aside of choice time for "public service" by commercial licensees.

Sen. Johnson is obviously beginning to get stirred up about allocations. He has indicated doubts about educational reservations and criticized "lack of flexibility" in FCC's plan (Vol. 7:18-19). And, nagged by constituents, particularly from his own Denver, biggest non-TV city in the country, he appears to be getting somewhat weary of the freeze himself.

\* \* \* \*

Whether oft-suggested "partial" lifting of freeze will be effected, isn't yet indicated by FCC. Guessing is it will say "no can do" -- except maybe for grants in Territories, though nobody has yet applied from Hawaii, Alaska, Porto Rico. But chances for vhf station power increases and new uhf stations "soon" appear slim.

Some stations may offer to assume risk, however, and ask FCC for temporary authorization of high power immediately where interference wouldn't be increased.

\* \* \* \*

DuMont is striving mightily to convince everyone that its allocation -- a complete substitute for FCC's (Vol. 7:18-19) -- is not only more realistic but more efficient. It's based on population density, probable economic support.

DuMont demonstrated its "light map" at New York press conference May 17 to give graphic illustration of such contentions as these: (a) Its plan supplies 375 cities with 655 vhf stations, compared with FCC's 342 cities, 557 stations. (b) It gives 4 or more vhf channels to 47 cities, compared with FCC's 18 cities. In north-east U.S., it provides 598 uhf assignments, compared with 537 in FCC plan.

DuMont plans Washington demonstration, in week or so, for consulting engineers and attorneys. After analyzing our digests of allocation comments (Supp. 72), DuMont research v.p. Thomas Goldsmith ventures that his company's plan would satisfy "vast majority" of requests for vhf channel shifts and additions.

**BROADCAST CONSTRUCTION CAN CONTINUE:** Second-week sizeup of NPA order M-4 regulating all construction (Vol. 7:19), as it applies to broadcast station building:

Despite confusion over errors in wording of order, mistakes in interpretation, despite fact that specific criteria haven't been worked out yet, all responsible sources we've contacted indicate that --

(1) Govt. considers present and prospective TV-radio broadcast facilities essential to national defense.

(2) Holder of FCC construction permit, as general rule, will receive NPA authorization to build if his plans for use of steel aren't too grandiose.

(3) NPA authorization system will actually help broadcasters get building materials when Controlled Materials Plan begins working smoothly (by late fall).

Order M-4 requires NPA authorization for practically all building. That's all it does. It doesn't ban station construction.

\* \* \* \*

Aside from general criteria of community necessity and essentiality to defense, specific principles to be applied in considering applications to build new broadcast facilities are being worked out by NPA's Construction Controls and Electronics Divisions in consultation with FCC. Specifications will probably limit amount of money to be spent and tonnage of steel to be used in building stations.

Construction Controls Div. administers order, issues authorizations. Electronics Div. is "claimant", or spokesman, for broadcasters. As such, its job is to see that broadcasters' case is adequately presented to other NPA divisions in charge of materials for manufacture and maintenance of equipment, as well as construction.



Electronics Div. has prepared third quarter "program" for construction of new broadcast stations under Controlled Materials Plan -- meaning it has put in request for materials it expects new stations to require. It did this after checking at FCC. Broadcasting program has been tentatively approved by DPA for allocation of materials -- and approval carries govt. stamp of essentiality.

This claimant function would normally be duty of FCC; in fact, some within FCC have complained because NPA didn't take initiative in consulting them before blanketing TV-radio stations into construction order. Fact is, however, that FCC Chairman Coy in January relinquished all rights as claimant in production program.

FCC chairman was designated by Commerce Dept. Nov. 20, 1950, to serve as claimant "with respect to all communications facilities, both Govt. and private, of a civilian character not covered otherwise." But on Jan. 12, 1951, Mr. Coy wrote DPA chief Wm. Harrison that FCC couldn't implement designation as claimant. Gen. Harrison acknowledged Mr. Coy's letter Jan. 26 and designated NPA Electronics Div. as claimant for broadcasters.

Although FCC is being consulted on standards, it is NPA Electronics Div. to whom prospective broadcaster should look for help in getting approval of construction plans. FCC will enter picture only to extent that its grant of a CP is prerequisite to NPA consideration of application for station construction.

\* \* \* \*

No one has yet applied for authorization to build a station. After specific criteria have been established, here's how authorization procedure will work:

Applicant will apply on Form NPAF-24 at nearest regional NPA office, which will have power to grant authorization. If it's denied, applicant may modify his specifications to meet NPA criteria, and resubmit them. If refused again, it's sent to Washington for review. Then broadcaster's best bet is to get in touch with NPA Electronics Div. which, as his claimant, would discuss his case -- acting as his spokesman -- with Construction Div. If he's turned down again, he can appeal to NPA's 3-man appeals board.

NPA will be lenient with broadcasters who have already bought materials to construct stations, but haven't begun building. They must file applications for adjustment or exception, showing equipment can't be resold without loss or inconvenience. Then they'll get go-ahead to build.

\* \* \* \*

Confusion aplenty is rule at NPA -- and especially in Construction Div. A mistake in phrasing of construction order -- giving newspapers apparent preference over TV-radio stations -- drew from NARTB a demand for a conference with NPA Administrator Fleischmann.

NPA general counsel's office says error was made in printing, but assures that master copy of order doesn't contain the inequity -- although there's been no public correction yet.

In another case of confusion, NPA lawyers rebuffed Construction Div. Director Rufe Newman, who last week told us broadcast stations may be constructed without NPA authorization if they use less than 25 tons of steel. That isn't so, general counsel's office says. Tonnage exemption applies to certain other construction categories -- such as schools, hospitals, factories -- but not to TV-radio.

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Among grants for educational radio-TV reportedly being made: Kellogg Foundation, \$200,000-\$250,000 to National Assn. of Educational Broadcasters for AM "tape network" facilities; Ford Foundation, \$25,000 to NAEB for monitoring of TV programs in several cities. Rumor has it that \$750,000-\$1,000,000 grant of some sort is in the mill. Ford Foundation officials say they have no present plans for granting funds for station construction or operation, that recent grants are to "get things going."

TV has an obligation "to attempt to lift the cultural level of the masses [but] we cannot proceed by leaps and bounds to an all-culture diet." That was sizeup of educational TV by RCA chairman David Sarnoff in May 18

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speech during conference on "Living in Industrial Civilization," sponsored in Corning, N. Y. by Corning Glass Works and American Council of Learned Societies. Gen. Sarnoff pleaded for patience with young industry, saying medium shouldn't be expected to devote itself, overnight, to primarily cultural projects.

"I am a proud parent today," writes inventor Lee DeForrest to May 17 *New York Times*. He states: "In the past I have complained bitterly about some of the uses to which 'my children,' radio and TV, have been put. I am delighted to see the splendid way these media were employed in bringing to the public the living history of General MacArthur's return and subsequent discussion . . ."

**Personal Notes:** Alexander Stronach Jr. promoted from TV program v.p. to v.p. in charge of ABC-TV, succeeding Otto B. Brandt, who goes to KING & KING-TV, Seattle (Vol. 7:19) . . . Slocum Chapin, Eastern TV sales mgr., named v.p. for ABC-TV stations, and Richard A. Moore, mgr. of KECA-TV, named acting mgr. of ABC Western Div. . . . Wayne Mason, mgr. of RCA Frequency Bureau, New York, loaned to State Dept. for 2-year hitch as Telecommunications Attache for Western Europe, to be stationed in Geneva; he replaces C. W. Loeber, who has returned to FCC . . . Comdr. Mortimer W. Loewi, director of DuMont Network, returned from Europe May 15, accompanied by Andrew P. Jaeger film div. director . . . In addition to ABC vice chairman Mark Woods (Vol. 7:19), honorary degrees were conferred by Ithaca College May 12 on Justin Miller, NARTB, and Michael R. Hanna, gen. mgr. of Cornell's WHCU and of Rural Radio Network . . . Mannie Sachs, RCA v.p., named program chief for Philadelphia's 175th Declaration of Independence anniversary celebration . . . FCC Comr. George Sterling has chosen David W. Warren, Camden, Me., to be legal assistant; Warren is 1948 graduate of Boston U School of Law . . . Fred Whitney, ex-Altec, joins staff of Society of Motion Picture & Television Engineers to take charge of test film technical operations . . . Marshall N. Terry, ex-Crosley, back to Trilmobile Co., Cincinnati, as adv. director . . . Tony Moe, KNX sales promotion mgr., named to same post for CBS's KTSL, Los Angeles, replacing Ralph Taylor, with Sherril Taylor coming from KSL, Salt Lake City, to take his place at KNX.

**Station Accounts:** TV sponsorships, resulting in more beer drinking at home, are given credit by U. S. Brewers Foundation for reversal of 1947-50 downward trend in beer production—up 4% first quarter 1951 over same 1950 period. Survey shows 62% of American families now buy beer for consumption at home. Brewers are top sponsors on TV-radio, particularly of baseball and other sports (Vol. 7:13, 17) . . . B. J. Roesch Co., electrical equipment manufacturer, sponsoring *Inside Television* on KTTV, Los Angeles, Sun. 9:15-9:30; guest experts (first was Dr. Lee DeForest, May 13) tell audience in lay language how TV works . . . Ashland Oil & Refining Co., Ashland, Ky., expands into TV with Mon.-thru-Sat. newscasts plus thrice weekly *General Store* program on WLWT, Cincinnati, thru Byer & Bowman, Columbus . . . Lic-Rich Co., Cleveland, soon to introduce licorice-flavored soft drink, ice cream and frozen sticks, will use TV, thru Hutchins Adv., Rochester . . . Zenith Radio, seldom user of TV or radio, preparing TV spots for local co-op use, plugging uhf tuners, thru MacFarland, Aveyard & Co., Chicago . . . Elgin-American planning to use TV for new campaign to promote Certina watches . . . Among other advertisers reported using or preparing to use TV: Graham Co. (Red-bow products), thru Blaine-Thompson Co. Inc., N. Y.; G. N. Coughlan Co. (DeMoist dessicant), thru A. W. Lewin Co., N. Y.; New Netherlands Trading Corp. (Juliana cheese), thru Hilton & Riggio Inc., N. Y.; Jewel Food Stores, Dept. of Jewel Tea Co. Inc. (food products), thru Goodkind, Joice & Morgan Inc., Chicago (WNBQ); Nesco Inc. (stainless steel ware), thru Needham, Louis & Brorby Inc., Chicago; Mira-sham Corp. (chamois substitute), thru C. Wendel Muench & Co., Chicago; Scudder Food Products (peanut butter), thru Davis & Co., Los Angeles; Myers Industries (candies), thru Watts-Payne Adv., Dallas; Plymouth Dealers of N. Y., thru Klores & Carter Inc., N. Y.; Packard-Bell Co. (TVs & radios), thru Elwood J. Robinson & Co., Los Angeles.

Russell D. Valentinc, 51, chief engineer of WQXR, New York, and a pioneer in amateur radio and high fidelity broadcasting, died May 15 at his home in New York.

**Network Accounts:** Pepsi-Cola, starting June 16, sponsors *Faye Emerson* on CBS-TV, Sat. 9-9:30, thru Biow Co., taking time vacated by Bulova's *Frank Sinatra Show* and dropping present *Faye Emerson Show* on ABC-TV, Mon.-Wed.-Fri. 7:15-7:30 . . . Hazel Bishop Inc. (lipstick) starting July 5, sponsors Freddy Martin's *Band of Tomorrow* on NBC-TV, Thu. 10-10:30, thru Raymond Specator Co., as summer replacement for U. S. Tobacco's *Martin Kane, Private Eye* . . . Procter & Gamble in fall will sponsor *Red Skelton* on film on NBC-TV, Sun. 10-10:30, taking over period being dropped by Congoleum-Nairn's *Garroway at Large* . . . Armour & Co. considering *Garroway at Large* as replacement for *Stars Over Hollywood*, on NBC-TV, Wed. 10:30-11, starting in fall, thru Foote, Cone & Belding, Chicago; also daytime cross-the-board show for *Garroway* . . . Lehn & Fink (Lysol, Hinds) has bought 10-10:15 portion of *Doodles Weaver Show*, which will replace *Saturday Night Revue* during summer on NBC-TV, Sat. 10-10:30, thru Lennen & Mitchell and McCann-Erickson, both N. Y. . . . DeSoto Div., Chrysler Corp., substituting *It Pays to Be Ignorant for You Bet Your Life* on NBC-TV, Thu. 8-8:30, during summer, thru BBDO, N. Y. . . . Bauer & Black (surgical products) sponsorship of 5:30-6 portion of *Super Circus* on ABC-TV, Sun. 5-6, starts June 10, thru Leo Burnett, Chicago . . . Goodall Fabrics Inc. (Palm Beach) June 10 will sponsor Palm Beach Round Robin Championships from Wykagyl Country Club, New Rochelle, N. Y., on CBS-TV, Sun. 5-6, thru Ruthrauff & Ryan, N. Y. . . . General Foods (Sanka) replacing *The Goldbergs* for summer with Phil Baker handling celebrity husband-and-wife quiz show titled *Who's Whose?* starting June 25 on CBS-TV, Mon. 9:30-10; sponsor has cancelled *The Goldbergs*, but is retaining time and will have new show in fall. Agency is Young & Rubicam, N. Y. . . . Larus & Bro Co. Inc. (Edgeworth tobacco) June 24 starts *Plainclothesman* on DuMont, Sat. 9:30-10, thru Warwick & Legler Inc., N. Y.

Westinghouse is currently spending \$2,300,000 for its *Studio One* on CBS-TV, using 51 stations, as against \$400,000 in 1949 when it used 9 stations, according to J. Gilbert Baird, appliance sales promotion mgr., in glowing report on TV advertising at joint American Television Society-Executive Sales Club May 15 meeting. Sum includes \$75,000 for newspaper advertising, \$50,000 for dealer promotions, plus unstated amount for publicity, Baird revealed. Reason why Westinghouse is happy with TV, he said, is that appliances must be demonstrated and TV is best medium for that function, costing about \$1.60 per thousand to reach 9,000,000 persons every week.

Million dollars is National Collegiate Athletic Assn.'s asking price for sponsorship of its college football telecast-a-week package this fall (Vol. 7:16), with breweries ruled out as sponsors, May 16 *Variety* reports, adding that NCAA reportedly would keep 60% of take, divide remaining 40% among participating colleges. "Best approach yet" is NCAA reaction to formula proposed by WWJ-TV gen. mgr. Harry Bannister: televising of second half of each Big Ten game. WPIX survey of New York area sports viewers indicates TV creates new sports enthusiasts, shows 8 out of 10 viewers who have seen major sport for first time on TV plan to attend in person, majority would rather attend than watch on TV, 37% have actually gone out and bought tickets.

Joint Committee on Educational TV has named Ralph Steetle, Louisiana State U, to replace Richard Hull as director of Washington headquarters when latter goes back to WOI-TV, Ames, Ia., June 5. Hull has been on 2-months' leave of absence. Blanche Crippen, formerly of National Education Assn., was appointed administrative assistant for program development.



**Statement by Mr. Noble**

*Following collapse of negotiations for sale of ABC, chairman and majority stockholder Edward J. Noble May 16 issued the following statement to press, affiliates and sponsors:*

It is pertinent that I reveal the facts relating to recent reports of the "sale" or merger of the American Broadcasting Company. Over the past two years, I have frequently stated that, as a representative of our stockholders, affiliates and advertisers, I would always listen to proposals that would strengthen and improve ABC and better equip our networks to serve the public. This statement remains true today.

About three weeks ago, Mr. William S. Paley, Chairman of the Board of the Columbia Broadcasting System, approached me, and in these discussions a merger of ABC and CBS, designed to create the strongest radio and television networks yet to be conceived, was suggested. Because of the Federal regulations prohibiting one company from owning two radio or two television stations in the same city and from owning more than one radio or television network, the discussions were expanded to include various other parties, who expressed desire to own radio and television facilities that could not legally be absorbed into a combined ABC-CBS company.

It soon became apparent that any such plan would weaken the remaining ABC radio and television networks. This was rejected by my associates and me in the belief that the public interest would not be served. We felt that the plan was unfair to ABC advertisers, ABC affiliates and our organization who had built ABC in eight years from a small radio network of 116 stations, doing \$12,000,000 of business, to a radio network of 290 stations and a television network of over 60 stations, doing an annual business of about \$65,000,000.

During the negotiations, as the controlling stockholder, I was offered, by an interested party other than CBS, an opportunity of selling my personal stock at \$15 a share. This, I rejected, both because I would not accept an offer not available to all stockholders and because, as I have said, I have no interest in a "sell-out" which would take me away from the development of television and radio.

