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Full Text of Subpoena in Anti-Trust Action Published as Supplement No. 77 With This Issue

DEPT. OF JUSTICE ANTI-TRUST PROBE: You have to read the "subpoena duces tecum" (meaning bring along the records), served by Dept. of Justice this week on RTMA and on an undisclosed number of TV-radio manufacturers, to get an idea of all-inclusive scope of its hitherto mysterious grand jury probe (Vol. 8:7) scheduled to go into patents, color TV, suspected trade agreements, trade assn.-membership relations, even FM.

We've therefore published full text of the subpoenas as Supplement No. 77, enclosed herewith. Copy we obtained was obviously a duplicate form, for most part, with usual spaces left for filling in names, dates, etc., so that it can be assumed the subpoenas served were to all intents and purposes identical.

Curious calm pervaded the industry as word got around that this company and that one had been served. By week's end, we learned that besides RTMA, subpoenas had been served this week on these companies: Admiral, CBS-Columbia, DuMont, Emerson, General Electric, Hazeltine, Motorola, Philco, RCA, Sylvania, Westinghouse, Zenith.

There were doubtless others -- for RTMA, presumably the alleged focal point of any alleged collusion in connection with alleged efforts to foil the FCC's will regarding color, has some 70 set-manufacturer members. It's possible all were served, but so far as we can learn no components makers or vendors got subpoenas.

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No company heads wanted to talk about the case, though counsel for some saw a "fishing expedition" in all-embracing demand for "all documents, correspondence, telegrams, reports, memoranda, records of telephone conversations, records of conferences, interoffice communications and all other writings of every kind..." pertaining to "domestic manufacture of radio, TV or related electronic transmission or receiving equipment or parts or components thereof..." and other information "from Jan. 1, 1934 to the date of service of this subpoena..."

Certainly, nobody was happy, not even the lawyers, who foresaw formidable if not virtually impossible job of gathering such an enormous mass of information in time for the grand jury summons on May 12.

Probability is that such a broad inquiry could drag on for years, because it will require as superhuman an effort on part of probers to study and cull and digest mass of data as it will require of companies to gather it out of dusty old files.

While grand jury action might mean criminal indictments, it's regarded more probable that civil action may be aim -- particularly against RCA patent pool. But whether patent monopolies can be basis for anti-trust actions, lawyers disagree; RCA patents, for example, are already in civil courts in Zenith suits and countersuits.

As for NPA-frozen color receiver production, natural impulse is to scoff at implication in subpoena that RTMA and members deliberately ganged up against the CBS

color system approved by FCC. Notably, Admiral isn't member of RTMA; CBS-Columbia, Zenith too, were served same as RCA, et al.

Dept. of Justice move has political undertones, in view of some, with hard-pressed dept., scandal-ridden, possibly seeking to prove to Congress it isn't withholding any anti-trust actions, as charged. At Dept. of Justice, they're completely mum; won't even say exactly what companies or how many companies are involved.

Master-minding the case is H. Graham Morison, recently placed in charge of anti-trust div. Handling it in New York court is Melville C. Williams, head of anti-trust office there. And, as reported few weeks ago, FCC designated its gen. counsel Ben Cottone and chief engineer Edward Allen (who also is patent attorney) to assist.

One thing is certain: Nothing could have been better calculated to arouse and embitter as ruggedly individualistic and intensely competitive an industry as there is in America -- and to provoke antagonisms in an election year.

Yet RTMA will say nothing, and its members don't dare to consult with one another -- same policy they assiduously pursued during FCC color hearings on advice of counsel, ex-U.S. Senator Burton K. Wheeler and his son Edward. They're just too puzzled, if not scared, to express themselves for publication, though the substance of some of their off-the-record remarks boils down to this:

"It's a pretty sad pass when our Govt., which profits even more than our stockholders do by our efforts, and which demands and gets such complete cooperation in all defense developments and production, should even inferentially brand us as criminals; should subject us to this kind of unreasonable demand on our time and our energy, when it's plain to see that this is as competitive an industry as the American system of free enterprise could possibly demand. This is sheer harassment and pettifoggery, and of course nothing will come of it in the last analysis except a waste of time and money -- the Government's as well as ours."

WALKER HEADS FCC, BARTLEY APPOINTED: FCC should continue working smoothly at both top and staff levels, maybe even without any appreciable delay in ending of the TV freeze, by reason of President Truman's speedy action in appointing Paul A. Walker to chairmanship to succeed Wayne Coy.

Newly named to complete the more than 6 years remaining of Coy's 7-year term was Robert Taylor Bartley, 43, who led list of prospects when Coy resigned to join Time Inc. (Vol. 8:8) and who since 1948 has been administrative asst. to his uncle, Speaker of the House Sam Rayburn. His nomination was approved unanimously (13-0) by Senator Johnson's Interstate Commerce Committee after short hearing Feb. 29 -- marked by unusual interest of all Senators in progress of freeze-thaw (see p. 3).

Appointed to first FCC by President Roosevelt upon its formation in 1934, coming from Oklahoma State Corporation Commission, reputed as a crusading liberal, Paul Atlee Walker's primary interest has been telephone & telegraph regulation. He's generally rated as realistic and fair-minded -- a high type of public servant.

After calling at White House Feb. 27, it became evident he was going to get post, which came through next day and which he wanted, as he put it, "to round out my career of 17 years on the Commission." Now 71, he was due for retirement last year, but President's executive order of Dec. 21, 1950 exempted him from compulsory retirement until end of his regular term expiring June 30, 1953.

Thus he's expected to serve as chairman for year or so, after which Commission is certain to get new chairman. He's ex-schoolmaster, active churchman, elder of Presbyterian Church, ardent TV fan, highly popular with colleagues and staff. He seldom makes speeches, but when he does they usually pack a moral punch. Example was address last Oct. 2 before board of National Council of Churches of Christ in the U.S., warning TV it had better clean own house and set up own code of program regulation or face trouble (for text, see our Special Report, Oct. 6, 1951).

Comr. Walker, like his colleagues, welcomed NARTB-TV Code which came soon thereafter, disavowing any desire to crack down on the industry. His aide, who remains with him, is able attorney Walter B. Emery, 44.

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New Comr. "Bob" Bartley is native of Ladonia, Tex., member of the Christian Church, married since 1936, has 3 children -- Robert T. Jr., 13; Jane, 10; Thomas

Rayburn, 4. He studied business administration at Southern Methodist U, worked in Dallas for a time before coming to Washington as executive secy. of public utility holding company investigation in 1932.

Personable, mild-mannered, experienced in both radio and FCC, Bartley was with FCC in 1934 as director of its telegraph div., went after 4 years to SEC as senior securities analyst, in 1949 joined Yankee Network as asst. to its president, the late John Shepard III. He became v.p. in 1942, and from 1943-47 was with the National Assn. of Broadcasters as director of war activities and govt. relations.

His career has largely been in Govt., but Bartley is essentially conservative, and those who know him think he will acquit his office well -- certainly he won't belong to the "crackdown" school of regulation that prevailed through much of the New Deal and Fair Deal.

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Wayne Coy's new job as "consultant" to Time Inc. (Vol. 8:8) is one step in plans of big publishing firm to get into TV -- via acquisition of old or new stations, production & syndication of films, etc. Coy was due to leave this week end for Albuquerque, where deal is cooking for purchase of KOB-TV & its 50-kw AM counterpart KOB for \$1,000,000, which includes about \$300,000 in net quick assets.

Coy will run the stations, hold 50% ownership, Time Inc. backing him and owning other half. New Mexico climate is ideal for his chronic sinus condition, so he will reside there. His 3-year contract with Time Inc. calls for \$24,000 a year salary, with probability of interest in other stations it may acquire.

KOB & KOB-TV are owned by T.M. Pepperday, publisher of Albuquerque Journal and onetime Rocky Mountain executive for Scripps-Howard, publishing its Denver Rocky Mountain News. He is 66, ailing, has no children, has indicated his willingness to sell the properties to someone who would build them up and operate them for the good of the community. He has turned down better offers for the stations.

KOB-TV has not achieved much of a record, as TV stations go, although it has been on air since November 1948. It has had succession of executives, serves fewest number of sets of any of the 108 U.S. stations, has lowest rates (see TV Factbook No. 14) -- is regarded in trade as ripe for new and vigorous management. AM station is NBC-affiliated, TV is non-interconnected and gets kine service from all networks.

PUSHING TO END FREEZE, SENATORS SORE: FCC held no sessions on freeze this week, thus increasing chances that final allocations decision won't emerge until April. First thing next week, Commission under new chairman Paul A. Walker takes up question of how to handle applications after floodgates are opened.

Whether procedures are wrapped up quickly or not is anyone's guess, since commissioners may have differences of opinion manifest among its staff (Vol. 8:8). After procedures, plan is to go over entire 600 pages or more of freeze report from Page One, then come to final vote.

◊ Congressional goading may keep FCC on its toes (see below), but it can't be reiterated too often that the "great expansion" of TV will be a very gradual thing -- even if Commission's final decision issues shortly.

As we recapitulated unavoidable post-freeze steps, in talk to Buffalo TV distributor-dealers "Town Meeting" this week:

(1) Hiatus of 60-90 days, while FCC accepts applications, beginning at end of freeze or very shortly thereafter.

(2) Then FCC will examine all applications, start granting those which have no competition. But these won't be numerous, and you can bet they'll be in very small, economically less attractive markets.

(3) All competitive applications will be set for hearing. Some hearings may start fairly quickly, but the majority will have to wait several months at least. Hearings themselves will take 2-3 weeks and more -- sometimes much more.

(4) Hearing examiner will issue his decision on a particular city some 3-4 months after hearing ends.

(5) FCC will then consider examiner's decision, make its own final determination. This takes several additional months.

(6) Applicants who lose out in decisions will then take advantage of every

legality in attempt to change FCC's decision. If this involves court litigation, which is quite possible in view of high stakes, more months will drift by.

(7) Winners of hearings will then build, requiring anywhere from a couple of months to year or so.

Some possible exceptions to that lugubrious schedule:

(a) Uhf channels in some sizable cities may not be so ardently contested, producing some grants without hearings.

(b) FCC may choose to consider applications on channel-by-channel basis in each city -- instead of lumping them all together in single hearing. In this event, a few standout applicants whom others fear to tackle may find themselves alone on a channel, eligible for quick grant.

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Fed up with FCC delays, members of Senate Interstate & Foreign Commerce Committee raked Commission over coals this week. Senators unburdened themselves during hearing on appointment of Robert Bartley to FCC.

"It's an intolerable situation," said Sen. Edwin Johnson (D-Colo.). FCC's belated request for greater appropriations to augment TV staff (Vol. 8:4), he said, "stands as a monument to the stupidity of the Commission itself. It has just rocked along all this time without coming to Congress and asking for help. I don't know whether I dare go home. The people of my State don't like to be considered second class citizens. Their patience is exhausted."

Sen. Kem (R-Mo.) complained: "Chairman Coy led us to believe the freeze would end last September, then January, and so on. But when we asked the FCC if it needed any remedial legislation to speed things up, they didn't come to us."

"The FCC has only 7 examiners," said Majority Leader McFarland (D-Ariz.). "I think members of this committee should get in there and fight for more money for the Commission."

Statements in much the same vein were made by most of other Senators present: Bricker (R-Ohio), Tobey (R-N.H.), Lyndon Johnson (D-Tex.), Hunt (D-Wyo.), Magnuson (D-Wash.), McMahon (D-Conn.), Capehart (R-Ind.).

Bartley wasn't left much to say in all the cross-fire. "I'll pitch in as hard as I can," he said. "If they're hung up on some problem, I'll try to get to the bottom of it, but it may take time. Rather than delay things, however, I hope to speed things up. But I don't know how involved some of these problems are."

MORE & BIGGER CONSTRUCTION ALLOTMENTS: Some 10 good-sized TV-radio station building and alteration projects are now under way -- and they'll all be guaranteed enough materials to finish, beginning next quarter.

Some 30 new projects will have to wait until third quarter to get started.

These estimates come from NPA's Industrial Expansion Div. (IED), which last week took over from Construction Controls Div. (CCD) the job of allotting materials for TV-radio station construction (Vol. 8:8).

Station builders will get better break from IED -- that's definite. Some second-quarter material allotments already had been sent out by CCD when IED took over. IED is now reviewing these cases and is making supplementary allotments.

CBS's big "Television City" in Los Angeles is case in point. Scheduled for completion in October, it had been allotted second-quarter materials by CCD. IED re-examined application in light of its more liberal criteria, approved extra allotment for second quarter, as well as future allotments of materials to complete job.

IED is reviewing every application for station construction or alteration filed with the NPA since construction came under controls in third quarter 1951. It expects to complete its initial allocation of materials in about 10 days.

There may be another round of material rations to TV-radio stations early in April, after IED receives "returns" of second-quarter materials tickets allotted to builders who find they can't use them. These "returns" are redistributed.

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These TV projects, which received allotments for first quarter (in addition to CBS Los Angeles studios), are scheduled to get bigger allotments next quarter:

WCAU-TV, \$2,740,000, studios in Lower Merion township, Philadelphia suburb, 60% complete; DuMont, \$1,750,000 studio at 205 E. 67th St., New York, 23% complete.

NBC's application to build huge TV center in Burbank, Cal., will be deferred -- probably until third quarter -- because project hasn't been started. But another NBC application which was rejected for first quarter -- to remodel leased Colonial Theatre, 62nd & Broadway, New York -- is slated for approval, because remodeling is listed as "2% complete."