The merger of ABC into CBS was abandoned by my associates and myself, although it was very attractive, both financially and otherwise, because the remaining ABC radio and television networks would not be as strong or have the potential of growth equal to the present set-up.

Thereafter, United Paramount Theaters, Inc. proposed a merger with ABC, whereby ABC stockholders would receive United Paramount preferred stock and warrants for shares of United Paramount common stock. ABC could not accept this offer because we are interested only in a real partnership whereby ABC stockholders would share more fully in the growth of radio and television through ownership of greater amounts of equity securities and through exercise of more proportionate voting representation.

My associates and I have been complimented by the recognition given the value of ABC by our competitors and by others who have studied the operation of our company.

We will continue to operate ABC radio and ABC television and are convinced that we will continue our growth and progress and better serve the public in both fields. We have but one objective—the improvement of the position of the American Broadcasting Company, its personnel, stockholders, affiliates and advertisers.

More May 1 sets-in-use reported since NBC Research's "census" of April 1 (Vol. 7:17): Baltimore 297,368, up 5368; Johnstown 87,275, up 5075; New Orleans 56,364, up 1964. Cleveland total is now 470,487, up 16,487 during March and April, Bureau of Business Research, Western Reserve U reports. NBC did not have April 1 figure for Cleveland.

**Financial & Trade Notes:** Details of CBS-Hytron deal (Vol. 7:15) are disclosed in notice to CBS stockholders of special meeting June 13, at which CBS board will seek approval of issuance of 621,550 more shares of its stock (310,775 shares each of Class A & B) in exchange for Hytron assets. Chairman Paley's letter to stockholders states:

"We believe that, as was the case when Columbia Records Inc. was acquired some years ago, Columbia will by this transaction provide for itself a more varied source of income and greater revenues . . . We believe that the potential growth of the TV set manufacturing business is considerable and that only a small part of the possible market has been realized. We also believe that the use of the name 'Columbia' . . . will aid materially in the marketing of radio and TV sets and phonographs which may be produced by Air King."

Proxy statement states the 621,550 shares of CBS stock will provide 31 shares for each 100 shares of the 2,005,000 outstanding common of Hytron, that Hytron will distribute these shares to its stockholders in "complete winding up and liquidation of Hytron" and that Hytron will change its corporate name. Hytron's chairman Lloyd H. Coffin, president Bruce A. Coffin and v.p. David H. Cogan are to be employed for 3 years at basic compensation of \$50,000 per year each plus bonuses up to \$50,000; their present stockholdings in Hytron are 115,886, 120,238 & 32,269 shares respectively. All 3 with Hytron director Frederick L. Chapman would be elected to CBS board.

If CBS board determines and satisfactory tax ruling is obtained, the 2850 Class A and 189,750 Class B shares now in treasury of CBS may be used as part of shares to be issued and delivered to Hytron. If agreement is consummated (assuming no Hytron stockholder demands payment for his shares), there will be outstanding 1,269,203 shares of CBS Class A and 1,069,699 shares of Class B. As of May 7, notice says, there were outstanding 958,428 Class A and 758,924 Class B shares. The A & B shares are identical except that holders of A, voting separately, have right to elect half the total directors.

CBS chairman Wm. S. Paley owns beneficially 88,510 Class A and 223,500 Class B, or 9.23% and 29.45%, respectively, of those presently outstanding. On April 30, director Isaac D. Levy was reported as selling 5000 shares of B, and it's generally believed he and family were principals in recent private sale of 35,000 shares (Vol. 7:18-19).

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Raytheon sales for 10 months ended March 31 amounted to about \$73,000,000, profit about \$2,000,000, so that earnings for fiscal year ending May 31 should equal \$1.10 or \$1.15 per share, compared with 49¢ in fiscal 1950. This is gist of statement by president Charles Francis Adams Jr., speaking before N. Y. Society of Security Analysts. He predicted volume of more than \$100,000,000 next few years, profits of \$1 to \$3 per share, possible dividend action after next spring when govt. work hits peak. Defense backlog amounts to \$100,000,000, he stated.

**Dividends:** DuMont, 25¢ quarterly on preferred payable July 1 to holders of record June 15; Hazeltine, 25¢ payable June 15 to holders June 1; Aerovox, 15¢ payable June 15 holders June 1; Cornell-Dubilier, 20¢ on common payable June 28, \$1.31¼ on preferred payable July 15, to holders June 20; I-T-E Circuit Breaker Co., 35¢ payable June 1 to holders May 18; Weston Electrical Instrument Co., 50¢ payable June 8 to holders May 23; Sprague Electric, 50¢ payable June 14 to holders May 29.

Bendix reports profit of \$2,890,152 (\$1.37 a share) for first 1951 quarter compared with \$3,563,685 (\$1.69) for same 1950 quarter.

**NEW METAL CURBS PRESAGE SET SHORTAGES:** Defense bite into TV production will be so heavy during third quarter that supply and demand should be equalized before fall. In fourth quarter, all signs point to a shortage.

NPA restrictions and material shortages -- not marketing conditions -- will call the turn in TV-radio production next quarter, on basis of new consumer durable curbs outlined to manufacturers on May 18 by NPA Administrator Manly Fleischmann. Here's picture, subject only to minor changes:

(1) Steel limitation will be tightened to permit manufacturers to use during third quarter not more than 70% of amount they used during average quarter of first-half 1950, a period of low production compared to lush last-quarter 1950 and first-quarter 1951. Second quarter limitation was 80% (Vol. 7:10-11,14).

(2) Similar limitations will restrict manufacturers to 60% of copper, 50% of aluminum they used during first-half 1950.

On basis of average quarter's production in first-half 1950 -- about 1,557,000 TVs -- third quarter shouldn't see more than 1,000,000 TV sets produced. This doesn't take into consideration restrictions and shortages other than steel, copper and aluminum. Pinches in nickel, tungsten, cobalt and other materials used in components could chop output down still further.

There's slight comfort in probability that NPA will be more lenient in letting manufacturer decide how to use metals he's entitled to -- to make more of faster-selling models, fewer hard-to-move ones. But he won't be allowed to switch metal quotas as between TVs, radios and phonos, for instance, and he can't "juggle" products: e.g., TVs-radios-phonos instead of appliances, and vice versa. Each is in a separate category.

But NPA probably will remove barrier that discriminates against "assemblers" as distinguished from "manufacturers" (Vol. 7:11).

Govt. figures consumer durable limitations on basis of what's left after metals are allotted for more "essential" products under Controlled Materials Plan. But consumer goods manufacturers aren't guaranteed allotments of metals, as are those who come under CMP. Fourth quarter, TV-radio and other durable goods will be pinched tighter -- but it's possible they'll be brought under CMP by then and thus be guaranteed some supply of materials, however little.

Repair and replacement part problems will be by-products of curtailed civilian production. NPA currently plans to permit practically unlimited production of these items, and is preparing order giving repairmen priority rating to get parts for household appliances, TV-radio included.

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General tentative CMP allotments have been computed by DPA. Defense and direct defense-supporting industries will get all the steel, copper and aluminum they require. So-called "intermediate" industries -- not directly military or defense-supporting, but not civilian either -- will average about 85% of steel they used during first-quarter 1951 (which is about 100% pre-Korea use), 80% of copper (65% pre-Korea), 65% of aluminum (50% pre-Korea). Consumer goods -- outside CMP -- are bottom category, get what's left after others are taken care of.

**TRADE UP SLIGHTLY, PLENTY YET TO DO:** Things were looking up a bit this week and last, though on spotty basis. There are no exact figures, and the heyday when production statistics actually told story of wholesale-retail trade is obviously at end. Nevertheless, our best information sources indicate that unit sales at retail level now seem to be keeping pace with those of last year at this time.

That's not saying very much, of course, in light of heavy promotions, lower average unit prices, intensive pressures to reduce heavy inventories. But the



season is against the kind of boom TV trade that prevailed all last year and that misled so many of us into believing there was no end to it.

If you can believe the business services and the other economic pundits, TV trade should benefit with all others in boom they promise, almost with one accord, later in year. Typical quote from Washington Post editorial on "Inventory Worries":

"Looking ahead, however, retail stocks on the whole do not appear to be excessive. On the contrary, there is good reason to believe that in a very few months retailers will be scrambling to place new orders and build up depleted inventories. Economic Stabilizer Eric Johnston points out that the defense procurement program 'hasn't really hit the civilian economy up to now.' But with the stepup in defense orders, now being placed at the rate of \$1 billion a week, it soon will be, and that will result in industrial bottlenecks, labor shortages and lack of civilian goods.

"Another thing to keep in mind is that individual income reached record high levels during March. It will go still higher with increases in wage rates, longer hours of work, and additions to the labor force, laying the foundation for a rapid expansion of consumer spending later on. Firms with adequate financial resources that are not compelled to dispose of abnormally large inventories now will then be in a position to enjoy the advantages of a sellers' market at ceiling prices."

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That's the bright forward view seemingly shared by the economists, to say nothing of some TV-radio manufacturers. On immediate side, though, they're still hoping to be able to persuade Federal Reserve Board to reverse its opposition to relaxation of Regulation W, formally announced last week (Vol. 7:19).

RTMA will appear before Senate Banking & Currency Committee June 5 to argue for (1) elimination of wage, price and credit controls, or (2) restrictions on the Administration's authority under defense production act (due for renewal June 30) to slap an arbitrary down payment of 25% on TV as against easier terms on other home furnishings. The industry had asked FRB to permit trade-ins to be applied against down payment, or to reduce down payment terms to the 15% allowed for furniture.

Basis of FRB's turndown -- "saturation" and "uhf" (Vol. 7:19) -- is so easily refuted that RTMA expects to make good case before Senate group.

Yet there's talk of even tighter credit controls -- but what's meant won't be known until President's Committee on Credit Policy submits its report to White House and it's released, expected momentarily. Whether this will recommend even tighter Regulation W, isn't known. FRB chairman Wm. McChesney Martin this week told Senate committee board has no present plans either to tighten or relax Regulation W.

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Possibly contributing a mite to slightly improved demand for TVs was news this week that House Ways & Means had voted to increase excise tax on TVs, radios, phonos, records and musical instruments from present 10% to 15%. It also proposes to raise tax on autos from 7% to 10%, but rejected hike on 10% tax on refrigerators.

This bill is still in writing stage, and RTMA officials and excise tax committee are trying to persuade committeemen tax may really kill off revenue source. Administration had originally asked for 25%. Senate Finance Committee must yet hold hearings, too. Aligned with industry against tax raise are labor unions.

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TV output for week ending May 11 went up slightly -- to 82,224 (7544 private label) from year's low of 66,077 week before (Vol. 7:19). Factory inventories also went up, totaling 505,848 at end of week as against 474,541 the preceding Friday. In radio, slight upturn was also reported -- 330,228 units vs. 298,149 week earlier. Radio inventory was 214,609, up from 187,305 of preceding week. Week's radio breakdown was as follows: home radios 159,282, auto 133,952, portables 36,994.

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Trade practice rules will be drawn up by Federal Trade Commission June 21 in Washington, in cooperation with RTMA, NARDA, National TV Dealers' Assn., and such dealers and distributors as engage in interstate commerce. Following industry conference, FTC will schedule general public hearing, probably in fall. We erred last week in stating that June 21 meeting was an RTMA-sponsored session.

**Topics & Trends of TV Trade:** Emerson TV prices go back up June 1, after only 30-day period of reductions ranging from \$15 to \$145 (Vol. 7:18). Dealers will be told new lists within week. Prices will be at or near what they were before May 1 reductions, according to president Ben Abrams, who noted that the reductions, originally planned to run about 60 days, "accomplished our objective of reducing dealer and distributor inventories."

"Since our production costs have increased due to our curtailed operations," said Mr. Abrams, "it is necessary that our TV line be repriced upward." He disclosed Emerson is cutting back production from 1500 to 1000 TVs per day, from 3500 to 2500 radios per day, forced not only by reduced demand but by materials restrictions, defense orders, etc. This means cutback of 60% from peak fourth quarter 1950, he said.

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Monarch-Saphin got plenty of publicity—even newsreels and telecasts—on its big "auction" of TVs in New York's Capitol Hotel May 14-17. Fears that it would be dumping proposition were dissipated after first 2 days of sales, when it became apparent sets were going at 30-40% below list, which is about what consumer could get anyway if he shopped around. *New York Journal of Commerce* May 16 called it "just another sales gimmick"—and there are plenty being tried by overloaded dealers, including one in Chicago offering a 7, 10 or 12½-in. traded-in TV, a radio or even a small washing machine for one cent with every purchase of a new TV.

Monarch-Saphin auction drew 5000 first day, 8000 second, enjoyed brisk sales. Many attending at first were representatives of manufacturers and distributors. There were dealer complaints at first, then these faded when it became apparent auction was more in nature of promotion than true distress sale. Company reported it sold 7000 sets during 4-day auction.

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Oscillator radiation problem (Vol. 6:37, 7:4) appears well in hand, with most, if not all, TV manufacturers prepared to report meeting RTMA's recommendations—50 uv/m at 100 ft. for Channels 2-6 and 150 uv/m for Channels 7-13—by July 1. Of course, many sets which don't meet standards are now in inventories, will appear on market for many months. FCC's attitude remains: "So far, so good. Let's see how much more you can reduce it."

Standard Coil's uhf strips, for existing tuners, will be unveiled June 7 at press showing in Bridgeport. Biggest tuner maker, Standard says it has built tuners contained in 40% of all sets made, has supplied over 60 set makers. Company contends existing receivers containing its tuner "can be properly adjusted in a matter of minutes, and at little expense to the owner."

IBEW-AFL has dropped idea of urging freeze-lifting now in non-contested areas, deciding it's too complicated for union to get involved with, according to Washington spokesman. It has had conferences with Federal Reserve Board and NPA on credit and steel, respectively, and will urge Congress not to increase excise to 15%. Said spokesman: "Things are bad enough. Looks like they want to kill the business." Union has 500,000 members, possibly 125,000 in TV-radio plants, including Admiral, Crosley, RCA, Sylvania, Westinghouse.

Materials exchange program has been launched by West Coast Electronic Manufacturers Assn. Group issues "have and want" list, monthly tabulation of materials on hand and items wanted. O. B. Sundberg, exchange committee chairman, says list is available to those who write to him on their business letterhead, at 395 Page Mill Road, Palo Alto, Cal.

Trade Miscellany: Chicago Furniture Show, June 18-28, will see very few new TV models—possibly a mockup here and there, but none of the usual extensive lines of new production models . . . Philco plans no convention this summer, leaving get-togethers to distributor-dealer Bermuda cruises . . . RCA has officially stated no new models before Aug. 1 (Vol. 7:18) . . . Westinghouse and Sylvania say new sets will be ready in July . . . Arvin schedules dealer convention for July 29-Aug. 1, promising new TVs and radios . . . Hallicrafters says new TVs, if any, sometime in fall . . . Air King, which as Hytron subsidiary is soon to come under CBS ownership (see Financial & Trade Notes), is out seeking to line up distributors, telling prospects that if color decision goes CBS way it will have color sets quickly, otherwise it will have plenty of monochrome . . . TVs accounted for less than \$7,500,000 of Sylvania's record first quarter sales of more than \$60,000,000 (Vol. 7:17), according to president Don G. Mitchell, who said he looks for TV trade upturn around Aug. 1-15, reported very low inventory of receivers . . . Raytheon president Charles Francis Adams regards current slump as "purely seasonal" but admits it caused Belmont subsidiary to go into red in April.

Plant Expansions: Collins Radio will erect \$1,000,000 manufacturing-assembly plant in Dallas-Fort Worth area, including personnel training school and main building covering 60,000 sq. ft., eventually employing 6000 . . . Aerovox Corp. has acquired Wilkor Products Inc., Cleveland (precision resistors), whose 35,000 sq. ft. plant and staff under former owner W. M. Kohring will be continued; Aerovox' other subsidiaries are Aerovox Canada Ltd., Hamilton, Ont.; Electrical Reactance Corp., Olean, N. Y.

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RCA's community antenna installation in Pottsville, Pa., operated by distributor Martin Malarkey (Trans-Video Corp.) and now feeding 275 homes, will be shown off to press May 22. Philco and Jerrold have broken up arrangement whereby former distributed community equipment built by latter (Vol. 7:2, 7, 11).

Automatic-focusing CR tube was announced May 15 by DuMont. Said to eliminate need for focus coil, focus control or other focusing mechanisms, new tube has no external focusing attachments. DuMont says secret of materials-saving tube is new type electron gun. Pilot production is now under way, and DuMont plans to put out complete line of self-focusing tubes.

New cathode permitting manufacture of tubes with higher current and longer life reported by Philips Laboratories. Developed in Holland, "L" cathode is being offered to tube manufacturers, is claimed to be first new basic cathode in over 25 years.

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Sales of retail radio and appliance dealers totaled \$259,000,000 in March. Census Bureau estimates in its *March Trends in the Electrical Goods Trade*, a decline of \$28,000,000 from February, but \$1,000,000 more than March 1950.

TV shipments to dealers during first quarter totaled 1,814,767, according to RTMA. March shipments were 595,042, compared with February's 619,122. Breakdown of shipments, by counties, is available on request from RTMA, 1317 F St. NW, Washington 4, D. C.

Sun Oil has installed TV sets in 8 tankers plying Gulf and east coast waters. Sets are 12½-in. RCA models equipped with boosters, rotating antennas, etc.

Avco about to sell its 48.6% stock in ACF-Brill Motors to group headed by Allen & Co., in line with policy of switching from holding to an operating company.



**Mobilization Notes:** Edmund T. Morris Jr., on leave from Westinghouse to be chairman of high-level defense Electronics Production Board, is widely mentioned as next director of NPA Electronics Div., succeeding John G. Daley, who leaves May 21.

So far as we can find out—even from Morris himself—appointment hasn't been made yet, but no other names have been mentioned in connection with post. Presumably, if Morris is named, he will also continue to head Electronics Production Board, which comes under DPA. His knowledge of broadcasting field, as well as electronics production, should be valuable to Electronics Div., which is short on personnel familiar with broadcasting industry.

Daley, retired general plant manager of New England Telephone & Telegraph Co., will return to retirement in Boston, after having served as division chief 6 months.

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Three firms were issued certificates of necessity during week ended May 11 for rapid tax amortization on expansion of electronic production facilities to cost \$3,991,510, DPA announced—out of total of 106 certificates granted to all industries during period, covering expansion valued at \$183,189,208. Hytron was granted certificate for expansion of electronic tube production facilities at Danvers, Mass., to cost \$3,333,000, with rapid tax write-off on 75% of that amount. Others were: Sylvania, Warren, Pa., parts of electron tubes, \$427,533 at 80% (Sylvania's 11th certificate); Wickes Engineering & Construction Co., Camden, N. J., electronic equipment, \$230,977 at 75%.

Mobilization Guide for Small Business, issued May 17 by Defense Production Administration, contains such information as: how to be placed on govt. bid lists, methods of financing plant construction, how to appeal for "hardship relief" from controls and regulations, how to get help in obtaining needed machinery and operating supplies. It's available at Commerce Dept. field offices and from Defense Production Administration, Washington 25, D. C.

Regulation W, not shortages, was chief complaint of Radio, TV & Household Appliance Wholesale Advisory Committee when it met May 17 with NPA. Govt. production officials pointed out that credit controls aren't within their jurisdiction, but they were gratified to learn that wholesalers' stocks are "adequate". Some spot shortages were reported, in some areas, including certain types of TV and radio tubes. (For list of committee members, see Vol. 6:51.)

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Cadmium order M-19 will be relaxed, at least temporarily, because sufficient supplies are now on hand to allow wider use of the metal. So NPA told leaders of cadmium industry May 15. NPA now permits use of cadmium for plating TV chassis, but not for radio chassis. It's believed that many of the restrictions on cadmium plating—probably including ban on its use in radio—may be lifted.

Polyethylene, used in insulation and plastic products, will be placed under allocation July 1 by NPA (schedule 5 to Order M-45), because demand exceeds supply. Purchasers of polyethylene will be required to certify on their orders to their suppliers the end-use of the material ordered, but only the 2 polyethylene manufacturers will have to fill out forms.

Is MRO regulation being obeyed? NPA launched series of spot checks on May 14 in 800 different industries to see if it is. Federal Trade Commission examiners will look into: (a) use of DO-97 ratings to obtain maintenance, repair and operating supplies, (b) MRO quotas, (c) acceptance and treatment of DO-97 and other rated orders, (d) impact of MRO program on defense program, (e) observance of record-keeping requirements.

Eighty percent of TV cost goes into receivers and servicing, only 20% into production of shows, Paramount Pictures' Paul Raibourn told joint American Television Society-Sales Executive Club New York meeting May 15. He noted that "such a ratio belongs to the sillier side of our economic organization," and has produced "strange results, such as a network [CBS] going into the manufacturing business and another [obviously ABC] apparently undecided which way to go but surveying them all." When ratio changes, Raibourn said, "you will find many new people producing programs, including the motion picture companies." Raibourn estimated average set owner spends \$100 a year for TV set, servicing, obsolescence, incidentals and programs—cost of electricity alone running about \$15 a year. That's about half of what average family spent on movies in their palmiest days, he said.

Supply and demand of FM sets remains controversial as ever (Vol. 7:11), as broadcasters, manufacturers and dealers come up with surveys showing different results. NARTB reported returns from 123 distributors in 41 cities, 18 states, show half of them indicating demand for FM-AM table models exceeds supply. NARDA queried 1000 dealers, got returns from about 100. Of these, 78% said their stocks of FM-AM table models are adequate; 59% reported FM-only stocks sufficient. RTMA is still compiling its returns, but spokesmen indicate FM demand is far nearer being met than NARTB study shows. Another broadcaster-manufacturer conference is expected.

Theater-TV will have paying audience of 200,000 by end of year. That's estimate of Nathan L. Halpern, Fabian and TOA television consultant, in talk to Georgia Theatre Owners Assn. in Atlanta this week. He based estimate on fact that more than 100 theatres in 50 cities will have installations by then, their seating capacity 200,000. He presumably also referred to recent RCA announcement of orders from dozen theatre exhibitors for more than 50 installations at cost of \$750,000-\$1,000,000.

Hollywood talent and technical unions are working on repayment formula in cases where motion pictures are rented to TV, following acceptance of principle week ago by Independent Motion Picture Producers Assn. in negotiation with Screen Writers Guild. SWG was spurred to this action, even threatening to strike, by musicians' recent 5% royalty deal with producer Robert L. Lippert (Vol. 7:17). So far, talk is that performers and technicians should get anywhere from 5-15% of TV income.

Industry delegates to international radio technical sessions in Geneva June 4-July 6: Haraden Pratt, American Cable & Radio; Edwin W. Bemis, AT&T; C. C. Taylor, Bell Labs; J. B. Coleman, J. H. Delinger, C. G. Mayer, Wayne Mason, all RCA; Neal McNaughten, NARTB; Donald Fink, *Electronics*. U. S. group is headed by H. B. Otterman, State Dept., Govt. members: Florence Trail, State Dept.; E. W. Allen, George Turner, W. F. Minners, all FCC; Newbern Smith, D. K. Bailey, W. Q. Crichlow, W. D. George, all Bureau of Standards; W. B. Burgess, Naval Research; Maj. E. J. Holliman, Signal Corps.

**Trade Personals:** D. W. Gunn named equipment sales mgr., Wm. T. Buschmann merchandising coordinator, G. V. Bureau govt. sales mgr., Raymond W. Andrews, factory sales mgr., Sylvania Radio & TV Tube Div. . . . Carl Wasmansdorff promoted to director of engineering, Hoffman Radio . . . Edward A. Freed, ex-RCA tube dept., named sales mgr. for products of General Instrument Corp.'s Elizabeth (N. J.) plant; Lee Ballengee transferred from Elizabeth to Chicago sales office . . . Frank Folsom, RCA president, a leading Catholic layman, chosen by Temple U to make presentation of honorary degree to Eddie Cantor at June 14 commencement.

**Telecasting Notes:** Despite prospective hookup of West Coast TV stations into the national networks via new trans-continental link due for completion by end of year (see p. 1), despite current NBC negotiations to buy 40-acre tract from Warner Bros. in Burbank for new TV-radio center, despite elaborate plans of CBS to build similar TV center on site of Gilmore Stadium, May 19 *Billboard* sees only "sad TV future" for Hollywood (1) because of sparse TV studio facilities, and (2) because supporting vaudeville talent is centered in East and it's very necessary to variety shows. Some big name stars may prefer to live in Hollywood, but other talent needs "vaude or nitery bookings", says *Billboard*. Show business periodical completely overlooks intercity switchovers, which will be possible no less in TV than in radio, once links are in . . . "Television City" sites recommended by Mayor's committee in New York, 16 in Manhattan, 2 in Nassau County, ranging in size from 57 to 401 acres, reported by *New York Times* to have been received with indifference "because several of the major networks have already made commitments for studio space in Manhattan while others are waiting to ascertain the strength of a developing move [to] Hollywood" . . . WOR-TV reports its new 2-story building at Broadway & 67th St., covering nearly whole square block, will be ready by Jan. 1, 1952, and will be called "Television Square" . . . First radio station to convert exclusively to 45 rpm records is WFIL, Philadelphia, which announces it has acquired library of 5000 selections, converted dual-speed turntables with RCA Victor conversion kit, will go on all-45 rpm standard May 21 . . . British and French film producers will turn out 15 & 30-min. films for TV from American scripts, which DuMont will telecast in U. S. and movie exhibitors will show abroad, under deal concluded by DuMont's Comr. Loewi during European trip just concluded; he says this "assures a reasonable cost to both users" . . . DuMont bid for Texaco's Milton Berle show for 1951-52 season went by boards this week when sponsor renewed with NBC-TV for same Tue. 8-9 period; show vacations for 13 weeks after June 12. Berle's 30-year artist contract with NBC isn't effective until fall of 1952 . . . DX contest conducted by WBKB, Chicago (Channel 4), with auto as prize, was won by Wm. J. Tong, Inlay City, Mich., 246 miles away; he phoned at 5:30 a.m., May 13, to describe plainly the show then being carried—contest having been run from midnight to 9:30 a.m. . . . Chicago Tribune's WGN-TV reported signing extension of DuMont affiliation contract for 2 years from June; United Paramount's WBKB contract with CBS due for renewal in October . . . KECA-TV, Los Angeles, May 15 raised base hour rate from \$900 to \$1200, one-min. from \$150 to \$220.

Urgent need for program code of own—standards that are industry-formulated rather than laid down by Govt. or others—is stressed in letter to all stations from NARTB-TV program committee (Vol. 7:16) resulting from May 17 New York meeting. All-station conference was called June 22 in Hotel Statler, Washington, stations being asked to submit their May 6-12 program logs for study and recommendations. It's obvious problem isn't merely "V necklines" but "program balance," e.g., commercial vs. sustaining time, live vs. film, local vs. network, etc. Committee's chairman is Robert D. Swezey, WDSU-TV, New Orleans. Other members: Clair McCollough, WGAL-TV & WDEL-TV; Frank M. Russell, NBC; Chris Whiting, DuMont; George B. Storer, Fort Industry Co.

Should educational TV programs be sponsored? According to survey of 694 educators by U of Cincinnati under Crosley grant, 58% favor "restricted" sponsorships, 10% favor unlimited sponsorships, 26% say TV stations should bear full costs. Suggested "restricted" sponsors: books, insurance, TV sets, autos, food, sports equipment.

**N**EEDE the networks—and take all steps necessary to preclude further weakening of radio rate structure, especially national spot. That seems to be way Affiliates Committee's functions shaped up following May 15-16 New York meetings of 7 of the 13 members named in Chicago last month after CBS first announced network radio rate reductions (Vol. 7:16-17).

Even while affiliate group was meeting, ABC May 17 made known its competitive rate cut—15% less for all time periods from 1 to 10:30 p.m., effective July 1. In effect, this is an undercut, for CBS and NBC rate reductions are 10% on day time, 15% night (Vol. 7:15, 18). It's foregone certainty new MBS rates will shortly be quoted, too.

Affiliates Committee reported 200 stations backing its work, \$13,000 in treasury, 146 more stations pledging support during meetings. It addressed missives to network presidents bluntly declaring there is "widespread feeling . . . some major radio networks no longer have a vital interest in AM radio" and demanding they "state clearly and unequivocally the position of your company with respect to your continuing interest and complete support of the radio medium."

To Assn. of National Advertisers and all ANA members, letters were sent averring radio is still good buy and observing: "We think we have been negligent in not raising rates through the years . . . Overzealous, competitive, upward bidding for name talent, both by advertisers and networks, initially caused the dike to break." Committee agreed BAB should do research on radio, rather than special project—though NBC and its affiliates committee have set up special research study on economics of network radio, to cover rates, discounts, sales policies, station compensation, etc. (For list of committeemen, see below.)

NBC has notified affiliates it's eliminating sustainings 8:15-10 a.m., 6:15-6:45 p.m., which weren't being carried generally anyhow since times were good local and spot availabilities. Reduction of sustainers is expected to be general, along with curtailment of AM staffs and other economies designed to meet reduced revenues.

Key men in FCC's new Broadcast Bureau, the division chiefs, (Vol. 7:18) haven't been named or even hinted by chief Curtis Plummer or commissioners, but corridor gossip has jobs filled and vacated daily. Here are predominant guesses, for what they're worth: *Asst. Chief*, Harry Plotkin (50-50 chance); *TV Facilities*, Cyril Braum, TV engineering chief; *Aural Facilities*, James Barr, AM-FM engineering chief; *Renewal & Transfer*, Walter Emery, chief, renewals & revocation branch of law bureau, or LeRoy Schaaft, chief of broadcast accounting; *Hearing*, Dwight Doty, AM legal chief, or Joseph Kittner, assistant to general counsel; *Rules & Standards*, Paul Dobin, legal assistant to Comr. Jones, or Kittner. For chief engineer, replacing Plummer, talk has narrowed down to: Edward Allen, now chief, Technical Information Div.; Albert McIntosh, now chief, Frequency Allocation & Treaty Div.; C. W. Loeber, who has been on loan to State Dept. as telecommunications attache in Geneva.

Members of joint stations-NBC committee to study the economics of radio network operations are: Jack Harris, KPRC & KPRC-TV, Houston; C. Robert Thompson, WBEN & WBEN-TV, Buffalo; Harold Essex, WSJS, Winston-Salem; Harry Bannister, WWJ & WWJ-TV, Detroit; George Whitney, KFI & KFI-TV, Los Angeles. Representing NBC are Charles R. Denny, executive v.p.; Carleton D. Smith, stations relations v.p.; Hugh M. Beville, plans & research director; Henry T. Sjogren, controller; Norman Cash, radio station relations director; David Adams, asst. to Denny.



Addenda to

DIGESTS OF COMMENTS ON PROPOSED TV ALLOCATION PLAN

Hearing Scheduled before FCC Starting July 9, 1951; Docket No. 8736

Note: Digests of comments listed below are in addition to those published in Supplement No. 72, May 12, 1951.

Specific and General Comments

(For list of educational institutions, municipalities and civic organizations favoring plan in general terms, see other side.)

alaban & Katz Corp., Chicago, Ill. (WBKB) -- Favors FCC proposal to shift WBKB from Channel 4 to 2. (Hogan & Hartson).

iversal Broadcasting Co., Indianapolis, Ind. (WISH) -- Requests reclassification of Channel 13 to commercial use. (Segal, Smith & Hennessey).

entre College of Kentucky, Danville, Ky. -- Requests assignment of flexibility channels to Danville in lieu of 35 for education.

. of Kentucky, Lexington, Ky. -- Requests reclassification of Channel 27 or 31 to educational use or assignment of flexibility channel to Lexington for educational use. (Krieger & Jorgenson)

. of Missouri, Columbia, Mo. -- Requests educational stations be permitted to commercialize up to 50% of broadcast day. (Fisher, Wayland, Duvall & Southmayd).

ew Jersey Audio Visual Educational Assn., Jersey City, N. J. -- Request at least four non-commercial channels for education.

tate Dept. of Education, Trenton, N.J. -- Requests assignment of flexibility channels to non-commercial use in communities where there are no educational channels reserved. Alternatively requests reclassification for educational use of Channels 37 in Paterson, 44 in Trenton, 46 in Atlantic City, 47 in New Brunswick.

rotestant Radio Commission, New York, N.Y. -- Requests that uhf flexibility channels be made available to educational institutions. (Frank S. Ketcham).

ob Jones U., Greenville, S. C. (WMUU) -- Urges permission to operate educational stations on non-profit basis. (Frank Stollenwerck).

ed River Valley Publishing Co., Sherman, Tex. -- Requests assignment of Channels 10 & 17 to Sherman-Denison affecting Forth Worth, Denton, Weatherford, Waxahachie & Hillsboro, Tex.

tah State Agricultural College, Logan, Utah -- Requests assignment of uhf flexibility channel to Logan. (Louis S. Madsen, president).

he Journal Co., Milwaukee, Wis. (WTMJ & WTMJ-TV) -- Favors FCC proposal to shift WTMJ-TV from Channel 3 to 4. (Hogan & Hartson).