"We're going to try to stretch a point with jobs that are pretty close to completion -- be a little more liberal -- and try to get them finished in the second quarter," an NPA official told us.

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TV construction & alteration applications pending, but which probably won't get go-ahead until third quarter because they apparently haven't begun, include:

CBS, New York studio, \$230,000; WJBK-TV, Detroit, studio, \$169,000; four NBC studio remodeling jobs in New York, total cost \$365,000, one in Hollywood, \$67,000; WNBF-TV, Binghamton, office & studio, \$300,000; WTMJ-TV, Milwaukee, tower, \$307,836; ABC, \$600,000 San Francisco studio, which got allotment for fourth quarter 1951 but none for first quarter 1952 because there was "no evidence of start."

Builders of smaller projects need not apply to NPA for materials. They may use their self-authorization quotas of 25 tons of steel, 2000 lbs. of copper, 1000 lbs. of aluminum per quarter.

* * * *

Post-freeze prospects now look pretty good for new station construction on a modest scale. But even if materials don't continue to ease as expected, there's very little doubt that stations will get on air by sheer ingenuity.

RTMA task force report on 'Impact of TV Expansion' (Vol. 8:8) acknowledges that towers will be bottleneck in post-freeze construction, but predicts "critical material requirement for towers will be reduced to a level which can be supported, and deferred to a time when materials will be more readily available..."

"For example, stations could install their TV antennas on tall buildings and the need for a high tower would, therefore, be eliminated. Some stations could utilize existing towers [and] others could improvise a minimum tower which would greatly minimize the structural steel requirements." As to station buildings:

"The relatively limited amount of essential construction could go forward on a self-authorized basis under existing NPA regulations. It is believed reasonable to conclude that station construction requirements, during [1952], will pose no significant material impact."

Govt. allotted an additional 70,000 tons of structural steel this week for commercial and industrial construction in second quarter. Announcing this, NPA boss Henry Fowler warned: "The structural steel situation is still tight for the present and the immediate future."

But optimism for post-freeze construction is raised by Mr. Fowler's further statement that "there are definite indications that it will ease later this year."

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Builders of community antenna systems will benefit, too, from new NPA policy of assuring materials to complete projects now under way. But TV antenna distribution systems are classified as "commercial" construction -- not "industrial" as are broadcasting stations -- and their applications are handled by CCD and come under its lower allocation quotas. Nor are "commercial" self-authorization quotas nearly as liberal as those for "industrial" projects.

But community antennas may get special relief. As result of conference with the National Community TV Assn. (Vol. 8:3), NPA is now seriously considering the inclusion of community antenna projects in its communications Order M-77, which provides special priorities for communications services (telephone, telegraph, etc.) for "operating construction" as well as maintenance, repair and operation.

At least 2 antenna projects are assured of receiving allotments next quarter: Eastern Pennsylvania Relay Stations Inc., Shamokin, to cost \$73,000; Tele Service Co., Wilkes-Barre, Pa., \$75,000. Both are now nearing completion.

INDUSTRIAL TV'S UNFATHOMED POTENTIAL: Industrial TV obviously hasn't the glamour of its home-TV sister -- but it's more exciting in some ways because of sheer unpredictability. Listing ITV's possible uses is fruitless. As one company puts it, ITV is good for operations which can't be observed directly because they're:

"Too dangerous, too difficult, too inconvenient, too inaccessible, too tiring, too far, too hot, too cold, too high, too low, too dark, too small."

List of "too's" was compiled by Diamond Power Specialty Co., Lancaster, O., a company previously unheard of in TV. Diamond has probably sold as many installations as rest of industry combined. Most of its 140-odd chains have been used for prosaic job of watching boiler gauges and combustion chambers of electric power companies. Only other ITV makers as yet are DuMont, RCA, Remington Rand.

Others seem to turn noses at such pedestrian uses, preferring to concentrate on fields requiring higher resolution. Key to Diamond's success, and weaknesses, is Philo Farnsworth's image dissector camera tube. Of low resolution (250-300 lines, compared with others' 525), it's rugged as all getout -- guaranteed for 8000 hours, whereas life of other tubes is numbered in hundreds of hours.

"Back in 1945, I got down on my knees and begged RCA and DuMont to make equipment for us," says J. A. Good, mgr. of Diamond's electronics dept. "But they turned me down flat. They were interested in entertainment, not industry. So I stuck my neck out, to the tune of \$1,000,000 -- and it's still stuck out. We aren't in the black on this yet."

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DuMont has been moving rather quietly, will jump into field with both feet when it unveils brand new compact chain at IRE convention. Up to now, it has tailor made special installations, such as dual-chain stereoscopic setup for Atomic Energy Commission, to handle radioactive materials at safe distance, and high-definition color chain (\$19,985) for Paramount, to test Lawrence tri-color tube. It's expected new gear will be competitive with Diamond's \$4235 chain, and with RCA's \$5500 unit built around tiny (6-in. long, 1-in. diameter) "vidicon" tube.

New DuMont equipment features 10-lb. camera, 525 lines, 50 frames, non-interlaced, 1:1 aspect ratio, 450 lines of resolution horizontally and vertically.

RCA has been moving very conservatively, at same time hoping to lay broadest foundation. One reason for caution appears to be the fact vidicon is still under development. Only recently, company took "developmental" label off its ITV, termed it "semi-commercial." Life of tube hasn't yet been guaranteed.

Vidicon has considerable attraction for all in ITV field. Diamond says it's already building equipment with it, will use any available camera tube that will serve purpose. Company has "played" with field-sequential color, using vidicon, hasn't placed it on market yet.

To play up virtues of compactness, RCA points to such things as last week's demonstration of how camera inspects entire length of 400-ft. pipe, 16-in. in diameter, while gas flows through it. Diamond is dickering for sale of 10 chains to be used for inspection of well casings.

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Remington Rand is pushing CBS-designed color chain for all it's worth. It has installed it in hospitals of Kansas U and Chicago U, is preparing chains for Pennsylvania U and Children's Hospital in Houston, plus 2 for classified govt. use.

Minimum cost of equipment is \$29,500, but additional requirements generally run price up. Remington Rand is now considering producing another batch. Company has also produced \$9500 black-&-white chains, hasn't decided whether to make more. It's also interested in vidicon, and plans may depend on its availability.

RCA doesn't seem fazed by color gear offered by DuMont and Remington Rand. Its engineers admit frankly that color is the only answer in a few cases. But they claim monochrome is satisfactory, or even better than color (also much cheaper) for most uses. For example, one company wanted to detect brown fumes. RCA employed tube with proper spectral response, got fumes to show up black -- and visible on TV screen even before naked eye could see them.

DuMont pioneered another application which falls in ITV category: the "closed circuit convention." It offered 21-city hookup for conferences, stockholders meetings, etc. (Vol. 6:5,12). Variation of closed-circuit theme will be use of DuMont equipment at March 10-May 13 International Beauty Show in New York's Hotel Statler. Demonstrations by hairdressers, in Skytop Room, will be observed by some 1000 beauty shop operators in Keystone Room, 18 floors below.

RCA took another tack on stockholders angle last week at Foote Mineral Co., Exton, Pa. While some 200 stockholders sat comfortably in cafeteria, 4 cameras took them on tour of 81-acre plant grounds, watched processing of rare metals, such as lithium and zirconium. Foote's sales v.p. was narrator. Also televised was 16mm film of company's Kings Mountain (N.C.) operations.

Other logical contenders for ITV business haven't spoken up yet. GE feels it has more important fish to fry at the moment. Federal offers TV station equipment, but doesn't make own cameras, thus may not be so likely to enter the field. Others just haven't said anything. One big reason is that field is still one for pioneers, and you don't do this kind of research with peanuts.

TRANSISTOR BANDWAGON has begun to roll in earnest, with manufacturers stumbling over each other in eagerness to be first—first with predictions, at any rate. Unfortunately, rush of publicity without attendant availability—about even so promising a development as the transistor—may well have tendency to disillusion both industry and public.

Fact of transistor situation is that mass production of the remarkable substitute for vacuum tubes has not yet been achieved. And if some manufacturer has secretly mastered the techniques of mass production, he hasn't told anyone about it. Furthermore, transistor is good only up to 3 mc at present, thus is somewhat limited as far as uses for home TV are concerned.

Potential of transistors and its relatives shouldn't be minimized. Justifiably, it has stirred such responsible men as GE's I. J. Kaar and RCA's E. W. Engstrom into visions of battery-less wrist radios operated by body heat and desk-top computers performing tasks now accomplished by devices with thousands of tubes.

Transistor is simply a speck of germanium metal, touched by 2 or 3 wires, imbedded in bead of protective plastic. Its principal advantages over vacuum tubes are these: (1) Extremely small power requirements, perhaps one-millionth that needed to operate tubes. (2) Tiny size—.002-cu.in., compared with 1/8-cu.in. for smallest tubes (3) Incredible longevity—nothing to burn or wear out. (4) Great ruggedness—whole device is solid.

Principal development since our status report of last year (Vol. 7:39) has been fair progress towards automatic production. But estimates of probable production rate by summer and fall make it clear that output will be merest token, compared with hundreds of millions of receiving tubes produced annually.

Bell Labs, which developed the transistor, is the leader in production plans. Its pilot plant at Allentown, Pa. is first of kind. Others gaining speed are GE, RCA, Sylvania, Raytheon, Philco, IBM, Westinghouse. Some 20 college laboratories are also hot on transistor research. Most companies' "production" today comprises handful of girls soldering cat's-whiskers under magnifying lenses.

Two promising techniques for greater production are the "diffusion" method, pioneered by GE, and the "growth" system. Latter is good for junction transistors, is believed likely to produce layers of germanium exactly as desired.

Bell Labs has done most to educate industry. It has already distributed *The Transistor*, volume thick as a big-city phone book. In April, it will conduct symposia for patent licensees at Allentown plant. An important session on device comes May 6, when "An Evening With Tran-

sistors" will feature papers by very top men in field during second industry-wide meeting on components held in Washington under sponsorship of IRE, AIEE, RTMA, Bureau of Standards and Defense Dept.

Since transistor was first described by Bell Labs scientists in 1948, it has moved from austere pages of the *Physical Review*, to *Proceedings of the IRE*, to technical trade press, to *Scientific American* and, now, to newspapers and to such a general magazine as *Harper's*.

Forthcoming *Harper's* article by Leonard Engel summarizes transistor's potential: "The inherent simplicity and convenience of the transistor [will] be exploited to construct devices much more complex than can now be attempted, and therefore much more competent, more versatile, and more useful . . . Beyond this, the transistor will doubtless lead to instruments and machines that cannot presently be imagined."

True, but not "tomorrow".

Increased college football TV next fall is in the wind, judging from Feb. 26 New York meeting of National Collegiate Athletic Assn's TV committee with industry officials. Chairman Robert A. Hall said "NCAA wants to have as much college TV as possible next season" under association rules. He reiterated NCAA's stand that TV be spread among as many colleges as possible, and received suggestions from DuMont director Chris J. Witting and CBS-TV public affairs chief Sig Mickelson that all 4 networks be permitted to handle games. NCAA's TV restrictions may hinge on outcome of Justice Dept.'s suit against National Football League which filed Feb. 23 answer in Federal district court, Philadelphia, to Govt.'s charges that League's TV-radio restrictions violate Sherman Anti-Trust Act (Vol. 7:41, 44, 48, 52, 8:2). NFL contended it's not engaged in interstate commerce, its principal business is staging football games and TV-radio broadcasting is merely incidental.

Use of TV Channels 5 & 6 for telephone in Hawaii, proposed by FCC and opposed by NARTB (Vol. 8:3), remains a "must," Mutual Telephone Co. of Hawaii told Commission this week. Phone company attacked NARTB arguments one by one, insisted remaining channels will provide plenty of service, that uhf can be used if needed, that vhf is only portion of spectrum satisfactory for inter-island phone use.

Permission to test uhf sites was granted by FCC this week to WROW, Albany, N. Y., and KICD, Spencer, Ia. (Vol. 8:7). Former was given 60-day period to experiment with 5-kw peak power pulsed transmitted on 512-518 mc; latter will use 5-watt transmitter for 10 days.

Personal Notes: Sylvia D. Kessler named chief of FCC's Office of Opinion & Review (previously called Office of Formal Hearing Assistants) and Walter R. Powell appointed chief of Broadcast Bureau's Renewal & Transfer Div.; they replace Parker D. Hancock and Dwight D. Doty, respectively, now in private practice. Frank M. Kratokvil appointed asst. chief of new Field Engineering & Monitoring Bureau . . . James L. Middlebrooks, ex-CBS and for last 5 years ABC chief facilities engineer, on March 15 joins KING & KING-TV, Seattle, as engineering director; George Freeman and Art Schultz continue as chief engineers for TV and radio, respectively . . . Frank E. Mullen, ex-NBC executive v.p., recently with Richards stations, announces opening of Frank E. Mullen & Associates, consultants, 121 So. Beverly Drive, Beverly Hills, Cal. (phone Crestview 1-7191) . . . Don L. Kearney moved from ABC-TV Eastern spot sales mgr. to national spot sales mgr. of new ABC-TV Spot Sales setup whereby network represents own TV stations; other appointments include Roy McLaughlin, Chicago; Joe Henry, Detroit, Wm. Laramie, Los Angeles; David Sacks, Los Angeles & San Francisco . . . Gayle Grubb resigns as ABC v.p. in San Francisco to join Fort Industry Co. (Storer) stations in administrative capacity at Detroit headquarters . . . Vincent Francis, sales mgr. of KGO-TV, San Francisco, promoted to station mgr., succeeded by Wm. K. McDaniel . . . C. L. McCarthy, ex-gen. mgr. of KQW, named KGO-AM mgr. . . . Ivor Kenway, onetime ABC v.p., recently with Grey Adv., forming own service called Ivor Kenway Associates, 62 W. Putnam Ave., Greenwich, Conn., to specialize in sales promotion . . . John K. West, NBC western div. v.p., elected president of new Hollywood Radio Executives Club; named v.p.'s were Willet Brown, Don Lee; Glenn Wallich, Capitol Records; Neil Reagan, McCann-Erickson . . . Roy M. Flynn, technical director, promoted to station mgr., KRLD-TV, Dallas, Wm. B. Honeycutt succeeding him . . . Don D. Campbell resigns as

sales mgr. of WBRC & WBRC-TV, Birmingham, to go into agency field . . . William Decker named TV sales mgr., George Griesbauer radio sales mgr., in separation of Washington Star's WMAL & WMAL-TV; both report to Ben Baylor, asst. gen. mgr. . . . William Dozier, chief of CBS-TV story dept., named executive producer in charge of dramatic programs . . . Margaret M. Kearney, TV-radio coordinator for Philadelphia diocesan school system, named educational director of WCAU & WCAU-TV . . . Charles D. Fritz, ex-Katz and formerly WWJ & WWJ-TV, named head of Detroit office, John Blair & Co. . . . Michael Levin, ex-Ward Wheelock, named Erwin, Wasey director of TV-radio creative production under v.p. James C. Douglass . . . Charles A. Henderson, from Atwater Kent Foundation, Hollywood, joins NBC-TV motion picture unit to work with producer Henry Salomon Jr. on *Victory at Sea* series . . . Thomas H. Lane, TV-radio v.p., McCann-Erickson, named chairman of TV-radio committee for 1952 American Cancer Society crusade . . . Edward C. Obrist, ex-WBEN, Buffalo, and WFIL & WPEN, Philadelphia, named mgr. of WNHC-TV, New Haven, succeeding late James T. Milne . . . Murray Grabhorn quits as managing director, National Assn. of Radio & TV Station Representatives, to join Edward Petry & Co. . . . Luellen L. Sterns, ex-CBS-TV spot sales, joins NBC-TV March 15 as Eastern div. sales mgr. under John Reber.

Jaime Yankelevich, 58, operator of chain of Argentine broadcasting stations and builder of country's only TV station in Buenos Aires, all Peron govt.-administered, died Feb. 25 after long illness. He was credited with having hired Eva Peron as a singer, during which time she first met the Argentine dictator.

American Women in Radio & Television holds second annual convention in Detroit April 4-6, arrangements being made by Edythe Fern Melrose, WXYZ; president is Edythe Meserand, WOR, New York.

ONE MORE PARAMOUNT Pictures Corp. witness—Klaus Landsberg, mgr. of KTLA, Los Angeles—and FCC's self-initiated "anti-trust" probe into motion picture industry's fitness to hold TV licenses will turn to United Paramount Theatres' phase of hearings that thus far have ground through 6 weeks and occupied 25 volumes of testimony (about 3900 pages).

UPT phase will embrace projected merger with ABC (Vol. 7:21), proposed \$6,000,000 sale to CBS of WBKB, Chicago, and anti-trust angles. OPS chief Ellis Arnall, president of Society of Independent Motion Picture Producers, now on leave, recently wrote Dept. of Justice urging no delay in forcing UPT to divest itself of 198 theatres—and that may spark some of FCC counsels' questioning.

Grueling 7-day examination of Paramount Pictures v.p. Austin C. Keough came to end Friday, devoted largely to exhaustive inquiry into Paramount's 531 anti-trust involvements (Vol. 8:8). Hearing proceeding dully, enlivened Tuesday by heated wrangle between counsel when Commission attorney Max Paglin sought to determine whether there had been anything improper in actions of some trustees in bankruptcy when Paramount went through wringer in the '30s.

Implication was that some of the trustees, supposed to protect creditors, improperly became partners with Paramount in subsidiary organizations. Name of Midwest chain operator A. H. Blank, now a UPT director, was brought up, but matter was postponed until he testifies.

DuMont counsel continued to badger Paramount witnesses by seeking to point up analogy between selling film to "theatre chain" and to "network chain." If it was in public interest for Paramount to get rid of its big

chain of theatres under consent decree, he posed, would it be in public interest for Paramount some day to own or control a chain of TV stations?

A question when TV would be able to buy fairly new movies again came up. Keough said it would consider selling such films now to TV-saturated areas like New York, except that this would bring complaints of discrimination from other areas.

DuMont this week also filed reply to FCC Broadcast Bureau's motion against plea for severance from rest of hearing, again insisting too long delay in freeing DuMont would militate against it in seeking additional TV channels on equals terms with other applicants.

FCC hit TV stations for first time this week in its campaign against broadcasts of horse racing results, setting down for hearing 3 stations—WJZ-TV and WPIX, New York, and KLAC-TV, Los Angeles—in addition to 12 AM-FM stations. TV stations have generally steered clear of carrying complete racing results, though number carry direct pickups of occasional event. FCC hasn't been concerned with latter. Chances are that stations will simply drop programs, if they haven't already, get taken off FCC hook immediately. In another action this week, Commission accepted explanations of 4 of the 26 stations cited for lack of educational or religious programs, gave them regular license renewals (Vol. 8:5-6). Stations are: WBNS-TV, Columbus; WJBK-TV, Detroit; WJAC-TV, Johnstown; WSPD-TV, Toledo. WKRC-TV was also given regular renewal, FCC reversing itself on question of "functional music" broadcasts. Commission will act on other stations as fast as they come in with explanations, and it's expected all will be cleared shortly.

THE TV CODE went into effect March 1, with 82 of nation's 108 TV stations and all 4 networks as charter subscribers. Judging by initial response of telecasters, it appeared probable that industry's support of NARTB's document may soon be very close to unanimous.

An incidental effect of code is that it's winning new TV members for NARTB—with membership at week's end having climbed to 86 stations plus the 4 networks. Joining this week were WAFM, Birmingham; WMAL-TV, Washington; WMBR-TV, Jacksonville; WNHC-TV, New Haven. Of the 82 code subscribers, 6 are non-members of NARTB.

Code Review Board which will administer code (Vol. 8:7) held first meeting in Washington Feb. 28. Among its actions at all-day session:

(1) Visited FCC chairman Paul A. Walker, chairman Edwin C. Johnson (D-Colo.) of Senate Interstate & Foreign Commerce Committee, Senate Majority Leader Ernest W. McFarland (D-Ariz.), to acquaint them with progress.

(2) Approved proposals to issue monthly newsletter report on code observance to all code subscribers, and periodic reports to public.

(3) Set up job specifications for fulltime NARTB-TV staff executive to assist Board.

(4) Voted to meet in 30 days in Chicago, prior to NARTB convention, to take up any proposals or complaints filed in first month of code's operation.

Board sent to subscribing stations a memorandum on usage of code "seal of good practice" (Vol. 8:1), urging display to "greatest possible audience, not only at sign-on, sign-off and station-break time, but within participating shows when time is available . . ." In response to frequently asked question, Board's memorandum cautions that networks' adherence to code doesn't give non-subscribing affiliated stations right to display seal on local basis. "The seal may be displayed as part of the network programming," memorandum states, but "caution must be exercised [by network to assure] that seal usage is delimited aurally and/or visually to identification with that network."

Network Accounts: Time Inc. signs for 13 weeks of spots on NBC-TV's *Today*, Thu. 8:20-8:25 a.m., thru Young & Rubicam; on Feb 21 it bought one-shot offering its *Current Events Quiz*, was so pleased with 10,800 responses that it extended . . . Sterling Drug Inc. moves *Mystery Theatre* April 10 from Fri. 8-8:30 to Thu. 9-9:30 on ABC-TV, thru Dancer-Fitzgerald-Sample, N. Y. . . . Schlitz *Playhouse of Stars*, being cut to half hour April 4 on CBS-TV, also being filmed in Hollywood for spot placement; Schlitz has appointed 3 new agencies—Lennen & Mitchell for TV-radio, Leo Burnett for publication & outdoor, Irwin Vladimir & Co. for export advertising . . . Lever Bros. (Rinso) switches *Big Town* on CBS-TV from live to film starting April 3, Thu. 9:30-10 . . . Kaiser-Frazer, having bought alt. week half hours of NBC-TV *Show of Shows* (Vol. 8:4), after March 9 drops *Adventures of Ellery Queen* on ABC-TV, Sun. 7-7:30.

Station Accounts: Joint sponsorship of programs as one way to meet high costs of TV has advocate in George Hansen, president of National Retail Dry Goods Assn., who heads Boston's Chandler & Co. For dept. stores, he says, TV costs are "still too high," though he thinks it may soon replace the newspaper as the retailer's "major promotional prop" . . . Hertz Driv-Ur-Self System Inc. will use TV with other media in \$1,950,000 advertising drive this year, of which \$650,000 goes to national media, thru Campbell-Ewald, Chicago (Earl Clements, v.p., supervisor) . . . Stephano Brothers, Philadelphia, launching new filter-tip cigarette called "Gems" in March, made for "smokers who feel they are smoking too much"; news-

ZENITH finally filed long-anticipated petition asking FCC to start ball rolling toward commercial establishment of its Phonevision system of pay-as-you-look TV. But with FCC's extremely heavy agenda of higher-priority matters, and with Zenith's competitors (Paramount, Skiatron, probably RCA and others) admittedly not through experimenting, beginning of hearing on subscription TV appears many months off.

Zenith petition includes brief resume of Phonevision history, says in effect, "We're ready." Particularly worth noting in petition is allusion to fact that its system doesn't rely solely on telephone lines, that versions are available for non-telephone homes. Some Zenith competitors regard dependence on telephone as Phonevision's Achilles' heel.

When hearing does come, it will be big battle of engineers as well as economic, social and political struggle (Vol. 7:34). "Security" will be the watchword, with each proponent seeking to show how its system can't be "broken", or that it can be broken only with great trouble or expense.

Another reason why hearing is still good way off is that Zenith's opponents aren't ready. Paramount v.p. Paul Raibourn, during FCC's current "anti-trust" hearing, admitted company "still has technical difficulties" with its Telemeter coin-box system. Paramount also plans to test economics of system via community antenna setup in Palm Springs, Cal. (Vol. 7:52)—starting some time this fall. Four-hour demonstration of Telemeter was given press in Hollywood this week, using Paramount's KTLA facilities.

Skiatron has yet to ask FCC for permission to make home tests with its Subscriber-Vision system. Since it has no station of its own to work with, it has been depending on facilities of New York's WOR-TV. It may prove difficult to get station to scramble pictures during the good viewing time which presumably is necessary for accurate test.

Skiatron has dropped its punch-card method of decoding scrambled signal, now has translucent card containing printed circuit. Change is regarded as admission that punch-card is extremely weak in "security".

papers and TV will be used, thru Aitkin-Kynett, Philadelphia . . . Buitoni Macaroni Corp., starting April 6, presents *Joe DiMaggio's Dugout* on WNBT, New York, Sun. 11:45-noon, thru Harold J. Siesel Co., N. Y. with retired Yankee star teaching fundamentals of baseball . . . Chesterfield and Hamm Brewing Co. to share sponsorships of 77 Chicago Cub home games, 57 White Sox daytime home games, all on WGN-TV, each taking 4½ innings . . . Weston Biscuit Co. (cookies) releasing TV film spots in 6 languages, thru McNeill & McCleery, Los Angeles . . . DuPont contracts for 7 *Cavaleade of America* half-hour films to Screen Gems, TV subsidiary of Columbia Pictures . . . Among other advertisers reported using or preparing to use TV: Quality Biscuit Co., div. of United Biscuit Co. of America (Town House crackers), thru Hoffman & York, Milwaukee (WTMJ-TV); Winslow Chip Co. Inc. (potato chips, canned potato sticks), thru Harry M. Frost, Boston (WNAC-TV); L. L. D. Chemical Co. (Liqua-Leather & Topper leather refinisher), thru Rand Adv. Agency, N. Y.; Cargill Inc. (Green Treated lawn seed), thru Bruce B. Brewer & Co., Minneapolis; House of Westmore Inc. (Tru-Glo liquid make-up), thru Harry B. Cohen Adv. Co., N. Y.; Italian Swiss Colony Wine Co., div. of National Distillers Products Corp., thru Honig-Cooper Co., San Francisco; Krey Packing Co. (Kri-pi one-package meal), thru Ruthrauff & Ryan, St. Louis; Roman Ravioli Inc. (ravioli, tomato sauce), thru Kastor, Farrell, Chesley & Clifford, N. Y.; Comstock Canning Co. (pie sliced apples), thru Leo Burnett Co., N. Y.; R. B. Davis Co. (Swel fudge & frosting mix), thru Samuel Croot Co., N. Y.; Avoset Co. (Quip pressurized dairy cream), thru Harrington-Richards, San Francisco.

BAN ON TV-RADIO at House committee hearings is likely to stand for rest of current session, despite anguished screams of Republicans and protests by a few Democrats. At week's end, little Congressional support was apparent for resolution (H. Res. 538) by Rep. Patrick J. Hillings (R-Cal.) to let committees decide how their hearings are to be covered. Nor were there any signs of backing for measure (H. Res. 62) introduced last April by Rep. Jacob Javits (R-N. Y.) to permit TV-radio coverage of all House proceedings, including sessions of House itself (Vol. 7:12, 18). Even Minority Leader Joseph W. Martin Jr. (R-Mass.) said anti-TV-radio ruling of House Speaker Sam Rayburn (D-Tex.) was unlikely to be displaced by House vote this session.