Educational Institutions and Civic Organizations Favoring Reservation Plan

- ount St. Mary College, Los Angeles, Cal.
- anta Clara County Board of Education, Santa Clara, Cal.
- niversity of Miami, Coral Gables, Fla.
- arbondale Federation of Womens Clubs, Carbondale, Ill.
- orthwestern University, Evanston, Ill.
- tate Normal University, Normal, Ill.

Educational Institutions and Civic Organizations Favoring Reservation Plan (Cont'd)

Springfield Chamber of Commerce, Springfield, Ill.  
University of Illinois, Urbana, Ill.  
Evansville College, Evansville, Ind.  
Coe College, Cedar Rapids, Ia.  
Des Moines Register & Tribune, Des Moines, Ia. - (Harlan Miller).  
Iowa Wesleyan College, Mount Pleasant, Ia.  
Tulane University, New Orleans, La.  
Lowell Institute Cooperative Broadcasting Council, Boston, Mass. (Covington & Burling).  
Stephens College, Columbia, Mo.  
Evangelical Lutheran Synod of Missouri, St. Louis, Mo.  
St. Louis Archdiocesan Council of Catholic Men, St. Louis, Mo.  
St. Louis Council of Parent-Teachers Assns., St. Louis, Mo.  
Meredith College, Raleigh, N. C.  
Wilmington College, Wilmington, N. C.  
Cameron State Agricultural College, Lawton, Okla.  
Oklahoma City Public Schools & Board of Education, Oklahoma City, Okla.  
Geneva College, Beaver Falls, Pa.  
State Teachers College, California, Pa.  
State Teachers College, Edinboro, Pa.  
Thiel College, Greenville, Pa.  
St. Vincent College, Latrobe, Pa.  
Westminster College, New Wilmington, Pa.  
Carnegie Institute, Pittsburgh, Pa.  
Catholic School Board, Diocese of Pittsburgh, Pa.  
Pennsylvania College for Women, Pittsburgh, Pa.  
State Teachers College, Slippery Rock, Pa.  
Washington & Jefferson College, Washington, Pa.  
Waynesburg College, Waynesburg, Pa.  
Brown University, Providence, R. I.  
Sioux Falls College, Sioux Falls, S. D.  
Del Mar College, Corpus Christi, Tex.  
University of Vermont & the Agricultural College, Burlington, Vt.  
Washington State College, Pullman, Wash. (KWSC)  
King County School Directors Assn., Seattle, Wash.  
Seattle Board of American Association of University Women, Seattle, Wash.  
Washington Congress of Parents & Teachers, Seattle, Wash.  
Marshall College, Huntington, W. Va.  
Puerto Rico Dept. of Education, San Juan, P. R.

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Municipalities

City of North Little Rock, Ark.  
City of Miami, Fla.  
City of Boise, Ida.  
City of Baltimore, Md.  
City of Chattanooga, Tenn.  
City of San Angelo, Tex.  
Planning Board of San Antonio & Bexar County Inc., San Antonio, Tex.  
City of Portsmouth, Va.

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MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE  
OF THE  
VISUAL BROADCASTING  
ARTS AND INDUSTRY

# Television Digest

WITH AM FM REPORTS

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May 26, 1951

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**LULL BEFORE THE ALLOCATIONS STORM:** TV allocations situation merely simmered this week, as everyone busily prepared oppositions to comments (Supp. 72 & 72-A), awaited FCC action on petitions questioning legality of freeze-ending procedures.

Commission opinion on "legality" question should be forthcoming soon. So far, there's no indication FCC intends to depart from present plan -- namely, fixing channel allocations in rules, these to be changed only by formal rule-making proceedings (Vol. 7:20) -- method strongly opposed by some applicants.

Question of "partial" freeze-lifting also should be answered soon. Chances for uhf station grants appear remote. Possibilities of vhf power increases, vhf grants in Territories -- in near future -- are greater. Commission action on these doesn't necessarily await filing of oppositions to comments, due June 11.

City-by-city hearing, starting July 9, shapes up as drawnout affair. Many educators, as well as commercial station operators and aspirants, will be on hand, have notified FCC of intentions to appear as witnesses. En banc hearing certainly will run for months. With Harry Plotkin out of Broadcast Bureau (see p. 5), Commission counsel during hearing may be new chief of Rules & Standards Div., Paul Dobin.

Hearing on Sen. Benton's resolution (S. Res. 127), providing Congressional study of educational and commercial TV (Vol. 7:15,19,20), will be held May 31 by Senate Interstate & Foreign Commerce Committee. Sen. Benton will be only witness.

**MEANING OF ABC-PARAMOUNT MERGER:** From just about every angle, ABC-Paramount merger deal looks good for the people most concerned -- and, even more important, good for the radio-listening and TV-viewing public.

There's many a legal and political slip, but an appraisal of main factors involved would seem to indicate approval won't face very tough sledding in Washington in light of facts and circumstances. This is how we size up what deal means --

(1) TO THE TV AND RADIO AUDIENCE: New operational management promises stronger competition by reason of greater financial resources and possible new talent and program reservoirs.

It must be borne in mind, though, that United Paramount is a theatre-operating concern. It owns some 600 houses, but doesn't produce pictures. It's outgrowth of split of big Paramount producing-exhibiting combine forced by anti-trust consent decree, and came into being at end of 1949. Thus, merger doesn't necessarily mean more and newer movies for TV from Hollywood -- though these are sure to come as soon as there are enough TV stations.

\* \* \* \*

(2) TO ABC STAFF, AFFILIATES AND SPONSORS: This week's deal brings end to long period of rumors, uncertainties and suspense (Vol. 7:18-20), given credence by obviously declining fortunes of ABC and not much mitigated by equivocal statements of principals involved in frequently reported deals.

"Both the AM and the TV networks will be preserved," asserts United Paramount secretary-treasurer Robert W. O'Brien, who will become executive v.p. of the

Radio-TV Division of the new American Broadcasting-Paramount Theatres Inc. ABC's president Robert Kintner will be president of the division.

Real operational boss will be Mr. O'Brien, a former member of Securities & Exchange Commission. New program topkick will be Robert M. Weitman, with title of v.p.; he's also a UPT director, who as manager of New York Paramount Theatre is credited with developing such stars as Frank Sinatra, Danny Kaye, Red Skelton, Tony Martin, Perry Como, and starting off such famous bands as Glenn Miller, Tommy Dorsey, Eddie Duchin, Woody Herman, Stan Kenton.

Affiliate and sponsor relationships, badly shaken, will be first "repair" job to be undertaken by new management. Station relations, particularly, have been deteriorating in recent years -- so much so that one basic affiliate, doubtless reflecting general attitude, remarked on hearing news of the merger:

"Any change will be for the better, since things can't get any worse."

\* \* \* \*

(3) TO ABC STOCKHOLDERS: Deal involves outright exchange of stock, no cash, plus sale of UPT's Chicago station WBKB, on Channel 4, to CBS for \$6,000,000. In effect, ABC's 1,689,017 shares of outstanding stock (about 57% owned or controlled by chairman Edward J. Noble) is costing Paramount something less than \$25,000,000 in stock -- paid for at rate of one ABC share for \$7.50 in common stock of new company measured at \$19 per share plus \$7.20 in preferred stock measured at par (preferred dividend rate 5%).

Thus ABC stockholders get equivalent of \$14.70 per share. United Paramount in 1950 earned profit of \$12,141,667 (\$2,144,384 in capital gains) on gross of \$106,731,403, paid \$2 dividend, and has paid 50¢ first quarter dividend already this year. It has upwards of \$30,000,000 cash resources for investments, may as result of this deal buy fewer than limit of 650 theatres permitted under consent decree.

ABC purchase includes about \$3,500,000 surplus account, but also means taking over about \$5,500,000 indebtedness. ABC's earnings record has been poor in recent years (Vol. 7:13,20), and it has never paid a dividend.

\* \* \* \*

(4) TO THE TV-RADIO INDUSTRY AT LARGE: New blood, keener inter-network and inter-station competition, closer liaison between broadcast media and theatrical interests -- these can only be welcomed by all objective observers. Sometimes bitter competition between well-positioned NBC and shrewd CBS has far outstripped ABC since it was sold by NBC in 1943, under FCC "duopoly" pressure, for \$8,000,000.

Paramount purchase is recognition by movie industry (as by the newspapers, somewhat belatedly, vis-a-vis radio) of necessity of "keeping pace with the times." Each has much to offer other, particularly in showmanship and commercial and technical know-how. TV is manifestly the favored child of the new parents -- but we have absolute assurance from Mr. O'Brien that there's no intention of selling AM network and/or the 5 AM stations ABC owns in same cities as TV outlets.

It can be assumed new faces will be brought into ABC operations, besides Messrs. O'Brien and Weitman -- including very likely WBKB manager John H. Mitchell, whose Chicago operation is reputedly one of the most successful in TV.

In selling WBKB, new ABC owners keep Chicago's WENR-TV on Channel 7. This is same channel occupied by ABC's 4 other TV outlets -- in New York, Detroit, Los Angeles, San Francisco -- result of successful early tests and recommendations by able chief engineer Frank Marx. WENR-TV call letters will be changed to WBKB, and old WBKB doubtless will become WBBM-TV, companion to CBS's AM station WBBM.

\* \* \* \*

(5) TO THE MOVIE INDUSTRY: Decision of big United Paramount to "join 'em if you can't lick 'em" will inevitably impel others to do same, particularly local exhibitors who may now become just as eager-beaver applicants for new post-freeze TV outlets as are the large and small radio broadcasting interests already. Combination of local radio-movie forces for costly ventures into TV may become commonplace.

Of the 107 existing TV stations, only 2 besides WBKB are owned by theatre interests: WTVJ, Miami (Wometco chain) and WKTU, Utica (Kallett). Paramount Pictures



owns KTLA, Los Angeles, retained in consent-decree splitup, would like to have more but has been stymied by FCC procedures growing out of its ownership of DuMont stock.

There's no secret, also, that FCC influences tend to oppose producer ownership of TV stations, though Chairman Coy was quick to disclaim any antagonism to exhibitor ownership after recent criticisms of "anti-trust" opinion (Vol. 7:13-15).

In connection with ABC deal, in view of new parent company's acquisition of limit of 5 TV stations, 4 old local Paramount applications still on file will have to be dropped, namely, those of United Detroit Theatres Corp., New England Theatres Inc. of Boston, Tri-States chain in Des Moines, Gulf Theatres Inc. of Tampa (see TV Factbook No. 12). United Paramount is also half-owner, with big local dept. store Maison Blanche, of AM station WSMB, New Orleans, long an NBC affiliate.

\* \* \* \*

On top of the foregoing considerations, there's inescapable fact that willingness of CBS to pay whopping \$6,000,000 price for the Chicago outlet it so badly needs will have effect of skyrocketing values not only of existing stations but of those yet to be granted after the 3-year-old freeze is lifted.

Competition for post-freeze stations will become keener than ever -- it's a blue chip game now and those who once stayed out are now ruing their judgment.

FCC will probably require hearing on deal of such magnitude, biggest in all radio history. First, Paramount and ABC must take appropriate legal action -- board approvals, stockholder approvals -- and the complex legal and financial details must be arranged. This should take until July, by end of which formal applications should be ready to file with FCC. In view of importance, full FCC may hold hearing, rather than examiner, thus expediting decision by September or October.

Most likely objection would be against "bigness" -- but it's obvious that one of weaknesses of ABC, running poor third in both AM and TV, has been lack of risk capital -- and it takes big money to run TV and radio networks.

Somebody may object, too, that United Paramount will now lose interest in theatre TV, in which it has played leading role thus far -- with 5 of its theatres already equipped, 22 more installations on order. But UPT spokesman says there is no intention of abandoning theatre TV; quite the contrary, plans will go forward.

\* \* \* \*

Dominant personalities in deal, aside from ABC's Mr. Noble and director Robert Hinckley, who did the Washington spake-work (mainly contacts with FCC Chairman Coy), are United Paramount's 45-year-old president Leonard Goldenson and Mr. O'Brien. Both are lawyers. Mr. Goldenson's father owned theatres in Pennsylvania. He's a 1930 law graduate of Harvard, has been with Paramount since 1933, working his way up through the ranks. He has always taken "liberal" attitude toward TV competition, not denying it's effects but always planning to work into it somehow.

"Bob" O'Brien is described glowingly by former Washington colleagues as a brilliant, personable chap with fine record of administrative achievement. He's 46, a Montanan who rose from SEC ranks to commissionership, resigned in 1944 to join old Paramount combine as aide to president, played leading legal role in reorganization.

As a football star at Beloit College, he won this accolade from Knute Rockne after a game that didn't prove to be a setup for the Irish: "Best quarterback in the country." He was graduated from U of Chicago law school in 1933, having betimes worked as a miner in Butte, in a gold mill, on a newspaper, on a ranch, at teaching.

\* \* \* \*

In new corporate setup, 5 ABC directors go on new American Broadcasting-Paramount Theatres board of 18: Mr. Noble, holder of 901,667 shares of ABC stock, who becomes chairman of finance committee; Mr. Kintner, 7000 shares; Mr. Hinckley, no shares; v.p. Earl E. Anderson, 8500 shares; Owen D. Young, who holds title of honorary chairman, 5000 shares. Present ABC directors left out are: Mark Woods, 6500 shares, now vice chairman; C. Nicholas Priaulx, 1000 shares, v.p. & treasurer; Alger B. Chapman, attorney; Wm. Zeckendorf, realtor. Wood and Priaulx presumably will be retained in management.

United Paramount's 13 directors include Messrs. Goldenson, O'Brien and

Weitman plus: John A. Coleman, of Adler Coleman & Co., brokers; E. Chester Gersten, president, Public National Bank & Trust Co. of New York; Wm. T. Kilborn, president, Flannery Mfg. Co., Pittsburgh (railroad & automotive parts); Walter P. Marshall, president, Western Union; Robert B. Wilby, president, North Carolina Theatres Inc. and Alabama Theatres Inc., subsidiaries; John Balaban, president, Balaban & Katz, subsidiary; A.H. Blank, president, Tri-States Theatre Corp., subsidiary; Herbert Schwartz, president, City Stores Inc.; Charles T. Fisher Jr., president, National Bank of Detroit; Herbert L. Huffines Jr., president, Burlington Mills Corp.

**ARE COMMUNITY ANTENNAS A 'SLEEPER'?** Future of community antennas (Vol. 7:2,7,11) is provoking a lot of hot speculation -- both bullish and bearish -- but there's no denying fact such installations are today bringing TV to communities which would otherwise get little or no service.

This week, we traveled to Pottsville, Pa., 75 miles northwest of Philadelphia, took a close look at system installed by local Trans-Video Corp. and RCA Service Co. Trans-Video has sunk \$100,000 into it, plans more, doesn't at all feel it's out on limb on this basic question:

When freeze is over, new stations built, will customers drop service in favor of "free" TV?

\* \* \* \*

Here's the Pottsville setup: Trans-Video is local group headed by Martin F. Malarkey Jr., whose family owns music-appliance store, sells RCA and Stromberg-Carlson sets. It has 11 employes who have installed equipment purchased from RCA. Latter supervised installation, will service system, equipment being adaptation of RCA's apartment-hotel distribution system called Antenaplex.

Some 300 homes have been equipped, more being tied in daily. Enough cable has been strung to supply 1500 homes. Population is 24,500 (6700 families) and present target is 2000 installations. Ultimate plan is to make service available to every home within city itself.

Company estimates additional \$100,000 will cover whole city. Subscribers pay \$135 for installation, \$3.75 monthly. Rates were established almost arbitrarily, says Malarkey, but "we hit it right on the nose."

\* \* \* \*

Technically, system is simple. Fortunately, 1390-ft. Sharp Mt. is very close by. Signals from 100-ft. antenna are currently piped 2-3 miles, but can be boosted along another 2-3, maybe more. Amplifiers every 2000-2500 ft. kick signals along RG/11U main cable, signals going into homes via RG/59U. Wire is strung along electric and phone poles which are rented for \$1.50-per-year-per-pole. Some 1500 poles will supply 3000 homes.

Channel 6 signals from Philadelphia are converted to Channel 5, Channel 3 to 2 -- to reduce line-loss, minimize oscillator radiation problems. Channel 10 service, now being installed, will be converted to Channel 4. When uhf signals become available, they'll be converted to vhf, eliminating need for set converters.