Charges of "politics" began flying shortly after Rayburn ruled Feb. 25 that House rules give no authority for coverage of hearings by TV, radio, movies or tape recording. Directly affected was Un-American Activities Committee's current Detroit investigation. Some Republicans charged ban was designed to prevent Rep. Charles E. Potter (R-Mich.), member of subcommittee holding Detroit hearings, from building up popularity in Michigan via TV. He has been mentioned as potential opponent of Sen. Blair Moody (D-Mich.) in this year's election. TV-radio networks and stations protested the ban; big newspapers were almost unanimously against it.

Protests and accusations rose to crescendo Feb. 28 when President Truman told news conference that Speaker Rayburn had decided on ban while with him at White House—but Mr. Truman insisted he had nothing to do with decision. He explained that Rayburn took emergency phone call from Sen. Moody while at White House. Sen. Moody urged Speaker to permit televising of Detroit hearings, and Rayburn then told him how he would rule. Asked how he felt about matter, Mr. Truman said question was one for Congress itself to settle.

Similar ruling in Senate seems unlikely, especially in view of adverse publicity following Speaker Rayburn's action. Senate Majority Leader Ernest W. McFarland (D-Ariz.), member of Interstate & Foreign Commerce Committee, says he personally feels Congress should operate under same rules as courts, which don't permit broadcasts or picture-taking, but has no intention of pushing such a rule in Senate.

Senate Interstate & Foreign Commerce Committee, before endorsing Robert T. Bartley for FCC post Feb. 29 (see p. 2), queried him on subject of televised hearings—undoubtedly bearing in mind that he's Speaker Rayburn's nephew and assistant. He said Rayburn hadn't consulted him on matter. Pressed for own opinion, he said he thought televised hearings might be good idea if stations are "completely fair." But he said it was hard to see how stations could be fair without carrying complete hearings.

More facts about TV audiences, culled from recent surveys: WTMJ-TV, Milwaukee's sole TV station, in coincidental telephone survey (30,546 completed calls) found that 73.16% (195,410) of Milwaukee county homes have one set or more; 3.66% (7152) have 2 sets; .04% (78) have 3 sets; percentage of sets turned on after 10:30 p.m. varies from 24% on Tuesday to 50% on Saturday. Survey by WSYR & WSYR-TV, Syracuse, (1467 completed calls) indicates that members of average TV household view TV 4.52 hours a day, listen to radio 3.07 hours; TV homes have average of 2.4 radios vs. 2.1 in non-TV homes. TV's selling power, as indicated in Columbus area survey by Dr. Kenneth Dameron, Ohio State U: Some 44% of TV families bought new product or brand within one month; of these, 87% had seen it advertised on TV, 76.8% said purchase was influenced by TV advertising.

Telecasting Notes: NBC Research, only reporter of city-by-city sets-in-use count each month (see p. 16), is henceforth combining figures for Indianapolis-Bloomington and Grand Rapids-Kalamazoo areas due to overlap, at same time announcing new network rates for those cities: WFBM-TV, Indianapolis, went from \$700 to \$800 as of Jan. 1, and WTTV, Bloomington, goes from \$200 to \$500 as of March 1; WOOD-TV, Grand Rapids, went from \$500 to \$600 on Feb. 1, and WKZO-TV, Kalamazoo, goes from \$500 to \$600 March 1 . . . More station rate increases effective March 1, to add to those reported last week (Vol. 8:8): WGN-TV, Chicago, from \$1000 to \$1200 per Class A hour, \$200 to \$250 per 1-min.; KPIX, San Francisco, \$600 to \$750 & \$120 to \$150; WGAL-TV, Lancaster, \$600 to \$650 & \$90 to \$125 . . . WTTV, Bloomington, adopts network rate as its national rate, ups 1-min. from \$30 to \$80 . . . TV sponsors, agencies, networks up in arms over bill proposing to let New York City tax sponsors 5% of cost of TV-radio programs originating there, introduced in Albany by State Sen. Mario DeOptatis . . . AP's TV newsreel service, designed to compete with INS and UP services, reported readying for mid-March debut . . . "Package rental" of 1200 TV films for \$250,000 from Motion Pictures for Television Inc. is reported by WXYZ-TV, Detroit, said to be one of biggest such deals ever made . . . Mallard Inc., 120 Wall St., New York, reported organized by S. Mukamal to acquire films for TV stations . . . Amusing article about guests on TV programs, together with tips on how to behave as a TV guest, by TV writer-contact Sally Iselin, is feature of March *Atlantic Monthly* . . . Tex McCrary goes on leave of absence from his WNBC & WNBT programs to work on Eisenhower presidential candidacy until elections, leaving his wife Jinx Falkenburg to carry on; he got lots of publicity (not very favorable) for his *Author Meets Critics* debate with Sen. Taft on DuMont, during which Taft alleged he was called liar . . . Phil Harris signs long-term TV-radio contract with NBC, thus setting at rest rumors *Phil Harris-Alice Faye Show* (radio) might switch to CBS.

Another House resolution (H. Res. 541) proposing TV-radio program investigation was introduced this week by Rep. Rees (R-Kan.), similar to one introduced Feb. 7 by Rep. Gathings (Vol. 8:8). Only difference is in membership of proposed select committee to make investigation, Rees suggesting 9 members vs. 15 in Gathings' measure. Rees said he has received complaints on TV programming, most of them aimed at beer advertising and crime shows, feels that public hearings on resolution would determine just how much viewers are opposed to programs and whether investigatory body is really needed.

Amended version of Horan Bill (H. R. 5470), relieving broadcasters of liability in suits arising from political speeches (Vol. 8:5), was submitted to Rep. Horan (R-Wash.) by NARTB, may be introduced next week. NARTB recommended wording be changed from "licensee shall have no power to censor, alter, or . . . control material broadcast" to "licensee shall have no power to censor the material broadcast."

Report on McFarland Bill to amend Communications Act (Vol. 8:8) should be issued by House Interstate & Foreign Commerce Committee in week or so, according to Chairman Crosser (D-Ohio). He says consideration of "toughest part", license renewals, is about over. Though he says committee's amendments will make House-Senate conference necessary, he believes "the Senate will like our amendments."

Ohio State U's Institute for Education by Radio & Television is scheduled for April 17-20 in Columbus, again headed by Dr. I. Keith Tyler.

STANDARD COIL'S NEW 82-CHANNEL TUNER: Another solution to combination vhf-uhf sets, unwrapped by Standard Coil Products in New York's St. Regis Hotel Feb. 28, is particularly worth noting since company reports it supplies 40% of all TV tuners built, has turned out 6,000,000 to date. Among its 70 customers: Admiral, Philco, Emerson.

Device unveiled to press showed ingenious approach, is designed for new sets. Standard's answer for converting existing sets containing its turret tuner -- replacement of vhf strips with uhf -- was demonstrated last June (Vol. 7:23).

New tuner has 3 concentric knobs instead of vhf's conventional 2 -- one calibrated in "10s", another in units, third for fine tuning. "Window" shows number of channel tuned. Tuner is "detent" type, clicking into position for each channel.

Tuner demonstrated was mounted in current-model Admiral set, got acceptable (though snowy) picture from Bridgeport uhf station 54 miles away and below line-of-sight, and got excellent test pattern from DuMont's New York uhf outlet. Company claims uhf performance as good as vhf with same signal level.

Price to manufacturers is about \$25, slightly over twice Standard's vhf unit. Retail price of combination vhf-uhf set, as compared with vhf-only, will be entirely up to set makers.

Deliveries are scheduled for August, though it's reported that some customers, notably Admiral, were champing at bit to get them in April or May.

With patents at stake, Standard was reluctant to give complete technical details. However, tuner uses 3 tubes and a crystal mixer, employs coils for tuning elements. Use of coils for frequencies at top of uhf band (890 mc) is considered unusual, but company claims excellent stability, sensitivity, etc.

Standard's demonstration, close on heels of RCA's disclosure of its uhf reception plans (Vol. 8:7), points up quickenning competition in anticipation of FCC's end-of-freeze decision which will give uhf final go-ahead.

We're getting excellent responses to our survey of set makers' uhf plans, will round them up shortly in what we believe will be most authoritative and most up-to-the-minute report on uhf receiver and converter prospects to date.

TRADE IS STEADY, SOOTHSAYERS BULLISH: "Not too good, not too bad -- sales fairly steady." That's about best thumbnail description we get of current TV-radio trade.

Fact is many think TV has returned to "normal selling patterns", along with other consumer goods. Survey by New York Journal of Commerce, for example, shows improvement in inventory & sales situation in consumer durables generally. It says:

"Dealer and distributor inventories have been sharply reduced from the peak levels of last year, reached in July and August. But appliance inventories at the factory have held at relatively high levels in recent months. Factory & distributor inventories together average about 90 days' supply.

"In nearly every field, sales at the retail level are running well in excess of the current reduced rates of production, pointing to shortages later in the year. In some cases -- as in autos -- the shortages may come within 45 days..." As for TV:

"Television, too, has experienced an upturn in consumer buying while inventories have been sharply reduced from the levels of last summer. Retail sales are running only 10-15% behind last year; output has been cut much more than that."

If you want an "on high" opinion about the larger economic picture, we give you the assurances of Secretary of Commerce Sawyer, speaking before the Tallahassee Chamber of Commerce this week, that 1952 will see "no large recession." As in 1949, said he, we're in the midst of an inventory adjustment, "a normal process which the economy undergoes now and then..."

"There are, of course, certain soft spots in the economy and some business men are loaded down with [consumer] goods which they find hard to sell -- at current

prices...We cannot afford to forget that some of the present sales resistance on the part of consumers is the result of buying waves which occurred after Korea, during which consumers bunched up purchases which would otherwise have been spread over a longer period of time. A great many of these purchases were financed on credit; it is highly improbable that a man who bought a washing machine or a TV set during the days of scare buying will be in the market for the same items today, particularly if he has not finished paying for his original purchases."

Secretary Sawyer goes on to say that the defense program is stimulating the high rate of business activity that's still on upgrade. "The strength of both govt. buying and business buying will assure a continuing high level of business activity and employment this year," he stated.

* * * *

Dun & Bradstreet estimate of January dealer sales and dealer inventory at the end of that month had not been released up to press time -- but RTMA production figure for week ending Feb. 22 was 100,846 TV sets (2000 private label) as compared with 98,522 week before (Vol. 8:8). It was year's 8th production week.

TV inventories at factory rose to 208,669 from 197,232 week before, highest of month--though there was one week end in January when peak was 239,700 (Vol.8:3).

RTMA also reported 189,321 radios produced (76,469 private label) during week ended Feb. 22. Inventories rose to 324,092 from 288,930 preceding week. Radio output comprised 77,474 home units, 22,407 portables, 26,711 clock, 62,729 auto.

Topics & Trends of TV Trade: Next—TV receivers with 27-in. tubes? Corning Glass Works evidently thinks so, for it has scheduled volume production for May of the 27-in. rectangular all-glass bulb first displayed at IRE convention last year. And Thomas Electronics Inc. is reported preparing to display several tubes of this size at current IRE convention.

Corning says bulb is "largest piece of molded glass manufactured anywhere in the world on automatic production equipment." It weighs about 40 lbs., affords 375-sq. in. picture, or about 50% more area than 21-in. size which in glass weighs about 27 lbs. It utilizes new cylindrical-face design to minimize light reflections (Vol. 7:47, 50). Samples were being delivered to the industry this week at \$35 each, though volume price hasn't been set yet; DuMont's 21-in. all-glass are sold at \$28.50, RCA's 21-in. metal at \$28.

Rauland announced 27-in. tube in January (Vol. 8:3), claiming 390-sq. in. picture area, but there has been little activity announced among manufacturers except that Admiral said it would put tube in set when volume is available and demand appears (Vol. 8:1). GE has been offering 24-in. metal-cone tube at \$50. RCA, Lansdale, Rauland and DuMont are known to have been experimenting with 27-in. metal rectangulars, but have not yet indicated progress made.

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Starrett creditors were due to meet at week's end in connection with its involuntary petition in bankruptcy (Vol. 8:8), petitioning law firm of Goldwater & Flynn, proposing to pay 2% in cash and balance of 50% settlement in monthly installments of 1% starting 90 days after confirmation. Liabilities are listed at \$1,204,326, consisting of \$843,360 in unsecured claims, \$161,747 accommodation paper, \$120,840 taxes, \$70,931 secured claims, \$7444 wage claims. Assets are \$1,248,011, including \$863,448 stock in trade, \$298,078 accounts receivable, \$49,491 cash in bank, \$36,993 machinery & fixtures.

Total of some 120 creditors includes these of \$10,000 or over: 601 West 26th Corp., (rent), \$129,060; RCA (royalties), \$70,119; Techinflex, Port Jervis, N. Y., \$42,025; Downs House of Miracles, Los Angeles, \$33,739; Sarkes Tarzian (tubes), \$33,669; Crest Transformer Co., Chicago, \$24,645; Sarkes Tarzian (tuners), \$24,517; Pyramid Elec-

tric Co., Paterson, N. J., \$23,830; Standard Coil Products, \$20,989; Spear & Co., Pittsburgh, \$18,362; Tele-Ray Tube Co., \$17,998; Rogers Electronics, \$17,288; Lansdale Tube, \$15,847; Seruggs-Vandervoort-Barney Inc., St. Louis, \$15,569; Sylvania, \$14,413; New England Transformer Co., \$12,511; Cronane Inc., Chicago, \$11,678; Ram Electronics, Paterson, N. J., \$11,240; RCA \$11,046; Master Equipment, Washington, Pa., \$11,025; National Union Radio, \$10,305; Quam-Nichols, \$10,227; Nuns Better Cabinet Co., Marietta, Ga., \$10,056.