Signal strength of Channels 6 and 3, at Sharp Mt., is about 1000-1500 uv/m; Channel 10 is about 400-500 uv/m.

Quality of picture is good -- comparable with average TV city pictures. In contrast, direct signals we saw in Necho Allen Hotel and a private home were poor. Channel 10 completely useless. Average city viewer, spoiled by decent reception, wouldn't watch them a minute. But Pottsville folk, like others in fringe areas, gaze at them for hours. These private signals are captured by considerable arrays, boosters, rotators, etc. -- costing up to \$500, averaging \$200.

\* \* \* \*

Future of service doesn't seem to worry young Malarkey, who really bubbles with enthusiasm and energy. Here's how he figures it:

Philadelphia isn't likely ever to throw really good signals into Pottsville. Town itself probably can't support TV station, though it has 2 AMs. In any event, he can't visualize support for more than one, which must be uhf. Nearest larger



town is Reading, 25-odd miles away, which may be able to handle 1 or 2 stations, also ticketed to be uhf-only.

This competition, Malarkey predicts, won't wean many away from trouble-free "piped" service. What's more, he says, expansion of service will permit reduction of rates, down to "nominal" sum of \$1.75 or less monthly.

"We're not out to make a million bucks," declares Malarkey. How about State or Federal regulation, setting rates, quality of service, etc.? "Fine," he says; actually, he appears to welcome regulation, feeling it will guarantee a profit, protect company from unreasonable demands for service.

System creates market for sets, naturally, but Malarkey says his store has made only about 25% of sales, other dealers in town quite happy with situation.

\* \* \* \*

Where do systems go from here? RCA is proceeding very conservatively, leaving it up to local distributors and entrepreneurs to take initiative, balancing "quick" service against threat of future "free" service from stations.

Many other ideas have been sparked by success of community antennas. For example, local AM station operator may consider TV station uneconomic, ask to feed community system with camera chain -- a super closed-circuit. Theatres are greatly interested, may seek special-event exclusives for their houses. Subscription service, a la Phonevision or Subscriber-Vision, may find an angle.

In big cities, single neighborhood antenna may provide everyone with best possible signal, eliminate forest of antennas.

\* \* \* \*

Of other companies in the field, Jerrold Electronics is most active. It reports that Maine's former governor Sumner Sewell heads \$500,000 company with 20 towns lined up; that Western TV Inc., Ogden, Utah (Dean Buchanan, president) is capitalized at \$250,000, intends to feed number of towns; that Perfect TV Inc., Harrisburg, Pa., plans 10,000-home hookup there; that following towns have systems under construction or about to begin: Tamaqua, Lock Haven, Harmarville and Coalsdale, Pa.; Corning (WCLI), Watertown and Dansville, N.Y.; Kingsport and Johnson City, Tenn.; Carmel and Monterey, Cal.

News of other towns, planning or building, keeps popping up: Portland, N.Y.; Frankfort, Ky.; Bethlehem, Pa.; Claremont, N.H.; Bath, Me.

Jerrold's first installation, Panther Valley TV Co.'s in Lansford, Pa. (Vol. 7:2) has run into competition, new outfit from Philadelphia reported to have moved in. Other companies reported entering community field are Industrial Television Inc., Television Equipment Co., probably more.

Outlook for materials, cable primarily, doesn't seem too bad. Systems don't come under NPA's Controlled Materials Plan, will have to scramble for what they need. But companies concerned say they're optimistic, feel they'll make out.

**COY REAPPOINTED, TOP STAFF NAMED:** Continued tenure for FCC chairman Wayne Coy, halt to speculation about new jobs awaiting him, seems assured in view of reappointment this week. President sent name to Senate, and key Senators have declared themselves for him -- though he may face some sharp questions during hearing before Interstate & Foreign Commerce Committee set for May 29. But he's virtually in.

"I'm all for his reappointment," said committee's powerful chairman, Sen. Johnson (D-Colo.), echoed by committee's ranking Democrat Sen. McFarland (D-Ariz.) who is also Senate majority leader and by Sen. Tobey (R-N.H.), ranking Republican.

Term is 7 years from June 30, but it's anybody's guess how long he will stay, what with presidential election next year, physical strain of job, etc. Main reasons for his desire to stay on right now, undoubtedly, are color and freeze-end.

He's hell-bent to put across CBS color system, to justify FCC decision. If Supreme Court upholds FCC, chances are he'll be able to muster majority behind quick order to require field-sequential colorcasts. And there's little question he'd like to see TV allocations finalized substantially as FCC proposes (Vol. 7:12).

Highest court's color decision could come May 28, June 4, even June 11, and

it's now virtually certain Court won't adjourn for summer before June 4 at earliest.

Coy suffered blow when colleagues, 5-2, turned thumbs down on his right-hand man Harry Plotkin for chief of new Broadcast Bureau and instead chose chief engineer Curtis Plummer. But longer Coy stays, better are chances that the controversial Mr. Plotkin's star will rise again. He now becomes asst. general counsel in office of general counsel Benedict Cottone, says he didn't want any Broadcast Bureau job.

Key division chiefs in Bureau were announced this week: Joseph Kittner, ex-asst. to Cottone, asst. chief; Cyril Braum, ex-TV engineering chief, head of TV Facilities Div.; James Barr, ex-AM-FM engineering chief, Aural Facilities (AM-FM); Paul Dobin, ex-asst. to Comr. Jones, Rules & Standards; Dwight Doty, ex-AM legal chief, Renewals & Transfers; Fred Ford, ex-trial atty., Hearings. Jobs pay \$10,000.

New chief engineer to replace Plummer hasn't been named, but it looks like C.W. (Walt) Loeber is the man. He's old-time FCC engineer, ex-chief of Common Carrier Div. radio branch, who recently was State Dept. telecommunications attache for Europe, stationed in Geneva. Still a possibility, however, is choice of Edward Allen, now chief of Technical Information Division.

**M**ORE LATIN American TV stations ordered and going up: Buenos Aires' and Argentina's first will be Channel 7 outlet, equipment ordered by Yankelevitch broadcasting interests from International Standard Electric (IT&T), with Federal Radio providing transmitter, Capehart-Farnsworth delivering initial quota of more than 10,000 receivers. International Standard Electric also is supplying Channel 5 job for Radio Televisao Paulista, Sao Paulo, Brazil, second in city, with Federal transmitter, DuMont mobile unit, cameras, studio equipment.

Matamoros, Mexico, just across Rio Grande from Brownsville, Tex., will get TV station this year if plans of Compania Mexicana de Television go through; sparked by W. B. Miller, ex-KEYL, San Antonio, company has CP for Channel 7, has ordered DuMont equipment. And when Emilio Azcarraga's new Televisocentro in Mexico City is ready for Sept. 18 inauguration (Vol. 7:16), XEW-TV on Channel 2 will go into fulltime operation (now carrying baseball only twice weekly); later he plans to operate XEQ-TV on Channel 9 as basic sports outlet, DuMont transmitter already delivered.

Havana report states Union Radio (Gaspar Pumarejo), whose CMUR-TV was first to be established there, has bond issue out for \$2,000,000 expansion embracing microwave-linked network of 6 more outlets in Pinar del Rio, La Habana, Matanzas, Las Villas, Camaguey, Oriente. Equipment order hasn't been announced yet. Goar Mestre's CMQ-TV is expected to announce similar expansion designed to cover island. Caribbean Television Co., Storer-financed, is reported to have abandoned plans for new station on Channel 7 in Havana (Vol. 7:9, 17).

Spain's Radiodiffusion Nacional has purchased complete TV installation from Philips of Eindhoven, to operate on 625 lines, 50 fields.

“Except for certain exceptional programs, the public does not like TV.” Statement is by 20th Century-Fox executive Darryl F. Zanuck in double-page ad in May 21 *Daily Variety*, of Hollywood, devoted mainly to subject of executive salary cuts by Skouras company. Zanuck goes on: “Up until now it [TV] has proven a poor substitute for motion pictures. Nevertheless, thousands upon thousands of American families have purchased their sets on the installment plan and while most of them have been disillusioned by the quality of the entertainment they have seen on TV screen, they are, nevertheless, committed to pay for the sets and they economize by elimination of certain other luxuries. We, unfortunately, bear the brunt of this onslaught.”

**R**EQUEST to set up Phonevision as regular, commercial TV service is due to go to FCC within few weeks, or as soon as U of Chicago National Opinion Research Council completes analysis of recently completed 90-day Zenith test with 300 Chicago families (Vol. 7:14). Also due in next few weeks is request from Skiatron Corp. for public test in New York for its coded-card “Subscriber-Vision” system of fee-TV (Vol. 7:11-12). Zenith's E. F. McDonald this week released preliminary analysis of Phonevision tests, showing:

(1) “Take” for 90 days was \$6750, or \$22.50 per family, or \$1.73 per family per week. (2) Average “attendance” first month was 2.1 movies per week per family, second month 1.5, third month 1.6. This is 3½ times greater than 0.47 times per week average family goes to movies, McDonald estimated. (3) Audience of individual pictures ranged from low of 8% to high of 60% (*Welcome Stranger*) of 300 test families. (4) Average of 4 out of 5 test families said they had not previously seen pictures in theatres, 9 out of 10 said they'd rather see movies in home.

Projecting estimates to 10,000,000 Phonevision-equipped TV sets, Comdr. McDonald came up with these potential earnings: Average net return per picture based on average attendance during test period, \$1,250,000. For 10 most popular pictures, this would be \$2,983,000; for 10 least popular, \$600,000.

Hopes of moviemen for substantial income from post-theatre-run feature films rented to TV were dashed considerably by producer Robert L. Lippert, who recently signed 5% royalty deal with AFM for use of his old films on TV (Vol. 7:17). There aren't enough TV stations using old features to make market exciting, Lippert declared on recent return to Hollywood from swing around country. He said he found only 16 out of present 107 stations using old feature films to any marked degree; remainder are all tied up with live shows, network feeds, kines.

Production charges for one-minute TV commercial begin with basic charges of \$500 per day—and that doesn't include performers' fees or studio's overhead and profit. According to survey by Chicago advertising agency Henri, Hurst & McDonald, here's how that figure breaks down: production crew, \$250; sets, \$100; film director, \$50; film stock, \$50; editing, \$50. In brief discussion, agency makes point that advertisers are willing to “spend \$500 for single good photograph without a qualm. Why expect to spend less for 1440 photographs, the number required for just a single minute film?”



## Network TV-Radio Billings

April 1951 and January-April 1951

**N**ETWORK TV time billings in April, totaling \$9,089,454 (not including non-reporting DuMont), went up only a few thousand dollars from the \$9,085,403 in March (Vol. 7:17)—NBC accounting for enough increase to offset dips by ABC and CBS. Most significant, NBC's network TV time billings of \$4,758,309 are now within about \$140,000 of its AM network time billings. April TV figures for the 3 reporting networks are more than 3½ times those of April 1950, brought cumulative for first 4 months of this year to \$34,198,545 vs. \$8,193,058 for same 1950 period.

On the AM side, all but MBS dropped somewhat below March (Vol. 7:17), aggregate network radio billings for April being \$15,921,908 vs. \$16,440,387 in March and \$15,908,806 in April 1950. Cumulative for January-April period was \$64,054,755, down more than \$1,000,000 from the \$65,217,563 for same 1950 period. The PIB figures:

NETWORK TELEVISION				
	April 1951	April 1950	Jan.-Apr. 1951	Jan.-Apr. 1950
NBC	\$ 4,758,309	\$ 1,147,698	\$17,548,954	\$ 4,343,280
CBS	2,913,956	873,343	11,109,362	2,696,799
ABC	1,417,189	372,022	5,540,229	1,152,979
<b>Total</b>	<b>\$ 9,089,454</b>	<b>\$ 2,393,063</b>	<b>\$34,198,545</b>	<b>\$ 8,193,058</b>
NETWORK RADIO				
	April 1951	April 1950	Jan.-Apr. 1951	Jan.-Apr. 1950
CBS	\$ 6,509,147	\$ 6,054,738	\$26,297,709	\$23,904,827
NBC	4,897,882	5,284,013	19,931,091	22,069,954
ABC	2,975,078	3,128,603	11,668,556	13,310,356
MBS	1,539,801	1,441,452	6,157,399	5,932,426
<b>Total</b>	<b>\$15,921,908</b>	<b>\$15,908,806</b>	<b>\$64,054,755</b>	<b>\$65,217,563</b>

**Personal Notes:** Edward S. Friendly Jr. named ABC-TV Eastern sales mgr., succeeding Slocum Chapin, promoted to TV stations v.p. . . . Charles T. Ayres appointed ABC radio sales v.p. . . . Harvey J. Richardson, ex-NBC and Standard Radio, named sales mgr. of new studio and recording services div., Capitol Records, Inc., Hollywood, set up for custom recording of AM, TV and other commercials . . . Howard G. Barnes, TV-radio v.p. of Dorland Inc., resigns to set up own film production service, 40 E. 49th St., N. Y. . . . Robert Foreman, BBDO v.p. in charge of TV radio copy, placed in charge of TV dept. . . . Nathan P. Colwell, ex-Treasury savings bond drive TV-radio chief, named TV-radio-film director, Office of Price Stabilization . . . William Binzen Jr., ex-Foote, Cone & Belding, named TV art director, Hewitt, Ogilvy, Benson & Mather . . . Howard Anderson named film director, WFAA-TV, Dallas. . . . Robert F. Jamieson, ex-DuMont, appointed mgr. of CBS-TV network sales service, Thomas P. Maguire handling radio—CBS sales service dept. having been split into 2 divisions . . . Guy Cunningham, ex-WEEI, Boston, named CBS sales presentation director . . . Dr. Roy K. Marshall, who conducted *The Nature of Things* on NBC-TV, has resigned from U of North Carolina faculty to become education director of WFIL & WFIL-TV, Philadelphia, succeeding Dr. Armand Hunter, who goes to Michigan State U . . . Richard W. Hubbell has closed down Hubbell Television Inc., is now transcription service director for Voice of America, also heading section to explore possibilities of TV in international field.

**Importance of women in sales and how to use TV to capture their attention, is subject of *Sure-Fire Sales Formula: Women Selling Women—Through TV*, brochure put out by Edward Petry & Co., station reps. Presentation lists 46 national advertisers using local women's TV, logs 3507 minutes of homemaking shows on New York's 7 stations week of Jan. 4, 1951.**

**Station Accounts:** Total of 5093 TV advertisers, of whom 233 were network and 1103 spot, remainder local-retail, are reported for March in April edition of *Rorabaugh Report*—increase of 7.4% over February, 79.2% over March 1950. *Rorabaugh Report* lists all the network and spot advertisers, as reported by 99 of the 107 existing stations . . . American Vitamin Associates Inc. (Thyvalas & Orvita), big buyer of baseball time in Chicago (Vol. 7:13), purchases 19 hours weekly on WLWT, Cincinnati, biggest TV package sale yet in area, thru Counsellor Adv. Agency, Los Angeles . . . Fort Pitt Brewing Co. sponsoring 7 Sat. Cleveland Indians games and Chevrolet, RCA, GE dealers dividing 9 Sun. games, piped to WJAC-TV, Johnstown . . . GE and local dealers sponsoring first telecasts of Salt Lake City Bees on KDYL-TV, thru Gillham Agency . . . Fred W. Amend Co. (Chuckles candy), sponsoring *Buster Crabbe Show* on WOR-TV, New York, Mon.-Wed.-Fri. 5-5:30, thru Henri, Hurst & McDonald, Chicago; Schneider Beverages sponsoring on Thu.; Chuckles sponsoring special 2-hour rodeo from Tarzan-movie star's Jersey ranch on WOR-TV May 30 . . . Toni Co. to use TV in new drive to promote its White Rain soapless shampoo . . . Detroit Edison Co. sponsoring *The Detroit Story* for 10 Sundays, 3:30-4, on WWJ-TV, each episode depicting 25-year period in city's history . . . Douglas Aircraft Co. buying 13 Sun. 11:30 a.m.-12:30 p.m. periods on KECA-TV, Los Angeles, for institutional programs stressing employment opportunities, thru Charles Stahl, Los Angeles . . . Fox Wisconsin Theatres buys weekly 5-min. newscast on WTMJ-TV, Milwaukee . . . Among other advertisers reported using or preparing to use TV: Pleasant Valley Wine Co. (Great Western champagne & wines), thru Charles L. Rumrill & Co. Inc., Rochester; Green Spot Inc. (orange beverage), thru Beaumont & Hohman, Los Angeles; Sweets Co. of America (Tootsie Rolls), thru Moselle & Eisen, N. Y.; E. J. Brach & Sons (candy), thru Arthur Meyerhoff & Co., Chicago (formerly handled by J. Walter Thompson Co.); Ethyl Corp. (anti-knock fluid), thru BBDO, N. Y. (WTMJ-TV); Club Aluminum Products Co. (aluminum & glass cookware), thru Leo Burnett Co., Chicago (WTMJ-TV); Berkline Corp. (Berk-Lock chairs), thru Hammer Co., Hartford; Page-Barker Distributors (British hair lotion), thru Howard J. Ryan & Son, Seattle.