* * * *

Employment is on upgrade in TV-radio and other metal-using industries despite heavy cutbacks in materials during current quarter. Telegram survey of 11,000 manufacturers made by Bureau of Labor Statistics for NPA indicates: (1) Over-all employment in consumer durable goods industries is higher than any time since Spring 1951. (2) Employment in TV-radio industry is now 4% above December 1951 level, while appliance industry employment rose 0.7%. As interpreted by NPA chief Henry Fowler, survey "shows that American industry, even in the consumer durable goods field where material cutbacks were most severe, has generally been able to find a means of maintaining and even increasing employment through substitution and conservation of scarce materials, and the placing of defense contracts in spite of the impact of sharply reduced allocations of metal for their normal products."

Against some 30,000 TV sets sold in Canada in 1950 and 40,000 in 1951, there should be 80,000 sold this year, assuming CBC's Montreal and Toronto stations, Dominion's first, get on air in Aug. or Sept., as promised. This is opinion of F. R. Deakins, president, RCA Victor Ltd. Sales of radios totaled 731,000 in 1950, 550,000 in 1951, should run 500,000 this year, Mr. Deakins thinks. Combined TV-radio sales in 1951 were \$65,900,000 vs. \$70,000,000 in 1950.

"Mercury" brand TV is "alive and kicking"—and we regret the inadvertance which led us to include it among recapitulation of those that have faded out of trade picture during last few years (Vol. 8:8). We meant, of course, Mercury Record Corp., Chicago, once a set maker, not Pacific Mercury Television Mfg. Corp., Van Nuys, Cal., still very much in the set business.

ANTI-TRUST SUIT against 11 New York distributors, asking triple damages totaling \$2,100,000, was filed this week by Monarch-Saphin Co. Inc., big New York retailer now trying to reorganize under bankruptcy laws. It charges conspiracy to drive it out of business with "unfair business practices" and "price discrimination" in retaliation for its inventory-unloading auction sales of last May (Vol. 7:20-21, 25).

Named in suit: Bruno-New York Inc. (RCA & Bendix); Admiral Corp. New York Distributing Div. Inc.; General Electric Supply Corp.; Gross Distributors Inc. (Stromberg-Carlson); Maytag Atlantic Co. Inc.; Motorola-New York Inc.; Crosley Distributing Corp.; Warren-Connolly Co. Inc. (Hallicrafters & Norge); Weiss & Besserman Co. Inc. (Youngstown sinks); Westinghouse Electric Supply Co.; Zenith Radio Corp. of New York.

Monarch charges these concerns refused to ship merchandise during reorganization even though Monarch has capital of at least \$250,000 to protect shipments; also, that firm was put at disadvantage because of preferential treatment of competitors, and that tie-in sales were imposed.

Bruno-New York also is accused of running misleading ads discrediting its auction sales and of trying to block sale with complaint to city Comr. of Licenses. Amount of damages to be demanded from each defendant will be determined later.

Crosley this week created 2 separate sales organizations—one for TV-radio, another for refrigerators-appliances—in move to handle expanded product line. Both will be under sales v.p. W. A. Blees. TV-radio coordinator will be Leonard F. Cramer, asst. gen. mgr., with asst. sales mgr. Inwood Smith named special asst. to gen. mgr. John W. Craig. Other appointments: F. F. Duggan, ex-Avco American Kitchens Div., named gen. sales mgr. for refrigerators-appliances; E. W. Gaughan, ex-Eastern sales mgr., now TV-radio gen. sales mgr.; R. K. White, asst. gen. sales mgr. for adv. & public relations; R. H. Schneberger, gen. service mgr.; M. R. Rodger, Western div. appliance sales mgr.; T. H. Mason, Eastern div. appliance sales mgr.; H. E. McCullough, TV sales section mgr., now TV-radio field sales mgr. Also named were 5 new regional appliance mgrs., reporting to Mr. Rodger and Mr. Mason: F. D. O'Sullivan, New York; L. R. Walker, Atlanta; J. E. Shelton, Chicago; R. O. Adkison, Kansas City; C. E. Germaine, San Francisco.

National Community Television Assn. members, in addition to officers and directors reported (Vol. 8:3): Hubert H. Strunk, Ashland Video Co., Ashland, Pa.; Philip D. Hamlin, Holbert's, Seattle; Frank Brophy, Shenandoah Heights TV Associates, Shenandoah, Pa.; Anthony Berinas, St. Clair TV Co., St. Clair, Pa.; Oscar Kehler, TV Extension Corp., Shamokin, Pa.; Ralph J. Adams, Tyler TV, Tyler, Tex.; C. O. Fulgham, Video Independent Theatres, Oklahoma City; John M. Price, Pocono TV Relay, Stroudsburg, Pa.

Fair trade backers had hopes boosted twice this week by 2 House committees when Interstate & Foreign Commerce Committee approved McGuire Bill (H. R. 5767), as expected, and Celler Judiciary subcommittee surprisingly approved similar measure after studying 4 versions. At hearings on McGuire Bill, National Appliance & Radio Dealers Assn. had testified that fair traded merchandise was important to appliance dealers despite fact it comprised less than 5% of dollar volume (Vol. 8:6).

New optical system for its theatre-TV equipment has been developed by General Precision Laboratory which terms it "a major advance in optics over the classical Schmidt design." Company says system is based on formula which was evolved by GPL scientist Louis Pierre Raitiere after 14 months of work.

Trade Personals: Harold H. Buttner, v.p., elected president of Federal Telecommunications Laboratories (IT&T), succeeding Maj. Gen. Roger B. Colton, appointed deputy technical director of IT&T, 67 Broad St., N. Y. . . . Leon G. Pollard appointed Western Union electronic research engineer in charge of Water Mill, L. I. labs, succeeding the late Edward C. Homer; Wm. D. Buckingham appointed to succeed him as asst. . . . G. L. Hartman, gen. sales mgr., Belmont (Raytheon), has resigned . . . William H. Kelley elected to sales v.p., E. A. Holsten named gen. merchandising mgr., Motorola TV-radio div. . . . James N. Ryan Jr., ex-asst. sales mgr., Tele-tone, appointed sales mgr., Steelman Phonograph & Radio Co. . . . Stanley I. Messing, ex-Starrett & Philco, named mgr. of govt. contract div., Philharmonic Radio . . . Herbert Bloomberg, DuMont transmitter div. central district sales mgr., named to head division sales in new central sales territory, covering 15 Midwest states . . . Willis C. Toner named mgr. of Sylvania's TV tube plant at Seneca Falls, N. Y., Gordon L. Fullerton named plant mgr. at Ottawa, O., Homer D. Broker named staff asst. to electronics manufacturing mgr. . . . James Ferrel replaces Russell Southwick, resigned, as sales mgr. of appliance div., RCA Victor Distributing Co., Buffalo . . . Joseph Maresca named asst. to Bernard L. Cahn, gen. sales mgr., Insuline Corp. . . . Frederick L. Teidman, ex-St. Louis field man, named DuMont's New York factory service mgr. . . . Leon B. Unger, Unger Electric Tools Inc., Los Angeles, named president of West Coast Electronic Mfrs. Assn.; Noel E. Porter, Hewlett-Packard Co., Palo Alto, v.p.; J. J. Halloran, Electro Engineering Works, Oakland, secy.; George Clark, Tetrad Co. Inc., Los Angeles, treas. . . . Calvin E. Bell, TeleKing v.p., recalled to active Navy duty as lieut. j.g.

U. S.-Canada radio treaty, permitting pilots, mobile radio transmitter operators and amateurs of each country to operate equipment in territory of other, was reported favorably Feb. 27 by Senate Foreign Relations Committee. Non-controversial convention, negotiated by State Dept. and FCC, grew out of incidents affecting AT&T mobile systems, U. S. Park Service cars, Interior Dept. launches, Atomic Energy Commission convoys.

Next FM promotion campaign, in series sparked by NARTB and RTMA, is tentatively scheduled for upper New York State "sometime after April." NARTB reports that New York demand was prompted by success in first area, North Carolina (Vol. 8:7). NARTB estimates some 5000 FM sets were sold in North Carolina Jan. 21-Feb. 25, believes figure substantially above "normal"; study hasn't been completed. No results are yet in from current Wisconsin campaign. In connection with District of Columbia drive that began March 1, special Monday morning "Sales Clinics of the Air" for retailers have been started on FM station WASH.

Voluntary system of curbing false TV-appliance ads in New York City (Vol. 8:3) has resulted in excellent cooperation during first 2 weeks. Of 21 letters written by Better Business Bureau complaining of violations, replies have been received to all but one, and in that case the violation hasn't been repeated. Most frequent complaint was over failure to describe warranties and guarantees adequately. Other violations included misuse of words "custom-built" and "fully guaranteed", and instances of advertised merchandise not being available.

Societa Siemens, radio manufacturer of Milan, Italy, planning to go into TV set production. GE reports complete studio & transmitting equipment for Italy's second station has been shipped to govt.-owned Radio Audizione Italiano; GE built first for 1952 Milan Fair in April, reports 11 Italian-built transmitters scheduled for completion end of 1953, first going to Rome end of this year.

Financial & Trade Notes: RCA 1951 annual report released this week reveals industry's dominant company for second time enjoyed better than half-billion-dollar year, gross sales achieving all-time record high of \$598,955,000, or 2.1¢ more than the \$586,393,000 of 1950. Net profits were \$31,193,000 (\$2.02 per common share) compared with \$46,250,000 (\$3.10) in 1950—the reduction largely attributed to leveling off of consumer demand for TV receivers, fewer TV transmitter sales, and taxes. Total taxes for year were \$62,389,000, or \$4.49 per share, about double year's net profit; of this amount, \$30,840,000 was Federal income tax compared with \$50,743,000 in 1950.

Breakdown of revenue sources discloses RCA Victor, RCA Laboratories, RCA International Div. combined to account for 73.5% of company's revenues, or \$440,135,000, down from 1950's \$476,091,000. NBC revenues went up to \$137,156,000 from \$92,091,000 in 1950, gain being attributed entirely to TV network and station operations. NBC accounted for 22.9% of firm's revenues as against 15.8% in 1950.

Note: NBC revenues are not broken down as between TV and AM, nor as between networks and stations, but it's common knowledge all its TV & AM stations are operating profitably, and it has been reported network TV is now slightly profitable but network radio is losing (Vol. 7:46, 48). NBC-TV network revenues now exceed its network radio by considerable margin (see PIB figures for 1951, Vol. 8:4).

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Admiral's earnings dropped to \$9,586,833 (\$4.97 a share) on sales of \$185,925,058 in 1951 from preceding year's records of \$18,767,554 (\$9.73) on sales of \$230,397,661. Despite decline, 1951 sales and earnings are second highest in company's history. Company paid income taxes of \$9,138,788, or \$4.78 a share, last year. Net worth increased to \$40,409,844 (\$20.96 a share) as of end of 1951, from \$32,751,011 (\$16.99) end of 1950. Net working capital increased to \$27,361,637 in 1951 from \$21,931,846. Annual statement says company invested more than \$2,500,000 in additions and improvements last year.

Stromberg-Carlson reports net earnings of \$685,777 for 1951 on total sales of \$33,632,495 from all divisions, including broadcasting. This compares with \$974,731 profit on sales of \$37,672,385 for 1950. In letter to stockholders preliminary to annual report, president Robert C. Tait said broadcasting (WHAM & WHAM-TV, Rochester), sound equipment and telephone divisions enjoyed best year in firm's history. "The TV market," said Mr. Tait, "is somewhat improved at present, and the lifting of the freeze on new stations . . . plus the political conventions this summer [and] the national elections next fall should stimulate demand for TV receivers."

Tung-Sol Electric reports record sales of \$31,484,760 for 1951, profit of \$2,049,458 (\$4.23 each on 477,815 shares) vs. \$3,092,951 profit (\$6.88 on 455,262) on \$29,425,002 sales for 1950 (Vol. 7:10). Firm announced in annual report that stockholders will be asked at March 25 meeting to authorize 100,000 shares of \$50 par cumulative preferred stock. Plan is to sell publicly series of 60,000 shares or less at first through underwriting group headed by Harriman, Ripley & Co. Stockholders also will vote on increasing authorized common shares from 500,000 to 1,000,000.

Cornell-Dubilier showed net profit of \$354,969 (79¢ a share) on sales of \$9,468,202 for 3 months ended Dec. 31, 1951 vs. \$333,710 (74¢) on \$8,247,982 same 1950 period.

Emerson Radio reports net income of \$351,859 (18¢ a share) for 13 weeks ended Feb. 2 vs. \$1,518,856 (78¢) for corresponding 1951 period.

General Tire & Rubber Co.'s net profit of \$7,790,469 (\$12.48 per share) on sales of \$170,771,521 for year ended Nov. 30, 1951, included \$773,827 realized from its TV-radio activities, according to annual report. Profit for 1950 was \$8,557,616 (\$13.88) on sales of \$125,378,837. Big tire firm's TV holdings then were WNAC-TV, Boston, and KHJ-TV, Los Angeles, now include WOR-TV, New York; its radio properties were Yankee and Don Lee networks with 3 AM stations each, to which was added WOR, New York, in latter January (Vol. 8:3).