**Network Accounts:** Ronson Art Metal Works Inc. (Ronson lighters), starting July 29, sponsors *Star of the Family* on CBS-TV, Sun. 6:30-7, thru Grey Adv., N. Y., taking time vacated by Nestle's *Mr. I. Magination*, which moves to Sat. morning sustaining; Peter Lind Hayes and Mary Healy take place of Morton Downey . . . Ralston Purina Co. (cereal) starting June 9, sponsors *Space Patrol* on film on 33 ABC-TV stations (27 interconnected, 6 spotted), Sat. 6-6:30, thru Gardner Adv., St. Louis; Ralston also sponsors *Your Pet Parade* on ABC-TV, Sun. 4:30-5 . . . Lehn & Fink (Lysol, Hinds) reported buying whole *Doodles Weaver Show*, which starts June 9 on NBC-TV, Sat. 10-10:30; last week Lehn & Fink bought 10-10:15 portion thru Lennen & Mitchell and McCann-Erickson, both N. Y. . . . Schlitz moving *Pulitzer Prize Playhouse* from ABC-TV Fri. 9-10 to same Fri. time on CBS-TV on weekly basis if Ford drops *Ford Theatre* at end of current run next month . . . Seiberling Rubber Co. (tires) reportedly will sponsor *The Amazing Mr. Malone* on ABC-TV, Mon. 8-8:30, thru Meldrum & Fewsmith Inc., Cleveland; no starting date set . . . Esso Standard Oil Co. replacing *Alan Young Show* on CBS-TV Thu. 9-9:30 during July and August with news series . . . Bymart Inc. (Tintair) moving *Sam Levenson Show* on CBS-TV from Sat. 7-7:30 to Tue. 9-9:30 starting in fall . . . Eversharp Inc. (writing & shaving instruments), starting May 5, bought 8:15-8:30 portion of *Jack Carter Show* on NBC-TV, Sat. 8-9, thru Biow.

**Financial & Trade Notes:** General Instrument Corp. sales for fiscal year ended Feb. 23, 1951 were highest in its history, totaling \$25,850,231 compared with \$13,634,582 the preceding year. Net income before taxes was \$2,639,099, after taxes \$1,229,099 (\$2.52 per share), compared with net loss after tax credits for preceding year of \$107,184 (22¢). Net working capital was \$4,578,923 at end of fiscal year, earned surplus \$3,048,935, inventories \$2,752,765. Notice of June 11 stockholders meeting discloses chairman Abraham Blumenkrantz's salary as \$54,000; Richard E. Laux, president-treas., \$48,000; Monte Cohen, director and president of subsidiary F. W. Sickles Co., \$36,000 plus \$12,000 bonus. Of 608,573 shares of common stock outstanding, Mr. Blumenkrantz's holdings were 12,000 shares, Mr. Laux 1600, Mr. Cohen 718.

DuMont earnings statement for first 12 weeks of 1951 ended March 25 reflects general sales up, profits down pattern. Sales for period were \$18,851,000, compared with \$15,113,000 same 1950 period. Net profit after taxes totaled \$1,022,000 (42¢ per common share on 2,361,054 outstanding), compared with \$1,967,000 (92¢ on 2,101,597 outstanding) same 1950 period. Increased costs, wages and taxes brought net down, Dr. DuMont said. Special meeting of stockholders has been called for June 29 for election of officers and 5 directors—Dr. DuMont, Bruce T. DuMont, Leonard F. Cramer, Thomas T. Goldsmith Jr., David Van Alstyne Jr. Proxy statement discloses top officers' 1950 salaries and stockholdings as follows: Dr. DuMont, president, \$51,500 salary plus \$312,839 bonus (holds 56,500 Class A, 2000 Class B shares); Mr. Cramer, v.p., \$35,438 & \$8461 (no stock); Dr. Goldsmith, \$21,130 & \$5228 (1900 Class A plus 1200 owned beneficially with Mrs. Goldsmith).

Hallcrafters reports profit of \$1,781,000 before Federal taxes for 6 months ended Feb. 28, compared with \$682,809 for same 1950 period and \$1,877,905 for fiscal year ended Aug. 31, 1950. Net profit after taxes for 6-month period amounted to \$677,000, equal to 81¢ per share on 825,000 shares outstanding vs. \$423,342, or 63¢ on 675,000 shares year before. Net sales for the 6 months were \$23,778,000, compared with \$10,982,000 for same period year ago. Backlog of military orders, president W. J. Halligan reported to stockholders, "is now approximately equivalent to our total sales for the fiscal year ended Aug. 31, 1950, which were \$28,513,000. We expect that about 70% of this will be completed during the balance of this calendar year."

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Television-Electronics Fund Inc. reports net assets at new quarterly high of \$12.97 per share, total net assets of \$6,480,209, as of April 30, up from \$12.74 (\$6,125,746) 3 months earlier (Vol. 7:13). Accent now is on companies concerned primarily with other aspects of electronics than TV, said president Chester D. Tripp, in report detailing portfolio of holdings (available on request from company's office, 135 S. LaSalle, Chicago).

Erie Resistor Corp. has registered with SEC for public sale 84,000 shares of its \$5 par common stock, of which proceeds from 19,593 shares will be used for working capital. Remaining 64,407 shares come from listed stockholders, including holdings of G. H. Fryling, one of firm's founders and father of president G. R. Fryling and v.p. W. H. Fryling.

Webster-Chicago's first quarter profits were \$234,907, or 52¢ a share, on sales of \$5,406,200 vs. \$306,177 (68¢) on \$3,708,808 same period last year.

Arvin Industries Inc. reports net income for first quarter of \$823,866, or 92¢ a share, against \$718,496 (80¢) same 1950 quarter.

Philco stockholders meeting last week, in addition to hearing report on record first quarter sales and earnings (Vol. 7:19), was told by president Wm. Balderston that defense orders are now running at annual rate of \$25-30,000,000 and should reach \$60,000,000 by year-end; that if govt. options on contracts are exercised by 1952 defense production could mount to \$100-150,000,000 on annual basis; that backlog of govt. orders is now \$100,000,000. There has been some cessation of buying of hard goods by dealers who had previously been over-buying, he said, but "our dealers are in much better shape than competitors" and "our inventory position from a competitive standpoint is good." All plant expansions, he said, fit into company's long-range civilian program. He also thought that 1951 will be "a pretty satisfactory year from the standpoint of our stockholders."

IT&T subsidiaries, notably Capehart-Farnsworth and Federal, have backlog of \$160,000,000 in orders, of which 85% are defense orders, Col. Sosthenes Behn told this week's stockholders meeting in Baltimore. He reported TV installation sold to Argentina, also 11,038 Capehart TV sets shipped to Cuba and Mexico, in citing growth of TV in Latin America. IT&T earnings were estimated at \$4,000,000 for first quarter 1951, or nearly double amount for same 1950 period.

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Westinghouse first quarter sales reached new high of \$290,407,895 vs. \$223,933,898 first quarter 1950, leading president Gwilym Price to tell stockholders meeting April 18 that company is aiming for higher than the \$1,019,923,051 billings achieved for all 1950. On other hand, *Wall Street Journal* said May 14 that "Westinghouse is not expected by brokers to be able to duplicate its 1950 net of \$5.36 a share this year." Net income for quarter was \$16,692,898, equal to \$1.05 a share on 15,376,674 shares outstanding March 1. In same quarter 1950, net income was \$11,890,377, or 87¢ a share on 13,144,519. Federal taxes for quarter were \$26,668,550 vs. \$7,860,533 same 1950 quarter. Mr. Price pointed out that higher Federal income taxes and the excess profits tax mean Westinghouse can now use only about 38¢ per dollar of profit to carry on business and pay dividends. First quarter results, however, indicate increased volume may enable company to approach 1950 earnings, he said. About 25% of company's business, 30% of backlog, consists of defense orders.

Reeves-Ely Laboratories reports net income of \$761,133, or \$1.02 per common share, on sales of \$14,402,454 in 1950, as against net income of \$731,419 (95¢) on \$10,078,439 in 1949.

Globe-Union Inc. reports net profit of \$535,719, or 80¢ per share on 670,000 common shares, on sales of 11,806,034 first quarter 1951. This compares with \$630,000 (86¢) on \$7,200,389 for same 1950 period.

American Phenolic Corp. first quarter sales were \$4,947,785, profit \$208,532, compared with \$2,765,366 sales and \$224,906 profit same period 1950. Federal taxes were \$345,000 as against \$155,000 same period last year.

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Dividends: Sylvania, 50¢ on common, \$1 on \$4 pfd., both payable July 7 to holders of record June 20; Philco, 40¢ payable June 12 to holders June 4, and quarterly 93¾¢ on pfd., payable July 1 to holders June 15; Bendix Aviation, 75¢ payable June 30 to holders June 9; Webster-Chicago, 25¢ payable June 18 to holders June 8; Sparks-Withington pfd., \$1.50 payable June 15 to holders June 5; Wells-Gardner, 15¢ payable June 15 to holders June 4; Stewart-Warner, 35¢ payable July 7 to holders June 15; Stromberg-Carlson, 50¢ quarterly on pfd., payable July 1 to holders June 9.



**SOME BULLISH ESTIMATES OF THE FUTURE:** Plenty of repair parts, good level of TV-radio production -- that's the encouraging forecast for mobilization period by 2 industry leaders with plenty of savvy about the Washington regulatory scene.

Essentiality of industry is now thoroughly recognized in Washington, RTMA chairman Robert Sprague (Sprague Electric Co.) and Parts Mobilization Committee chairman A.D. Plamondon (Indiana Steel Products Co.) emphasized in talks to parts distributors May 21 at Radio Parts & Electronics Equipment Show in Chicago's Stevens Hotel.

Priorities for replacement parts will be guaranteed by NPA under Controlled Materials Plan, both speakers agreed. Plamondon saw relatively high production of new sets during third quarter, but diminishing output toward end of year. Next year, he predicted, production should increase with expansion of material output.

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Electronics will be \$4.5 billion industry, in combined military and civilian production, by end of 1952, Sprague said -- equivalent to about \$3.25 billion in terms of civilian production. This would leave, after military production, an ample capacity for the continuing production of a large number of radio and TV sets and commercial electronic equipment and...replacement parts."

Military electronic production should reach peak annual \$2.5 billion rate in fall of 1952, then decline to \$1.5 billion rate, Sprague estimates. "Actually," said the RTMA chairman, "it probably will not absorb more than half of the industry's facilities, even at its peak."

Sprague is bullish about prospects for sales as well as production of TV-radio during coming years. He predicts sale of 5-6,000,000 TVs in 1951, with the annual growth of industry continuing in near-future years "at somewhere near the spectacular rate which has recently occurred." By the end of this year, he foresees total of 95,000,000 radios, 16,000,000 TVs in hands of public.

There's no real slump in TV sales, Sprague said -- adding, rather candidly, that manufacturers have overloaded dealers out of all proportion to seasonal patterns. He said his "guess, based on statistics" is that "sales of TV at the dealer level are at about the same rate as this time last year."

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Parts distributors' sales have paralleled TV boom, he said, increasing about 15% in 1950 over 1949, then zooming 75% in first quarter 1951. He told distributors they can look forward to constantly increasing business volume, because:

(1) TV sets have many more parts than radio, about 4 times as many tubes -- which means 1950's spectacular TV production increased replacement market to equivalent of 132,000,000 radios, a 50% jump in potential demand for tubes, resistors, capacitors and other components in one year.

(2) Setting up of 1,500,000 new families a year, plus desire for second and third sets by established families, should give parts market healthy boost.

(3) New TV areas will open new opportunities in parts business. Taking an optimistic view of rapidity with which new stations will be authorized and built, Sprague said: "It is estimated that we will have a nation-wide system of TV broadcasting in the not too distant future, with eventually about 2000 stations."

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Conservation miracles of the past were hailed by both Sprague and Plamondon, but they saw far greater tasks ahead, and Sprague cited these figures:

Tungsten, which looms as most critical material, is now being doled to manufacturers at rate of 30% of amount used during first-half 1950 base period. But shortage hasn't been felt yet by tube industry, with plenty of the metal still in

pipelines. U.S. is producing tungsten at rate of 4,500,000 lbs. a year, using it at rate of 13,000,000, with foreign sources dried up for time being.

Nickel, used by tube industry at rate of 283,000 lbs. a month in 1950, is being handed out on scale of 200,000 lbs. in May, 180,000 lbs. in June.

Cobalt is allocated to TV-radio industry at rate of 30,000 lbs. monthly, compared to 125,000 lbs. a month during base period.

Individual appeals to NPA, Sprague said, have been responsible for much more electronic production than most people in the industry realize. He advised all manufacturers with genuine hardship cases to file appeals. NPA comes through, he said, wherever manufacturer has plenty of facts to back his case.

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Third May week's output (week ending May 18) was 93,681 TVs (7399 private brand), well up from second week's 82,224 and first week's 66,077 (Vol. 7:19-20). Factory inventories jumped again, however, totaling 562,138 as of May 18 vs. 505,842 preceding week. RTMA also issued revised April output figure, showing 469,157 TVs, bringing total for first 4 months of this year to 2,668,826 -- and indicating figure for first 5 months will be somewhat less than 3,000,000.

Radios jumped during week ending May 18, totaling 387,163 (214,110 private label), as compared with 330,228 and 298,149 the 2 preceding weeks. Factory inventories of radios were 281,432 units. April revised radio output figure was given as 1,337,042, making total for first 4 months 5,680,642. Breakdown of radio output week ending May 18: home radios 163,150; auto 182,923, portables 41,090.

**Topics & Trends of TV Trade:** Rash of auction sales, following example of Monarch Saphin's much publicized event in New York (Vol. 7:20), has manufacturers-wholesalers working hard to keep gimmick from spreading, on grounds that it's basically bad for business. They succeeded in getting 2 called off in Baltimore, but were unsuccessful in 3 other instances: In Brooklyn, Mayfair Outfitting Co., Queens County cooperative, May 24 started \$2,500,000 sale amidst heckling from trade representatives. By second day business was so poor, company attorney Gerard L. Nierenberg admitted Mayfair was suffering "tremendous losses." In Boston, International Sales Co. put on \$150,000 sale. In Akron, effort to auction \$100,000 worth of TV sets reportedly flopped.

Other auctions scheduled are Philadelphia, June 4-7, by Richards Auction Co., claiming 4000 TV sets for sale; Keyport, N. J., May 30, by "Two Guys from Harrison," \$500,000 worth of TV and appliances; Bronx, N. Y., May 28, by Lippin Appliance Co.

In New York, the Metropolitan Appliance Radio & TV Assn. filed formal complaint with license commissioner that Monarch Saphin auctioneers misrepresented dealers' costs. At May 24 hearing, Albert Saphin refused to tell how much he paid for his merchandise, although he admitted he "broke even" on \$170 price for 17-in. Admiral table model which lists for \$279.95 to public, \$218.06 to dealer. Hearing was adjourned to June 6.

Saphin had fought back with newspaper ads May 21 which stated: "Since the start of this sale, all Monarch Saphin stores have been enjoying a tremendous spurt in business. On June 1, I'm starting to enlarge my New York store . . ."

Saphin blamed Regulation W and higher set prices for heavy inventory, put out press statement saying that before Regulation W he sold 80% of his sets on time, now only 10%.

One of bitterest complainants against Monarch Saphin auction was Philadelphia dealer and NARDA president Mort Farr, who called it "ugliest example of economic cowardice ever to deface our industry . . . It has depreciated TV stocks all over the country."

Seven column ad in May 25 *New York Times* and

*Herald Tribune* by RCA distributor Bruno-New York was headlined "Caveat Emptor" (Let the Buyer Beware), made these points about "influx of alleged auctions": (1) Will you receive the merchandise in a factory sealed carton? (2) Are you buying from a reliable company? (3) Does it have the manufacturer's serial number? (4) If you purchase a service contract, does the auctioneer assume the responsibility of your receiving service? (5) How can you check on the value of the merchandise offered? Ad has bottom line slogan: "Make Your Dollars Count . . . Get All You Pay For!"

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Supreme Court's May 21 decision against fair-trading, indicating manufacturer must have signed contract with all his dealers to protect fair trade prices in 45 States which allow practice, apparently has knocked such pricing arrangements of TV-radio manufacturers out the window. Although mainly honored in the breach, especially during such "overload" periods as now, some manufacturers (notably DuMont and Magnavox) did maintain some semblance of national price standards under fair trade laws and threats of discontinuing franchises.

Those who want fair trade structures maintained are hoping Congress will pass new legislation plugging loopholes found by highest court. In TV-radio trade, it's said to be impossibility to get every dealer to sign pricing contracts—too many non-franchised dealers would get branded, fair-traded merchandise through trans-shipments, etc. Actually, TV-radio isn't as hard hit as liquor, drug, cosmetics industries, etc.

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What's next in tube sizes? Corning Glass thinks it's 27-in. (diagonal), all-glass of course, and has rectangular model under development but not yet completed or ready to offer to customers. It's same as early model shown at March IRE convention. Corning claims stepup to 27-in. is logical follow-up to 20 & 21-in., improves on 24-in. rounds (offered only by GE and Stromberg-Carlson) because there is no wasted space due to truncated circular tube face. Corning has no plans as yet for still larger sizes, such as tube competitive with DuMont's 30-in. metal-coned round.



REGULATION W took lambasting before Senate Banking Committee this week from ex-Senate majority leader Scott Lucas, of Illinois, representing American Finance Conference, group of automobile manufacturers, and from CIO secretary-treasurer James B. Carey, who is also president of IUE. Robert C. Tait, Stromberg-Carlson president, will appear before House Banking & Currency Committee May 29 on behalf of RTMA to testify on effects of Regulation W on TV sales; and before Senate Banking Committee on June 5 on same subject.

Lucas said Congress never intended it to be applied so forcefully. Carey asked for 90-day relaxation of Regulation W to permit TV-radio inventories to be cleared out, said 30,000 workers are unemployed because of slump in sales caused by tightened credit controls. Carey thought Federal Reserve Board should permit trade-ins to be applied to down payments—same tack taken by RTMA, whose formal plea to FRB was rejected (Vol. 7:19). He also charged military with stockpiling critical materials which won't be used for long time, alleged "paper organizations" are being set up to get electronics contracts while established TV-radio firms are being by-passed.

More flexibility in application of Regulation W was proposed by Indiana U marketing professor Albert Haring this week to National Consumer Credit Conference at Lehigh U, Bethlehem, Pa. He suggested several alternatives ranging from heavy down payment and long period to pay to no down payment and short repayment period, leaving choice to customer. Opposing relaxation of credit was Philadelphia Federal Reserve Bank credit chief David C. Melnicoff, who saw present trade slump as temporary.

Sales slump will be short-lived, predicts Commerce Dept's May *Survey of Current Business*. "Within a short time," it notes, "restrictions on production will make supply the principal limitation on retail sales of durables"—with "pronounced effect" being felt in some lines by mid-year. But report warns that after rearmament effort has passed peak, new sales slowdown can be expected. "When increased productive capacity permits a greater supply of consumer durables," it says, "sales in relation to income may well be somewhat lower than in the past 2 years."

*Survey* gives these reasons for current slackening of retail sales: (a) War-inspired buying waves of June and late 1950 were "necessarily of short duration." (b) Imposition of price control eased consumers' fears of drastic increases. (c) Reduction in backlog of demand as result of high production. (d) Credit restrictions. (e) First signs of curtailment of residential construction.

Gross national product—total U. S. output of goods and services—hit record \$313.9 billion-a-year rate in first quarter, according to *Survey*, but public slowed down its "disproportionate concentration on durable goods" of second half 1950, spent more on food and clothing.

Change in excess profits tax credit from present 85% to 75% of best 3 years earnings in 1946-49 period was tentatively voted by House Ways & Means Committee this week. Change, if approved in final recommendations of committee, would be effective Jan. 1, 1951, would bring in estimated \$730,000,000 extra to Govt. GOP members objected strenuously, said it had been agreed not to touch excess profits in this bill. Whether change in EPT credit base will remain in final bill is considered debatable.

Good chance excise tax on TV receivers may remain at 10%. In surprise reversal of last week's action raising excise to 15% (Vol. 7:20), House Ways & Means Committee May 25 voted to keep tax on TV at present 10% level. Industry and labor unions hope to see position maintained when tax bill goes to House floor in mid-June.

DuMont's self-focusing picture tube (Vol. 7:20) aroused considerable interest at Chicago parts show this week. Mounted in set alongside conventional set—both operating continuously from 8 a.m. to 7 p.m. for 3 days pictures appeared identical, despite fact there was no focus control, coil or focusing device in set with new-type tube. Manager Irving G. Rosenberg of DuMont Cathode Ray Tube Div. said, "We're more excited about this tube than we've been about any new development in a long time." New 17-in. rectangular, 17KP4, is scheduled for full production in August. It's said to be completely interchangeable with 17-in. glass rectangulars in present sets, and when installed as replacement, focus controls and devices are disconnected. Several manufacturers reportedly have ordered new tube, which DuMont says will effect substantial savings in costs and scarce materials through elimination of focusing components, although tube itself may be more expensive than conventional type. DuMont plans to produce new tube in all sizes, including 30-in., eventually entirely eliminating production of externally-focused tubes.

Replacement of 1,000,000 TV picture tubes in 1951 will mean \$25,000,000 in business, Sylvania's Frank Mansfield told Parts Distributors Show in Chicago May 23. He also estimated replacement market in 1951 would call for 48,000,000 receiving tubes for radios, 22,000,000 receiving tubes for TVs. He figured total replacement tube market would amount to \$154,000,000 in 1952, \$286,000,000 in 1953.

April receiving tube sales of RTMA members ran 35,883,627, considerably down from March's 44,413,146. Of April sales, 22,453,223 were for new TV-radio sets.

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Degree of slump in TV sales can be gauged by excise tax collections on TV-radio sets, phonos for April. Bureau of Internal Revenue collected \$18,224,548 in April, down \$5,000,000 from high of \$23,390,352 collected in March (Vol. 7:18). April collections compare with \$4,008,782 in same 1950 month. Total excises collected from TV-radio industry for 10 months from July 1950 were \$101,105,875, compared to same preceding period's \$33,482,890.

Bright spots in TV trade future, as enumerated by Chicago Crosley distributor Harry Alter, chairman of TV committee of National Assn. of Electrical Distributors, in convention at Atlantic City this week: (1) Coast-to-Coast TV. (2) Better programs. (3) Color. Despite color's cost and disruption, Alter said, it will prove good selling point. He also deprecated "extravagant" uhf claims.

Threat to advertising is discerned by James D. Shouse, Avco v.p. and chairman of Crosley Broadcasting Corp., in price regulation CPR-22 which doesn't permit increased advertising and other administrative costs to be figured into price ceilings. Speaking May 24 to New York chapter of American Marketing Assn., he called provisions of CPR-22 "profit control and not price control," urged that "sleeper" be "brought out, debated and argued rather than to let the issue go by default."

Conference of small business members of TV-radio industry has been called by RTMA June 5 during association's June 4-7 convention in Chicago. More than 100 RTMA members have indicated interest in formation of such a group. Small business concern is one which employs 500 workers or less, according to govt. definition.

Electronics chief of newly formed Canadian Dept. of Defense Production, A. H. Zimmerman, will be chief speaker at annual dinner of RMA of Canada at General Brock Hotel, Niagara Falls, Ont., June 1.

DPA Administrator Edwin T. Gibson will address RTMA industry banquet June 7, winding up annual convention June 4-7 at Chicago's Stevens Hotel.

**Trade Miscellany:** Of 630 different TV models made by 66 major manufacturers, *Billboard Magazine* May 26 reports only 15% have phonos, additional 30% have phono jacks . . . "Unfreeze vhf," so new cities can get TV, was gist of resolution by this week's Atlantic City convention of National Assn. of Electrical Distributors . . . Raytheon starts heavy TV promotion via radio June 17, buying NBC network of 133 stations for Sun. 3:45-4 p. m. EDST newscasts by John Cameron Swayze (who also handles *Camel Caravan* on NBC-TV) . . . "Modernphone," inter-communication phone system made by Modern Telephone Corp., New York, added to lines of specialized RCA distributors . . . Hoffman Radio will hold 1951 distributor convention in Los Angeles July 25-27 . . . Speakers at NARDA June 25 meeting in Chicago's Hotel Stevens are: Carl V. Haecker, RCA; Benjamin Gross, New York distributor; W. W. Cone, New Jersey distributor; A. L. Scaife, GE; W. A. Bles, Crosley, Antony Wright, Capehart-Farnsworth.

**Price Miscellany:** Tele King has new 20-in. table set with AM at \$399.95 . . . Commander Television has new 17-in. table at \$229.95 . . . Meck has new 20-in. table at \$295.80 . . . Jackson Industries advertising 20-in. table for \$199.95 . . . Regal advertising 17-in. table at \$197.50 . . . Fada has new 17-in. table at \$199.95 . . . Kaye-Halbert has 24-in. console at \$459.95.

\* \* \* \*

**Deadline for manufacturers' price control** under OPS's Ceiling Price Regulation 22 (Vol. 7:17) has been extended from May 28 to July 2. At same time following reorganization has taken place in OPS: Harold B. Wess, ex-Macy and Alexander executive, now head of Consumer Divisions. Under him is Lee McCanne, on leave from Stromberg-Carlson and formerly head of TV-radio & miscellaneous section, now head of housewares and accessories branch; Eugene E. Smallwood, on leave from RCA and formerly head of housewares & accessories branch, now head of appliance & equipment branch (white goods, professional and business equipment, etc.). Head of TV-radio and miscellaneous section, succeeding McCanne, hasn't been named yet.

**Expected shortages** third and fourth quarters this year (Vol. 7:20) have inspired recent activity in maintenance and repair field. RCA Tube Dept. is starting "Serving the Community" promotional campaign, using window displays, direct mail, other aids to plug TV serviceman's place in community. Recently, NARDA offered its Certified TV Installation & Service Plan (Vol. 7:10) to entire industry, not alone to its own members. Timely tips on TV service were contained in May *Good Housekeeping Magazine* article titled "How Much Should Television Service Cost You?" Article spells out what public should and should not expect from servicemen.

**Plant Expansions:** Centralab Div., Globe-Union Inc., purchases 158,000 sq. ft. structure at 3410 Hopkins St., Milwaukee, for production of classified electronics equipment . . . Teletronic Laboratories Inc., Los Angeles, has moved into 12,000 sq. ft. factory near International Airport, costing \$100,000 . . . JFD Mfg. Co. purchases Brooklyn site for new 120,000 sq. ft. plant, which will give its 3 plants total of 200,000 sq. ft.

**Military production** will take 63% of Westinghouse's electronics div. output this year, electronics v.p. Walter Evans told Pacific Coast Electrical Assn. May 22 in Los Angeles. Company-wide, military commitments total 35% of production, he said. Without specifying TV-radio, Evans opined consumer goods products will be 20-25% under record 1950 output, but he pointed out that will still be equal to production of such items in 1949 - "the third largest production year in history."

RCA's latest uhf converter has been installed in Bridgeport home of Rudy Frank, promotion manager of WELI, New Haven. Says Frank, whose station is prime uhf enthusiast, and whose home has served as unusual testing ground for many manufacturers' uhf units (Vol. 7:15): "Remarkable improvement over first model . . . images are practically noise-free and clean . . . From consumer viewpoint, pictures are as good as or better than those of other manufacturers." Unit was developed under supervision of Dr. Wenyuan Pan, who is also testing a "radically different converter which will far surpass even the current sample, which, according to Dr. Pan, is only an interim model." RCA is also testing new types of receiving antennas, smaller, higher gain.

Hallicrafters announced uhf converter at Chicago Parts Show, kept mum on performance. It's housed in 7-in. cube, covers whole band, feeds into vhf Channels 11, 12, 13, is intended for all makes of sets. Hallicrafters also says tuners in its existing sets may be converted via strips. Also worth noting at Show was great number of uhf antennas displayed by 29 manufacturers, variety of uhf test equipment.

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**TV antenna higher** than that on Empire State Bldg. may rise in New York after defense emergency is over. Tentative plans for 1580-ft. structure, comprising 44-story office building topped by 1000-ft. open-work steel tower, were announced by Wm. Zeckendorf, president of real estate developers Webb & Knapp Inc. and member of ABC board. Top of TV mast would be 108 ft. higher than Empire State's. Site is bounded by Park & Madison Aves., 47th & 48th Sts., now occupied by Hotel Marguery. Presumably, mast could be used by the 3 uhf stations FCC proposes for New York, by theatre TV, microwaves, etc. Six of city's 7 vhf stations are already committed to Empire State, only WOR-TV not yet signed. Incidentally, ownership of Empire State is reported changing hands for \$50,000,000, going from Raskob estate to syndicate comprising Roger L. Stevens and Alfred R. Glancy Jr., Detroit, and Ben Tobin, Hollywood Beach, Fla.

**Trade Personals:** W. G. Peirce Jr., president of Peirce-Phelps Inc., Philadelphia (Admiral) reelected president of National Assn. of Electrical Distributors; Benjamin Gross, president of Gross Distributors Inc., New York (Stromberg-Carlson), named NAED v.p. and appliance div. chairman . . . W. C. Conley Jr., ex-Coolerator Co. sales v.p., named v.p. & mgr. of Crosley Distributing Corp., in charge of own branches in New York, Albany, St. Louis, Atlanta, Portland, Ore. . . Roy L. Brown, ex-Eastern district mgr., Westinghouse Electric Supply Co., named executive v.p. & gen. mgr. of new wholly-owned subsidiary, Canadian Westinghouse Supply Co., Hamilton, Ont.; Wm. H. Bingham appointed as Eastern District mgr. . . James Ward, formerly in charge of Stromberg-Carlson service in Los Angeles, appointed head of Chicago branch's TV div. under J. A. Frye . . . Harry Finkelstein named national sales representative for Haydu Bros., contacting all TV set makers . . . Gerald Ganley new purchasing director, Freed Radio . . . Wm. G. Blowers, appointed merchandising supervisor, Sylvania TV picture tube div. . . Philo T. Farnsworth, Capehart-Farnsworth v.p., awarded honorary degree by Indiana Technical College May 20 . . . F. C. Dyer has resigned as engineer v.p. of Aeronautical Radio to join Collins Radio . . . Dr. Allen B. DuMont, chosen one of the country's dozen outstanding industrial leaders by *Forbes Magazine*, will be honored along with such others as Thomas J. Watson, IBM; Alfred P. Sloan, General Motors; Benjamin Fairless, U. S. Steel, at luncheon May 28 in New York's 21 Club . . . William P. Ready, formerly TV sales mgr., appointed gen. sales mgr., National Co.



Editor's Note: This objective appraisal by an authoritative non-trade observer merits attention of all our readers. We fully concur with Mr. Gould's conclusions that TV is forcing "an economic upheaval" in radio but that "it is still much too early to write off radio as a lost medium."

From The New York Times, May 20, 1951

## OUTLOOK FOR RADIO

### Readjustment in Over-All Approach and Programming Appears in the Making

By JACK GOULD

**T**HE hectic and anxious days which broadcasting has just experienced in the wake of the many proposed deals involving the American Broadcasting Company have pointed up with singular vividness the transitional stage through which the industry is passing. The main emphasis throughout the sundry negotiations, all of which were finally called off by Edward J. Noble, A. B. C. chairman, because he did not believe they would benefit his network, was almost exclusively on TV. Radio was just an also-ran.

The present plight of network radio, however, is far from just an A. B. C. matter; it cuts across the industry as a whole. If the facts are faced, radio obviously is headed for trying moments next season and there is bound to be a readjustment both in its programming and over-all outlook.

Already the handwriting is clearly on the wall. The Columbia Broadcasting System, the National Broadcasting Company and the American Broadcasting Company have announced cuts ranging from 10 to 15 per cent in their rates for advertising time, a move which undoubtedly will be copied by the Mutual Broadcasting System. A reduction in radio personnel has been put through by N. B. C. and further payroll slashes in radio as a whole would not be surprising.

#### Changes

Sooner or later, perhaps by next fall, this economic retrenchment will become increasingly noticeable in the programs heard on the air. Undoubtedly the first presentations to go will be a number of the sustaining programs—N. B. C. last week revealed it was reducing such service by about two hours daily—which does not bode well for the future of such attractions as classical music offerings, discussion periods, etc. Service by

the networks will consist more and more of just revenue-producing programs. Local shows, liberally sprinkled with spot announcements, may be expected to take up the slack. The thoughtful radio listener who at present has not been altogether happy with the diversity what he has heard via the networks may find the worst still lies ahead.