Television-Electronics Fund Inc., in report for quarter ended Jan. 31, shows assets of \$12,292,925 (\$13.01 per share) as against \$9,792,691 (\$12.91) at end of fiscal year Oct. 31, 1951. Added to portfolio since last listed in these columns (Vol. 7:28) were these stocks: 1200 shares American Bosch (conv. pfd.), 2000 Burroughs Adding Machine, 8000 Photon Inc., 3000 Vitro Mfg. Co., 2000 Weston Electrical Instrument, 1000 Owens-Illinois.

Collins Radio, now averaging about \$5,000,000 sales per month, is expected to show sales of \$28,000,000 for 6 months ended Jan. 31, says Feb. 28 *Wall Street Journal*. This would compare with \$5,853,000 for first half of fiscal 1951. Earnings are expected to run \$2 a common share for Jan. 31 half, which would compare with 35¢ for like period year earlier and with \$2.23 for all fiscal 1951. Current backlog of orders is about \$150,000,000.

Oak Mfg. Co. reports profit of \$598,939 (\$1.14 a share) on sales of \$7,644,627 for 7 months ended Dec. 31, 1951. Comparative figures for last year are not available since company changed fiscal year from May 31 to calendar year, but report for fiscal year ended May 31, 1951 showed \$1,188,037 (\$2.27) on sales of \$13,145,807 (Vol. 7:33).

P. R. Mallory & Co. reports net profit for year ended Dec. 31, 1951 of \$1,923,314 (\$3.98 a share) vs. \$2,553,758 (\$5.29) in preceding year; net sales were \$45,438,000 vs. \$39,158,000.

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Westinghouse reports record sales of \$1,240,801,000 in 1951, increase of 22% over previous high of \$1,019,923,000 in 1950. Net earnings slipped 17% to \$64,578,000 (\$4.03 a share on 15,549,697 shares) from \$77,922,000 (\$5.36 on 14,190,654) in 1950. Consumer products v.p. John M. McKibbin said Westinghouse ended year without excessive inventories of "most home appliances." President Gwilym Price said there are indications "scare buying of materials is ending [and] I would not be surprised if we were able to turn out even more consumer durables this year than last." Defense business accounted for 16% of firm's total sales in 1951, and Mr. Price predicted this may be doubled in 1952.

Bendix Aviation president M. P. Ferguson reported to stockholders meeting in South Bend Feb. 27 that sales for first quarter of 1952 fiscal year ended Dec. 30 were \$111,522,000, representing annual rate of about \$440,000,000, compared with sales of \$340,000,000 for 1951 fiscal year. As of Feb. 1, he stated, backlog of orders approximated \$705,000,000, compared with \$698,000,000 at end of last fiscal year Sept. 30, 1951. January, biggest month yet, showed about 80% defense shipments. Earnings were \$1.37 a share on first quarter sales vs. \$1.21 for same quarter last year.

Dividends: Sylvania, 50¢ payable April 1 to holders of record March 20; Bendix Aviation, 75¢ payable March 31 to holders March 10; Standard Radio Ltd., 10¢ payable April 10 to holders March 20; WJR, The Good Will Station Inc., 10¢ payable March 11 to holders March 4; Stromberg-Carlson, 25¢ payable April 1 to holders March 10; Aerovox, 15¢ payable March 15 to holders March 15.

Mobilization Notes: Extra allotments of all 3 controlled materials—steel, copper and aluminum—may go out to manufacturers of civilian products, TV-radio included, during second quarter. It's far too early to say definitely, but DPA materials controllers are closely watching signs of mysteriously slackening demand for the metals, and looking toward future effects of military production "stretch-out."

Current aluminum situation particularly baffles govt. planners. They anticipated wild scramble at mills to get CMP tickets cashed during first quarter. Instead, demand for aluminum appears smaller than supply. Aluminum producers already have advised NPA to revise second-quarter civilian allotments of the metal upward from the announced 30% of base period use to 35% or 40%. And Aircraft builders are now beginning to cancel and postpone thousands of orders placed before plane building program was slowed down. This will free steel, copper and aluminum—but not immediately. If civilian goods receive extra allotments, announcement probably won't come for at least a month—possibly 2 or 3.

In TV-radio, copper is governing material. Industry can't use extra steel and/or aluminum without more copper. This week NPA released extra sheet and strip steel to manufacturers of many consumer products. TV-radio producers won't get any because they can't use it—copper is their bottleneck. Announcing this 10% dividend in first-quarter steel allotments, NPA said it would go to manufacturers who can use it without requiring more aluminum or copper. Auto industry was offered extra steel, turned it down because it would be worthless without more copper and aluminum.

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CMP headaches aren't confined to manufacturers. NPA's Electronics Div. has its share. It may have to return most third quarter controlled materials applications to manufacturers for revision. Of first 34 applications received, only 2 were filled out in accordance with newly-revised *Class B Product Directory* (Feb. 1 edition) which contains changes affecting practically every manufacturer of electronics equipment.

Division this week urged all manufacturers who have submitted third quarter applications based on old directory to make out new forms using new classifications—and to read carefully the instruction sheet which accompanies the new CMP-4B application blank before filling it out. Some of the more important changes in NPA classification of electronic equipment:

These product classifications have been discontinued: Radio & electronics hardware (class code 3429694); commercial radio communication & navigation aids (36693); electronic type components for communications (36614). These new classifications have been added: Towers, radio, prefabricated, except special design, for military and commercial broadcast (34416); other radio & related products, N.E.C. (36616); intercommunication equipment, electronically amplified (3669191).

These classifications have been changed: TV sets, household radio receivers, etc. (36612)—boosters and uhf & color adapters & converters have been added, unassembled sets deleted; transmitting & industrial type tubes (36622); radio receiving type tubes (36623)—transistors added.

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"How to Handle Defense Contracts" titles comprehensive article by CBS-Columbia govt. contract mgr. Murray Fiebert in Jan.-Feb. issue of *Signal*, published by Armed Forces Communications Assn., 1624 Eye St. NW, Washington.

Tax-aided expansion of electronics and related production facilities for 12 companies at cost of more than \$5,000,000 was approved by DPA Jan. 28-Feb. 2. Receiving certificates of necessity for 5-year tax writeoffs were these projects (amortized at 65% except as noted): GE, Auburn, N. Y., communications equipment, \$2,679,064; I-T-E Circuit Breaker, Philadelphia, aircraft & electronic parts, \$997,120; Bendix, automatic pilot systems at Teterboro, N. Y., \$396,225, and electronic equipment at Towson, Md., \$133,485; Gabriel Co., Needham, Mass., electronic products, \$264,236 (70%); Electric Regulator Corp., Norwalk, Conn., electronic equipment, \$195,027; Carl W. Schutter Mfg. Co., Lindenhurst, N. Y., electronic equipment, \$160,870 (70%); Sherrold Crystals Inc. Kansas City, Kan., quartz crystals, \$152,362; Statham Laboratories Inc., Los Angeles, scientific instruments, \$100,393 (70%); Raytheon, Waltham, Mass., tubes & equipment, \$62,390; Allied Aircraft Co., Hollywood, Cal., electronic equipment, \$50,000; G. H. Leland Inc., Dayton, electronic equipment, \$11,194 (75%); Atlantic Electronics Corp., Port Washington, N. Y., \$3690 (80%).

Bigger rations of selenium have been promised by NPA this month to rectifier manufacturers, who were on verge of shutdown in February because of shortage (Vol. 8:4). March allocation will total about 25,000 lbs. February supply was 15,500, augmented by emergency allotments to avert plant closures. In March, rectifier manufacturers will be permitted to increase their supplies by imports and recovery of scrap, without inventory control. NPA is allocating selenium for military rectifiers at rate of 100% of requirements, for civilian and indirect defense uses at 90% of use during first half 1950.

U. S. will buy 50,000,000 lbs. of Canadian nickel over next 9 years under terms of agreement with Falconbridge Nickel Mines of Toronto. This country advanced Falconbridge \$6,000,000 to expand mining capacity. Contract also provides for U. S. purchase of 1,500,000 lbs. of Canadian cobalt, option to buy 25,000,000 lbs. of copper and additional 25,000,000 lbs. of nickel.

George A. Landry, president of Sandia Corp., and Donald A. Quarles, Bell Labs v.p., named vice presidents of Western Electric, the former handling purchasing and traffic, latter succeeding Mr. Landry on Sandia work for Atomic Energy Commission.

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Top IRE awards to be presented at March 5 convention banquet in New York's Waldorf-Astoria: Medal of Honor, to Dr. W. R. G. Baker, GE, for "outstanding direction of scientific and engineering project" and for "his statesmanship in reconciling conflicting viewpoints and obtaining cooperative effort" (notably in color field); Morris Liebmann Memorial Prize, to H. W. Welch Jr., U. of Michigan Research Institute, for paper on magnetrons; Harry Diamond Memorial Award, to Newbern Smith, Bureau of Standards, for "fundamental work on radio wave propagation"; Editor's Award, to Jerome Freedman, Watson Labs of Griffis Air Force Base, for paper on "Resolution in Radar Systems"; Vladimir K. Zworykin TV Prize, to B. D. Loughlin, Hazeltine, for "outstanding contribution to electronic TV."

Symposium on improvement of components—sponsored by IRE, AIEE, RTMA, Bureau of Standards and Defense Dept.—will be conducted in Washington's Interior Dept. Auditorium May 5-7. First symposium was held May, 1950 (Vol. 6:28). Some 40 papers will be featured, plus talks by RTMA president Glen McDaniel, NPA's J. A. Milling, Navy's Capt. Rawson Bennett, Research & Development Board's Edwin A. Speakman, and discussion of components in continental Europe, Great Britain, Soviet Russia. Also on agenda is "An Evening With Transistors" (see p. 7).

Count of TV Sets-in-Use by Cities

As of February 1, 1952

Estimates are sets within .1 Mv/m contours (60 mi.),
excluding overlaps, as established by NBC Research.

BECAUSE OF OVERLAPS, NBC Research in its monthly sets-in-use reports is now combining Indianapolis-Bloomington and Grand Rapids-Kalamazoo totals—footnotes to table below explaining the total sets in service areas of each but allowing for overlap in totaling them together. For whole country, Feb. 1 count rose 352,300 sets from Jan. 1 (Vol. 8:5) to bring estimated total to 16,129,300. Readjustments of some totals have been made (viz., Chicago's 1,090,000 of Jan. 1 is upped to only 1,093,000 for Feb. 1) in order to squeeze suspected "water" in some area counts. And NBC "census" for first time notes 44,000 sets in Canadian area served by Buffalo, 30,000 by Detroit, plus 2500 on Mexican side of border served by Matamoros—but these are not included in U. S. total. Following is Feb. 1, 1952 count (consult individual stations for their estimates of number of families within respective service ranges):

Area	No. Stations	No. Sets	Area	No. Stations	No. Sets
<i>Interconnected Cities</i>			<i>Interconnected Cities—(Cont'd)</i>		
Ames (Des Moines) _____	1	78,000	New York _____	7	2,840,000
Atlanta _____	3	157,000	Norfolk _____	1	102,000
Baltimore _____	3	367,000	Omaha _____	2	116,000
Binghamton _____	1	51,900	Philadelphia _____	3	1,006,000
Birmingham _____	2	92,100	Pittsburgh _____	1	362,000
Bloomington (see Indianapolis) 1(a)			Providence _____	1	200,000
Boston _____	2	862,000	Richmond _____	1	109,000
Buffalo _____	1(b)	254,000	Rochester _____	1	132,000
Charlotte _____	1	124,000	Salt Lake City _____	2	71,000
Chicago _____	4	1,093,000	San Diego _____	1	113,000
Cincinnati _____	3	310,000	San Francisco _____	3	332,000
Cleveland _____	3	583,000	Schenectady _____	1	199,000
Columbus _____	3	197,000	St. Louis _____	1	372,000
Davenport-Rock Island _____	2	88,600	Syracuse _____	2	160,000
Dayton _____	2	176,000	Toledo _____	1	158,000
Detroit _____	3(c)	620,000	Utica _____	1	67,000
Erie _____	1	61,000	Washington _____	4	336,000
Grand Rapids _____	1(d)	155,000	Wilmington _____	1	93,000
& Kalamazoo _____			Total Interconnected _____	95	15,262,600
Greensboro _____	1	76,000	<i>Non-Interconnected Cities</i>		
Huntington _____	1	69,000	Albuquerque _____	1	13,100
Indianapolis _____	1(a)	221,000	Brownsville (Matamoros, Mexico) _____	1(e)	10,400
& Bloomington _____			{Dallas _____	2	154,000
Jacksonville _____	1	53,000	{Fort Worth _____	1	120,000
Johnstown _____	1	138,000	Houston _____	1	83,000
Kalamazoo _____	1(d)		Miami _____	1	81,800
(see Grand Rapids) _____			New Orleans _____	1	92,300
Kansas City _____	1	189,000	Oklahoma City _____	1	39,100
Lancaster _____	1	136,000	Phoenix _____	1	66,500
Lansing _____	1	82,000	San Antonio _____	2	129,000
Los Angeles _____	7	1,100,000	Seattle _____	1	77,500
Louisville _____	2	125,000	Tulsa _____	1	
Memphis _____	1	119,000	Total Non-Interconnected _____	14	866,700
Milwaukee _____	1	313,000	Total Interconnected and Non-Interconnected _____	109	16,129,300
Minneapolis-St. Paul _____	2	310,000			
Nashville _____	1	58,000			
New Haven _____	1	236,000			

- (a) Bloomington separately 142,000. Indianapolis separately 202,000.
- (b) Does not include estimated 44,000 sets in Canadian area reached by Buffalo station.
- (c) Does not include estimated 30,000 sets in Canadian area reached by Detroit stations.
- (d) Grand Rapids separately 125,000. Kalamazoo separately 132,000.
- (e) Estimate for Texas area. Estimated 2500 additional sets in Mexican area of Matamoros station.

Note: TV sets sold in Canada totaled 78,438 up to Dec. 31, 1951, according to Canadian RTMA (Vol. 8:5). Since Canada has no stations of its own and nearly all of these sets are in border areas, they add appreciably to audiences of stations in nearby U.S. cities. The CRTMA area count as of last Dec. 31: Windsor 30,063, Toronto-Hamilton 29,728, Niagara Peninsula 14,139, other areas 4508.

Want proof that a Russian invented radio—and not the "despicable Italian" Guglielmo Marconi? AP reports that Radio Moscow used those words this week, and offered in person "the aged Prof. Chatelain" who said he was present when Comrade Popov invented radio in 1900. Of course, notes AP, Marconi was credited with discovering wireless in 1896, but the Russians, in latest attempt to rewrite history, must have mislaid their inventions-claims script. Four years ago they claimed radio was discovered by Ivan Popov "53 years ago" which would have made the date 1895.

Mutual Broadcasting System stockholders, meeting in Florida this week, lifted ban on any one stockholder voting more than 30%—thus permitting Chairman Thomas F. O'Neil, representing General Tire's 58% stockholdings since recent acquisition (Vol. 8:3) of Macy stations (WOR, WOR-TV, etc.), to gain what is for all practical purposes control of the network. No official statement was forthcoming from meeting, except to call attention to directors meeting in April at which, it was said, it can be assumed all officers and directors will be reelected. That is construed to mean renewal also of president Frank White's contract.

New-station applications went over 500-mark this week, with filing of 6 vhf and one uhf this week to bring grand total to 504 (including 31 uhf). Applicants: KVOA, Tucson, Ariz., seeking Channel No. 4; WDBO, Orlando, Fla., No. 6; WCOA, Pensacola, No. 3; KALB, Alexandria, La., No. 11; WJXM, Jackson, Miss., No. 12; WWNY, Watertown, N. Y., No. 11; WLBG, Laurens, S. C., No. 45. Also filed but returned by FCC as incomplete was application of WROM, Rome, Ga., seeking No. 4. [For further details, see *TV Addenda 14-G* herewith; for listing of all applications to date, see *TV Factbook No. 14* and *Addenda*.]

Theatre-TV hearings were postponed for fourth time—to May 5—because of FCC's lag in meeting freeze-end target date. Principal theatre-TV proponents recently held conference with Commission representatives, expressed fear that postponement was becoming a habit, requested "realistic" date be set for hearings. However, there's some feeling at FCC that even May 5 may be too early and still another postponement might be necessary. Hearings originally were scheduled to begin Sept. 17, 1951, postponed to Nov. 25, then to Feb. 25, 1952, and March 10. Postponement to May 5 was announced Feb. 26.

Action on NPA color ban Order M-90 (Vol. 8:6-8) was deferred this week because of administrator Henry Fowler's preoccupation with "higher priority matters." Odds still are heavily in favor of continued ban on mass production of home color TV receivers, go-ahead for manufacture of other types of color equipment, including color theatre TV (Vol. 8:8). Meanwhile, 20th-Century-Fox said it hopes to begin installation of pilot model of its Eidophor-CBS color Theatre-TV gear in New York the week of March 16. Its departure by air from Zurich, Switzerland (Vol. 8:6) has been postponed until March 14.

FCC's patent-reporting proposal (Vol. 8:2-4) drew more criticism this week. Special committee of American Patent Law Assn. examined provisions of Communications Act cited by Commission as authority for proposal, claimed authority was lacking, termed proposal "illegal, unwarranted and improperly drawn . . . impossible to comply with." Automatic Electric Co. stated belief that it isn't affected. Sylvania said same, but opposed proposal if Commission decides company is affected.

Copies of FCC's 'Freeze Report'

Each subscriber to the full services of *Television Digest* will receive one copy of printed full text of FCC's *TV Allocation Report* ending the freeze, including city-by-city channel tables, and full text of Rules & Regulations and Procedures. We'll print them simultaneously with release by FCC, now expected in latter March but quite likely to be further delayed. Commission says document will run about 600 single-spaced mimeo pages, which means 200 or more pages of our supplement format. Preprint orders for extra copies are now being taken at \$5 each.

Identical Full Texts of

**Subpoenas Served on RTMA and
Various TV-Radio Manufacturers in Anti-Trust Probe**

Indicating Scope of Grand Jury Inquiry Instituted by Dept. of Justice and Set for May 12, 1952
In U. S. District Court for the Southern District of New York (Judge Knox)

(For story, see *Television Digest*, Vol. 8:9)

Form No. 68—Grand Jury Subpoena Duces Tecum

THE PRESIDENT OF THE UNITED STATES
OF AMERICA

TO THE BLANK CO.

GREETING:

WE COMMAND YOU that all business and excuses being laid aside, you appear and attend before the GRAND INQUEST of the body of the people of the United States of America for the Southern District of New York, at a District Court to be held at Room 513 in the United States Courthouse, Foley Square, in the Borough of Manhattan, City of New York, on the 12th day of May 1952, at ten o'clock in the forenoon, to testify and give evidence in regard to an alleged violation of the federal antitrust laws, and not to depart the Court without leave thereof, or of the District Attorney, and that you produce at the time and place aforesaid the following:

I

Certificate of incorporation of your company, its predecessors, subsidiaries, and affiliates, all four of which are hereinafter referred to as your company.

II

Copies of by-laws and all other corporate rules and regulations governing the activities of your company in effect at any time within the period from January 1, 1934 to the date of service of this subpoena.

III

All documents, correspondence, telegrams, reports, memoranda, records of telephone conversations, records of conferences, interoffice communications, and all other writings of every kind in the possession or control of your company, its officers, directors, agents, representatives or employees, prepared by and passing between your company, its officers, directors, agents, representatives or employees on the one hand, and

a. domestic manufacturers of radio, television or related electronic transmission or receiving equipment or parts or components thereof;

b. persons or companies owning patents or patent rights or licensed under patents for the domestic manufacture, use or sale of radio, television or related electronic transmission or receiving equipment, or parts, circuits or components thereof;

c. any association of radio, television, or electronics manufacturers;

d. any other officer, director, agent, representative or employee of your company,

on the other hand, from January 1, 1934 to the date of service of this subpoena, except as different dates are in-

dicated, in any way relating to or referring to the domestic manufacture or sale of radio, television or related electronic transmission or receiving equipment, or the parts, circuits or components thereof, or to the purchase, sale, assignment or holding of patents, patent rights or licenses, technology or know-how for the manufacture, use or sale of radio, television or related electronic transmission or receiving equipment, or the parts, circuits or components thereof within the United States, and limited to the following:

1. Refusals of your company to purchase patents or patent rights or to accept licenses or sublicenses under patents, and the reasons therefor;

2. Refusals by your company to grant licenses to others, and the reasons therefor;

3. Refusals by the Radio Corporation of America to grant patent licenses to your company;

4. The negotiations of domestic patent cross-license agreements presently in effect to which your company is a party;

5. Infringement or contributory infringement claims or suits against your company or against any distributor or customer thereof, including any patent licensing agreements resulting therefrom;

6. Actual or potential manufacture, or non-manufacture, by your company or by other companies of the so-called field sequential and all-electronic systems of color television transmission and reception, or parts or components thereof, including all determinations and expressions of policy, subsequent to January 1, 1939 (documents limited to technical and engineering data are excluded from the scope of this subparagraph);

7. Dominance, control or influence of the Radio Corporation of America over any association, body or group of manufacturers of television transmitting or receiving equipment, subsequent to January 1, 1939;

8. Proposals for, and concerted, joint or agreed-upon action between your company and:

(a) any association, body or group of manufacturers of television transmitting or receiving equipment;

(b) any one or more manufacturers of such equipment in support of, or in opposition to, standards proposed to the Federal Communications Commission for the transmission and reception of television, or to the production of any kind of color television equipment, subsequent to January 1, 1936;

9. Exchanging of information among domestic manufacturers of vacuum tubes or cathode ray tubes with regard to the computation, increase or reduction of prices for such tubes; and fixing and maintaining prices of such tubes with other domestic manufacturers;

10. Allocations of different types of vacuum tubes or cathode ray tubes to be produced by domestic manufacturers;

11. Limitations of quantities of vacuum tubes or cathode ray tubes of different types to be produced by domestic manufacturers;

12. The stamping or marking of the names of domestic manufacturers of vacuum or cathode ray tubes upon said tubes and their boxes, cartons and containers;

13. Determinations as to quantities of vacuum or cathode ray tubes to be produced by domestic manufacturers of such tubes;

14. Limitations or restrictions on quantities or types of television, AM radio or FM radio receivers, or parts or components thereof, to be produced by domestic manufacturers;

15. Withholding of any products from the market, subsequent to January 1, 1939;

16. Activities by your company to delay, hinder or prevent the manufacture for commercial use of FM transmission and receiving equipment;

17. Reasons for, and effects of, the raising or lowering of royalty rates or license fees under any and all agreements to which your company and the Radio Corporation of America are parties;

18. All determinations and expressions of policy of your company or any other company in the fields of radio, television, related electronic transmission or receiving equipment, or of parts, circuits or components thereof, concerning a position to be taken before any government agency, with respect to the production or non-production of color television equipment of any kind, subsequent to January 1, 1949.

19. Cooperation with other companies in the fields of radio, television, related electronic transmitting or receiving equipment, or of parts, circuits or components thereof, in the promotion or standardization of products, or in research.

IV

Minutes of meetings, reports, summaries, analyses, studies, and recommendations of boards of directors, executive committees, and any and all other committees, subcommittees, and groups of your company, prepared during the period from January 1, 1934 to the date of service of this subpoena, in any way relating or referring to the domestic manufacture or sale of radio, television or related electronic transmission or receiving equipment, or parts, circuits or components thereof, or to the purchase, sale, assignment or holding of patents, patent rights or licenses, technology or know-how for the manufacture, use or sale of radio, television or related electronic transmission or receiving equipment, or parts, circuits or components thereof within the United States, and limited to the subject matters set forth in subparagraphs 1 to 19 of paragraph III hereof.

V

Such books, records, statistical tables, data, reports or analyses (or summaries prepared therefrom) in the possession or control of your company as will show for the calendar year 1939 and for the period from January 1, 1947 to the date of service of this subpoena, except as different dates are indicated:

1. All products, by major product groupings, that are manufactured or sold by your company in the fields of radio, television, related electronic transmission and receiving equipment, and parts, circuits and components thereof;

2. Production and sales of your company for each calendar year in dollar and unit volume, separately indicating domestic and export production and sales, for each of the following:

- (a) AM radio receiving sets;
- (b) FM radio receiving sets;
- (c) AM radio transmitting equipment;
- (d) FM radio transmitting equipment;
- (e) monochrome television receiving sets;
- (f) monochrome television transmitting equipment;
- (g) color television receiving sets;
- (h) color television transmitting equipment;
- (i) vacuum tubes;
- (j) monochrome television picture-receiving tubes;
- (k) color television picture-receiving tubes;

3. Amounts of royalties collected by your company in each calendar year from each of your licensees, both domestic and foreign, for each of the following:

- (a) AM radio receiving sets;
- (b) FM radio receiving sets;
- (c) AM radio transmitting equipment;
- (d) FM radio transmitting equipment;
- (e) television receiving sets;
- (f) television transmitting equipment;
- (g) color television receiving sets;
- (h) color television transmitting equipment;
- (i) vacuum tubes;
- (j) monochrome television picture-receiving tubes;
- (k) color television picture-receiving tubes;
- (l) other products in the fields of radio, television, related electronic transmission or receiving equipment, or of parts, circuits or components thereof.

4. Total amounts of royalties paid by your company to all patent licensors in each calendar year; and royalty payments made by your company in each calendar year to each of the following:

- (a) Radio Corporation of America, and its merged or consolidated companies;
- (b) General Electric Company, and its subsidiary companies;
- (c) Westinghouse Electric Corporation, and its subsidiary companies;
- (d) International Telephone & Telegraph Company and its subsidiary and affiliated companies;
- (e) Philco Corporation, and its subsidiary companies;
- (f) Zenith Radio Corporation, and its subsidiary companies;
- (g) Hazeltine Corporation, and its subsidiary companies

5. Each sum paid by your company since January 1, 1940 for the acquisition of a patent, exclusive patent license, or invention relating to radio, television or related electronic transmission or receiving equipment, or parts, circuits or components thereof; the United States Patent Office number and name of the inventor of each such patent or patent application; the nature of each such invention; and the date of each such acquisition.

6. The quantities of vacuum tubes purchased by your company in units and dollars, segregated by serial number and manufacturer, for the calendar year 1951 only;

7. The relative position of your company in terms of production, sales, research, technology, patents, patent rights, know-how, financial resources, earnings, plant capacities, distribution facilities or promotional efforts, in the fields of radio, television, related electronic transmission or receiving equipment, or of parts, circuits or components thereof;

8. Total expenditures by your company in each specified calendar year for research and development relating to the manufacture or sale of radio, television or related electronic transmission or receiving equipment, or parts, circuits or components thereof;

9. Names, addresses, and terms of office of each officer and director of your company since January 1, 1939.

VI

Copies of all domestic patent license agreements presently in effect under which your company obtains licenses from others to make, use or sell radio, television or related electronic transmission or receiving equipment, or parts, circuits or components thereof.