What has brought about the revolution in radio is, of course, a matter of cold statistics. Taken away from the radio audience in greater or lesser degree has been a minimum of perhaps 36,000,000 persons, based on an average audience of three persons for each of the 12,000,000 television sets in use. Many industry leaders believe this estimate, if anything, is conservative. More pertinently, however, is the known certainty that TV's audience is bound to expand through the years with a further contraction in radio's following.

As a result of these developments, many of the larger national advertisers have cooled off on radio and have put a bigger share of their budgets into video. Their attitude inevitably has influenced the position of the networks and set off a chain reaction which ultimately will be felt by every type of station down to the 250-watt.

If there is one party which takes vigorous exception to this turn of events, it is the out-of-town radio station affiliated with the major networks. Many of them realistically recognize that perhaps some adjustment is inevitable, but at the same time they believe network officials have become unreasonably panicky over TV and have acted prematurely. Because radio may have to move into smaller quarters, they assert, is no reason to destroy its whole house.

#### Factors

Even with the growth of tele-

vision, radio's audience is still substantially larger than video's and in many communities listening has risen rather than fallen. Phenomenal as has been the sale of television sets—though significantly there is a serious slump in the market at present—the sale of radio sets is holding up astonishingly well. And it may easily be at least another year or two before additional television stations actually get on the air because of the Federal Communications Commission "freeze" on construction permits.

There are other factors as well. One of the more important is the rapidly rising costs of television which seem certain to exclude many advertisers who, however, would be able to afford radio. Further, no one knows for certain at what point in the ownership of a television set the novelty may begin to wear off and the individual's interest return again to radio and other old habits. Viewers who have had sets three or four years frequently find radio a welcome alternative.

#### FM

Frequency modulation radio also does not lack for vigor in many communities. Although a number of FM stations have folded up, others are enjoying slowly expanding audiences. With its emphasis on fine music, fidelity in reproduction and freedom from static, FM radio is a real blessing for many who can take only so much of the vaudeville and quiz shows, visual or aural. There also is a minor boom in the sale of kits for quality FM tuners and amplifiers and in some sections of the country FM sets reportedly are in short supply.

All in all, there appears little doubt that radio is bound to suffer an economic upheaval in considerable measure and that there will be some fatalities in the overall number of stations. The importance of the national networks may be on the wane to some degree with more attention being paid to programs of local origin, particularly news broadcasts and recorded music shows. But in any case it is still much too early to write off radio as a lost medium. It can still do many things which lie beyond the power of television, one of which is the elimination of the visual commercial.





**Mobilization Notes:** Speaker manufacturers don't seem very interested in proposal by NPA Electronics Div. to help them get copper for electromagnets to replace cobalt-containing alnico permanent magnets. It's understood there have been relatively few replies to recent letter sent all speaker and focus device makers, asking their copper needs for next 4 months so Electronics Div. can make recommendations to Copper Div. for special allocation.

Here are reasons for sudden lack of interest by speaker industry, which was TV-radio industry's crisis spot a few short months ago: It's known that a number of speaker makers are importing large quantities of alnico magnets from abroad. One is reported to have purchased 25,000 speaker magnets in France. While distribution of raw nickel and cobalt—alnico magnets' principal ingredients—is strictly NPA-controlled, there are no curbs on purchase of finished magnets.

Add to this the TV sales slump. Demand for speakers is down somewhat, but demand for copper-wound coils and focus devices has dropped much more sharply, and some coil manufacturers have found themselves in unusual position of being able to take on new customers. Some of them are now making field coils for electromagnetic speakers. So, many speaker makers, now turning out as many as they can sell—and focus device makers, whose orders have taken big dive with TV slump—see no reason to appeal for copper to make components for which they have no customers.

June's cobalt and nickel allocation to magnet makers will be about same as May—roughly 25% of amount used during first-half 1950 base period, or 30,000 lbs. of cobalt plus about 20,000 lbs. of nickel.

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W. W. (Wally) Watts, RCA engineering products v.p. on leave, was named deputy DPA administrator May 24 by acting administrator Edwin T. Gibson in realignment of duties of top officials. Formerly assistant to the administrator and chairman of Production Executive Committee, Watts will now supervise all DPA production and procurement activities. This includes direction of 6 inter-agency boards—Production Executive Committee, Electronics Production Board, Aircraft Production Board, Procurement Policy Committee, Central Committee for Regional Defense Mobilization Committees, Critical Areas Committee. He also will continue to serve as chairman of Production Executive Committee and acting chairman of Procurement Policy Committee and Aircraft Production Board. Charles E. Wampler and Nathaniel Knowles were also named deputy administrators, in charge of program & requirements and staff service respectively.

Edmund T. Morris Jr., on leave from Westinghouse, chairman of Electronics Production Board, took over May 22 as director of NPA Electronics Div., succeeding John G. Daley, retired . . . Harry J. Holbrook, on leave from Norge Div., Borg-Warner Corp., appointed director of NPA Consumer Durable Goods Div. May 21 . . . L. M. Slaght, ex-ECA, named director of NPA Foreign Div. . . . Col. Justice M. Chambers, holder of Congressional Medal of Honor, May 18 became Civil Defense asst. administrator for plans & policies.

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File your CMP form now, is advice of responsible authorities at NPA. All indications are that you'll get better break in allocations, earlier July deliveries, if you get form 4A and/or 4B in as soon as possible. But whatever you do, don't miss May 31 deadline. If you can't get all your requirements together by deadline time, NPA advises, send in whatever you have—you can always file supplementary statement later.

Better deal on upkeep supplies will result from NPA's May 24 amendment to Reg. 4, which gives all public and private establishments (except households) DO-97 priority ratings to obtain maintenance, repair and operating (MRO) equipment (Vol. 7:9). New amendment (a) lifts quarterly MRO quota from 100% to 120% of average quarterly base period MRO expenditures, (b) permits organizations to use fiscal year ending before March 1, 1951 as base period instead of calendar year 1950, (c) permits establishments using DO-97 priority for 20% or less of MRO quota to buy unlimited additional amount of upkeep supplies without priority rating, (d) permits firms with more than one plant to decide whether MRO quotas are established for each plant individually or for company as whole.

Rapid tax amortization certificates covering \$54,800,000 in expansion of facilities for production of electric and electronic equipment (including such items as wire and cable as well as components and end products) have been issued by Govt. since program started last October. This figure represents 12% of the \$439,500,000 certified for expansion of all types of finished product production, and about 1½% of \$2,842,800,000 certified for all production, including basic materials. The \$54,800,000 certified for electric and electronic expansion represents 59 certificates at average amortization of 74.9%, total cost of facilities being about \$73,200,000. Total of 379 applications was filed in electric and electronic field for amortization of \$253,800,000 in expansion.

Tighter squeeze on copper is heralded by NPA's hike in percentage of defense-rated orders that producers of copper and copper-base alloy products must accept. Producers of wire mill products were notified they'll be required to accept priority orders for July shipments up to 80% of their average monthly shipments during first-quarter 1951. Other copper producers were ordered to reserve 20-115% of their first quarter production for defense orders. Canada will begin rationing aluminum, copper and brass June 1, allotting to each user 100% of his 1950 use.

All firms using copper or copper-base alloys must file monthly reports of their operations, beginning with April, to guide NPA in making copper allotments under Controlled Materials Plan, NPA announced May 14. Companies using these materials, and which haven't received reporting forms from NPA, should write Copper Div., Metals & Minerals Bureau, National Production Authority, Washington.

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TV's value to guided missiles is pointed out in May 21 *Time Magazine* article which says: "Some missilemen think that the Govt. should shut down the TV industry to free electronic men for guided-missile work." Article tells of remotely-controlled planes with TV "eyes," controlled with such accuracy that experts claim: "We could have flown that plane right into the mayor's office" in city hundreds of miles away.

Best explanation yet of rapid tax amortization and how it works, was recent speech by U. S. Steel chairman Irving S. Olds. Copies of this simple and interesting explanation are available from J. Carlisle MacDonald, asst. to chairman, U. S. Steel, 71 Broadway, New York 6, N. Y.

Permanent subcontract display will be set up by Air Force late next month at Chicago's Navy Pier. Prime contractors have been invited to display items for which they need subcontracting facilities.

Newly-revised pamphlet, *How to Sell to U. S. Army*, is available for 30¢ from Superintendent of Documents, Washington, D. C.

## NBC Count of TV Sets-in-Use by Cities

As of May 1, 1951

Estimates are sets within .1 Mv/m contours (60 mi.), excluding overlaps

**C**URRENT TV sales slump is reflected in NBC Research "census" report showing only 328,400 sets-in-use added during April—making total of 12,499,900 as of May 1. Similarly, March figure of 423,100 (Vol. 7:17) fell below February's 601,900 (Vol. 7:12), indicating pace of audience growth is reducing. These are the May 1 figures (consult individual stations for estimates of number of families within range):

Area	No. Stations	No. Sets	Area	No. Stations	No. Sets
<b>Interconnected Cities</b>			<b>Interconnected Cities—(Cont'd)</b>		
Ames (Des Moines) .....	1	58,400	Pittsburgh .....	1	255,000
Atlanta .....	2	110,000	Providence .....	1	149,000
Baltimore .....	3	297,000	Richmond .....	1	78,600
Binghamton .....	1	37,200	Rochester .....	1	81,400
Birmingham .....	2	51,700	Schenectady .....	1	155,000
Bloomington, Ind. ....	1	16,200	St. Louis .....	1	289,000
Boston .....	2	732,000	Syracuse .....	2	121,000
Buffalo .....	1	202,000	Toledo .....	1	91,000
Charlotte .....	1	75,300	Utica .....	1	42,000
Chicago .....	4	921,000	Washington .....	4	261,000
Cincinnati .....	3	255,000	Wilmington .....	1	65,800
Cleveland .....	3	470,000	<b>Total Inter-connected</b> .....	<b>81</b>	<b>10,608,300</b>
Columbus .....	3	147,000	<b>Non-Interconnected Cities</b>		
Davenport-Rock Island ..	2	56,400	Albuquerque .....	1	8,000
Dayton .....	2	128,000	{Dallas .....	2	117,000
Detroit .....	3	472,000	{Fort Worth .....	1	76,700
Erie .....	1	46,900	Houston .....	1	76,700
Grand Rapids .....	1	78,800	Los Angeles .....	7	918,000
Greensboro .....	1	67,000	Miami .....	1	65,000
Huntington .....	1	43,000	New Orleans .....	1	56,400
Indianapolis .....	1	132,000	Oklahoma City .....	1	87,600
Jacksonville .....	1	32,000	Phoenix .....	1	37,900
Johnstown .....	1	87,300	Salt Lake City .....	2	45,100
Kalamazoo .....	1	36,800	San Antonio .....	2	44,000
Kansas City .....	1	119,000	San Diego .....	1	93,500
Lancaster .....	1	97,100	San Francisco .....	3	189,000
Lansing .....	1	50,000	Seattle .....	1	83,300
Louisville .....	2	89,200	Tulsa .....	1	70,100
Memphis .....	1	85,000	<b>Total Non-Inter-connected</b> .....	<b>26</b>	<b>1,891,600</b>
Milwaukee .....	1	239,000	<b>Total Inter-connected and Non-Inter-connected</b> .....	<b>107</b>	<b>12,499,900</b>
Minneapolis-St. Paul .....	2	259,000			
Nashville .....	1	29,100			
New Haven .....	1	153,000			
New York .....	7	2,350,000			
Norfolk .....	1	67,300			
Omaha .....	2	76,800			
Philadelphia .....	3	852,000			

Two applications from Jackson, Miss., one from Wichita Falls, Tex., one from Albuquerque, N. M. have brought total pending to 408. First Jackson application was by *Daily News-Clarion Herald*, asks for Channel 3 (*TV Addenda 12-S*). Second this week was by the brothers Joe, C. W. & Henry J. Herold, also asking for No. 3; Joe Herold, ex-chief engineer and gen. mgr. of WOW-TV, Omaha, now consultant for Havana's Union Radio, would build station in partnership with brothers, who are Natchez residents. KFDX, Wichita Falls, seeks No. 3; KOAT, Albuquerque, No. 7. [For all TV applications to date, see *TV Factbook No. 12* with addenda to date; for details about this week's applications, see *TV Addenda 12-T*.]

Code of standards for TV programs "acceptable to the American family," was called for this week by board of managers of National Congress of Parents & Teachers. Programs include "too many cheap vaudeville, crime, wrestling and mediocre movies," according to Thomas D. Rishworth, of Austin, Tex., chairman of PTA's Radio-TV committee. First meeting of TV operators on subject has been called for June 22 in Washington by NARTB-TV program committee (Vol. 7:20).

DuMont allocation plan (Vol. 7:20) will be explained to Senators and press May 31 or June 1 in Senate Interstate & Foreign Commerce Committee quarters in Capitol. Special sessions for Congressmen and for Washington engineers and attorneys are scheduled for following week.

**Telecasting Notes:** Margaret Truman, holding White House press conference this week, was asked what she thought of "the Great Debate", (MacArthur issue). Her reply: "You mean movies versus television?" . . . "Expansionment" is apt word coined by *Billboard* in May 26 headline to explain simultaneous expansion and retrenchment policies of broadcasting networks and movie producers. In radio, it cites NBC's tightening up in AM, while spending heavily for TV. In movies, it cites Warner and 20th Century cuts in personnel, reduced executive salaries, other economies, while spending heavily for facilities and talent . . . DuMont Network paying \$95,000 a year, \$475,000 in all, for exclusive rights to televise, broadcast and film National Football League championships, 1951-55, money to go into pool for players; DuMont's Tom Gallery and Les Arries, who put over Notre Dame telecasts, made deal with league commissioner Bert Bell . . . Motion Picture Television Center is name of new producing corporation announced in Hollywood by Joseph Justman, president of Motion Picture Center Studios there, with William Norins (executive v.p., Emerson Film Corp.) as president and William Stephens, producer of *Dr. Christian* and other films, as production v.p. . . Advertising Council, in largest use yet of TV, will place 66 commercial films for U. S. savings bond drive thru G. M. Basford Co., as volunteer agency, prepared by Fox Movietone . . . Cincinnati's WLWT proudly plugging fact its *Midwestern Hayride*, locally produced rural variety show, will be piped to NBC-TV network from June 16 as 8-9 summer replacement for top-ranking *Show of Shows* . . . Acme Newspictures, Cleveland, announces service for daytime programs which it calls *Women's News for TV*, including 20 picture slides daily to interweave into women's shows.

Notre Dame and Penn U have decided to disregard National Collegiate Athletic Assn.'s ban on "uncontrolled" football telecasts (Vol. 7:16), May 26 *Billboard* reports, with joint announcement planned some time next month. Meanwhile, it was revealed 4-man steering committee of NCAA's TV committee had met behind closed doors in Philadelphia to ponder (a) proposals by Fabian and United Paramount chains for theatre TV of college games, (b) sponsorship offers for "controlled" games, (c) possibility of pay-as-you-see TV arrangement (Phonevision, Skiatron). Attorney General J. Howard McGrath May 23 ordered FBI to determine whether illegal restraints have been imposed on broadcasts and telecasts of pro baseball and other pro and amateur games. This spurred Sen. Johnson (D-Col.), who is president of Western Baseball League, to introduce legislation to exempt all professional sports from Federal anti-trust laws (S. 1526). Similar bills (H. R. 4229-31) were introduced in House by Reps. Wilbur D. Mills (D-Ark.), Melvin Price (D-Ill.), A. S. Herlong Jr. (D-Fla.).

NARTB officials will confer May 29 with NPA chief Manly Fleischmann in attempt to get clarification of construction control regulation M-4 as it effects building of TV-radio stations (Vol. 7:19-20). Meanwhile, NPA and FCC continued consultations in attempt to set up specific criteria for authorization of new broadcast building. NPA is preparing to issue new form, CMP-4C, which will serve as combined application for building authorization and for allotment of controlled materials for approved building projects.

FCC's use of "db" in allocations plan (*TV Allocation Report*, March 24) still bewilders most laymen, accustomed to thinking in terms of "kilowatts" and "microvolts-per-meter." To simplify translation, E. C. Page consulting engineering firm has prepared table showing db equivalents, running from .1 db to 75 db, offers it gratis to any or all. Address: Bond Bldg., Washington 5, D. C.