VII

Copies of all agreements presently in effect with companies in the United States under which your company receives or transmits engineering information, blueprints, know-how or other manufacturing data in any way relating to the manufacture or sale of radio, television or related electronic transmission or receiving equipment, or parts, circuits or components thereof.

VIII

Copies of all agreements presently in effect with foreign companies under which your company receives rights to manufacture or sell radio, television or related electronic transmission or receiving equipment, or parts, circuits or components thereof, or rights to engineering information, blueprints, know-how or other manufacturing data relating to the foregoing, in the United States under United

States patents or patent applications owned or controlled by such foreign companies.

IX

The annual reports to stockholders of your company from January 1, 1934 to the date of service of this subpoena.

And for failure to attend and produce the said documents you will be deemed guilty of contempt of Court and liable to penalties of the law.

WITNESS, the HONORABLE JOHN C. KNOX, Judge of the District Court of the United States for the Southern District of New York, in the City of New York, on the twenty-first day of February in the year of our Lord, One Thousand Nine Hundred and Fifty-two.

WILLIAM V. CONNELL
Clerk

*United States Attorney for the
Southern District of New York.*

Note: Report at Room 235. In order to secure your witness fees and mileage, it is necessary that you retain this Subpoena and present the same at the United States Attorney's Office, Room 235, upon each day on which you attend Court as a witness.

MELVILLE C. WILLIAMS
Special Assistant to the Attorney General

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Television Digest

with **ELECTRONICS REPORTS**

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FCC's IDEAS ON PROCESSING APPLICATIONS: FCC's procedures for handling TV applications after freeze -- those most critical factors determining speed with which stations are granted CPs and get on air -- were roughed out by Commission this week. But the procedures are "tentative", as are all other phases of allocations at this stage, and Commission plans to plunge back into job March 10 in hopes of nailing something down with final vote -- perhaps winding up everything by April 1.

Procedures agreed upon this week won't necessarily survive final nose-counting, but chances of their adoption are at least "probable", some "certain":

(1) Applications to be handled on a channel-by-channel basis in each city. By 4-2 vote, commissioners decided this is best method to speed grants, particularly uhf. They rejected other 2 possibilities -- "one lump" and "two lump". Former would treat all applications alike, throwing them into single hearing in each city if the total outnumbered available vhf & uhf channels; this is how FCC handled TV and FM hearings before freeze. Latter would be to consider vhf & uhf separately.

(2) Period of 90 days to be given for filing applications after freeze-end.

(3) First priority in processing and granting will be given to applications from cities with no TV service now, in descending order of population. This to continue straight down the line to very smallest communities before applications in presently served areas will be handled. Non-TV cities to be defined as those more than 40 or 50 miles (FCC hasn't decided which) from stations. No higher priority to be given uhf in processing procedures.

(4) Hearings to be handled in accordance with existing rules regarding deadlines for participation in hearings, filing of amendments, etc.

(5) No "dawdling" to be permitted -- CP-holders get on air "or else".

When it comes to actual hearings, there's big question whether FCC can do much to rush final decisions. One of its 7 examiners appeared "hors de combat" for indefinite period, as Commission this week assigned examiner Basil Cooper to hear complex 8-year-old Western Union case starting June 3. Comr. Sterling dissented:

"I am of the view that this hearing should not be set for a date certain until the Commission can analyze its capabilities of conducting the hearing in the light of its appropriations for the next fiscal year and the number of TV hearings that will be necessary after the time for filing applications has closed..."

* * * *

Much of rest of freeze "package", such as engineering standards and allocation table itself, appear fairly well in hand, though commissioners have yet to consider for first time channel assignments to some parts of the country. No change is anticipated in vhf co-channel station spacing in the 3 zones (170, 190 & 220 miles; see Vol. 8:8), nor in the 155-mile spacing for uhf over whole U.S.

Decision on whether to lift 5-station limit on multiple owners -- permitting them to add 2-3 uhf outlets -- won't come simultaneously with end of freeze. Matter

of fact, there's doubt at Commission that decision will be rendered by end of 90-day filing period following freeze.

Such delay would definitely hamper 5-station operators in acquiring uhf in markets they want most -- since other applicants would be free to snap up channels in interim. One commissioner puts situation this way:

"This is a new proposal. It's not an issue in the rule-making proceedings on multiple ownership that we've had under consideration for several years. Since it's new, it will have to undergo rule-making -- meaning time for comments and counter-comments, maybe a hearing. I don't know how all this can be done in 90 days."

Not all commissioners share view that 90 days are needed, but proposal doesn't carry "urgent" tag at the moment.

CBS SWAPS INTO WTCN-TV; WSAZ-TV SALE: CBS's freeze-frustrated TV expansion plans moved ahead another notch this week, again via purchase route, as network traded 53% of its powerful (50-kw, 830-kc) WCCO, Minneapolis, for 47% of city's WTCN-TV. At same time, CBS bought 45% of KQV, Pittsburgh, which has TV application on file.

Minneapolis exchange involved no money; KQV price was undisclosed. Former was accomplished simply by forming new company, Midwest Radio-Television Inc., which will own WTCN-TV and WCCO, and in which WTCN-TV interests will hold 53%, CBS 47%. WTCN(AM) will be sold, as required by FCC rules.

Deals produce this TV-AM lineup for CBS: TV -- 100%-owned WCBS-TV, New York, and KNXT, Los Angeles, plus 45% of WTOP-TV, Washington, 47% of WTCN-TV. AM -- 100% of WCBS, New York; KCBS, San Francisco; KMOX, St. Louis; KNX, Los Angeles; WBBM, Chicago; WEEI, Boston; plus 45% of WTOP, Washington, 47% of WCCO, 45% of KQV.

If FCC finalizes its multiple-ownership rules as proposed, CBS would be permitted minority interest in 5 or 6 TV stations plus its 100% of WCBS-TV and KNXT. In AM, network would have to dispose of one interest -- since rule proposes limit of 6 stations with majority control, plus 1 or 2 with minority interest.

WTCN-TV is thus CBS's third TV purchase, others being KNXT for \$3,448,765 (Vol. 6:46), and WTOP-TV for which CBS & Washington Post paid total of \$1,400,000.

Call letters for WTCN-TV and WCCO combination haven't been decided upon; no change in staff or general operations indicated. CBS says no other deals are now in works but makes no bones of fact it's still in market for TV stations. It also says plans to buy WBKB, Chicago, for \$6,000,000 remain unchanged.

Purchase into KQV gives CBS 1350 shares of the 3000 outstanding, acquired mainly from president Earl F. Reed and v.p. Irwin D. Wolf, who with families own some 90% of stock. CBS's KQV shares are non-voting, so purchase of non-controlling interest requires no FCC approval. WTCN-TV & WCCO switch does.

Now Mutual outlet, KQV will become CBS affiliate when WJAS' contract runs out about year from now.

* * * *

In another TV sale this week, John A. Kennedy received \$500,000 for his 48% of WSAZ-TV, Huntington, W.Va. Present majority interest, Huntington Publishing Co. (Herald-Dispatch and Advertiser), took 37%, now holds 89%. Other 11% was purchased by Mrs. Eugene Katz, wife of Katz Agency chief. Amount paid by the 2 purchasers was in direct proportion to percentages acquired. Kennedy continues ownership of KFMB-TV and KFMB, San Diego. [For all TV sales since 1949, see Vol. 7:41 & 46.]

STATIONS' FIRST JACKPOT YEAR—1951: Precisely how well telecasting emerged from red in 1951 is detailed for first time in FCC's official summary released this week (Mimeo 73830), and we find we were quite close in our estimate that total network-&-station revenues would reach \$250,000,000 (Vol. 7:52). They actually hit \$239,500,000, but the salient statistic is this:

Net income before federal income taxes surged to \$43,600,000 -- as against \$9,200,000 loss in 1950, \$25,300,000 loss in 1949. Though 1951's AM-FM revenues and net won't be known until April, it's apparent that TV's net is fast gaining on AM-FM income which came to \$68,200,000 in 1950 (Vol. 8:1).

FCC figures are "anonymous", since Commission never discloses individual

station performance -- but stations occasionally see fit to give out figures, as did Paramount and Balaban & Katz in connection with the current FCC hearing and Sarkes Tarzian in connection with "Business Week" article (see below).

* * * *

Here's breakdown of telecasting's first profitable year:

(1) Networks plus their 15 owned-&-operated stations took in \$132,200,000 of the revenues, accounted for \$12,400,000 of the income. This is "striking gain" -- to use Commission's words -- over network's \$55,500,000 revenues & \$10,000,000 loss in 1950, \$19,300,000 revenues & \$12,100,000 loss in 1949. Furthermore, networks' TV revenues and income surpassed their AM-FM operations for first time; latter produced only \$100,400,000 and \$10,400,000, respectively.

(2) The 93 other stations had \$107,300,000 revenues, \$31,200,000 income -- compared with \$50,400,000 revenues and mere \$800,000 income in 1950, \$15,000,000 revenues and whopping \$13,200,000 loss in 1949.

(3) Of 106 stations reporting, 93 showed profit -- 5 surpassing \$1,500,000, 8 between \$1,000,000-\$1,500,000, 10 between \$600,000-\$1,000,000. Median for the 93 was \$350,000, as against \$129,200 for the 53 profitable stations in 1950. Of the 13 losers in 1951, 8 were in the two 7-station markets -- New York and Los Angeles.

(4) Of the 40 stations in one-station markets, 39 were ahead of the game with average of \$385,000; 19 of 22 in 2-station cities averaged \$257,000; 23 of 24 in 3-station cities \$514,000; all 8 in 4-station cities \$764,000; 4 profitable operations in 7-station cities averaged \$1,307,000, 8 others (2 not reporting) averaging losses of \$538,000.

Those 8 losers in 7-station markets, it should be pointed out, had average income of \$2,414,000, expenses of \$2,952,000. FCC economists question whether such great expenses will necessarily persist, noting that some of the operations are backed by extremely well-heeled organizations with non-broadcast income. These, they speculate, can afford to splurge on TV expenditures for prestige or other reasons, whereas balance sheet is life-and-death matter to broadcast-only operations.

* * * *

Profitable operations in 1951 are disclosed in balance sheets of Paramount's KTLA, Los Angeles, and Balaban & Katz' WBKB, Chicago, but performance of the former shows effects of rough going encountered by non-network station in 7-station market.

KTLA cleared \$122,389 before taxes in 1951 vs. \$373,534 loss in 1950. WBKB, CBS-TV affiliate in 4-station market, netted \$1,227,100 before taxes first 9 months of 1951, \$652,621 in 1950. Chicago station has also paid back, during last 2 years, \$1,554,486 of \$3,172,801 cash advances made by Balaban & Katz since 1941. From the standpoint of operating income-expenses, station is still in red to tune of \$609,883 for the 12 years it's been on air. WBKB is station CBS proposes to buy for \$6,000,000 if FCC approves merger of ABC and Balaban & Katz' parent UPT.

HOW TO MAKE SMALL-TOWN TV PAY OFF: Everybody knows by now that telecasting is quite a good business in both big and medium-sized towns. Witness the success stories of WTMJ-TV, Milwaukee, and WICU, Erie -- the former related down to its balance sheet in the January Fortune Magazine (digested in our Vol. 8:1), the latter recounted in a speech by owner Edward Lamb (reported in Vol. 7:47).

But can small-town TV station pay off? It certainly can, says 52-year-old Sarkes Tarzian, who in November 1949 put Station WTTV on air in Bloomington, Ind., smallest of all towns with a telecasting outlet (1950 pop. 28,163).

Bloomington is best known as home of Indiana U, has sizable RCA factory, for which Tarzian once worked as engineer, is location of largest of his several TV-radio tuner, tube, rectifier and other component plants which he built since World War II from mere \$40,000 investment to \$10,000,000 annual business, all self-owned.

Armenian-born Sarkes Tarzian worked his way through the U of Pennsylvania, then worked for Atwater Kent, then RCA. He trod where others feared to venture, taking CP for Channel 10 in Bloomington, then on path of neither coaxial nor microwave, actual or projected. And this is how he made a go of it -- a good case example of "How to Make Small-Town TV Pay Off," which is also caption of cover-picture story in

Feb. 23 Business Week, a story he amplified somewhat in speech before TV-radio group in Chicago last week, then filling in further details for us:

First, he couldn't and wouldn't spend the \$300,000 or more on transmitter, studios and related equipment that was regarded as irreducible minimum necessary. He built own transmitter for \$150,000, its power only about 5-kw ERP; studio was an old drug store; talent was drawn from the university and from local schools; staff of his radio station WTTV doubled in brass.

WTTV lost "a little" in 1949-50, grossing about \$100,000. In 1951, gross went to \$200,000, on which small profit was shown. This year it will do \$500,000 or more, and should show good profit. NBC-TV has just upped its rate from \$200 to \$500 an hour, and 1-minute spot rate goes up from \$30 to \$80, reflecting new 27-kw power, an antenna location exceptionally suited to give usable signal over 100-mile radius, taking in Indianapolis, Terre Haute and much more of its rich, populous countryside.

Local sponsorship is basic; revenues from that source went up 800% in 1951. Nor did TV hurt radio -- but the 2 local dailies merged in mid-1951 because of stiff TV-radio competition. Tarzian says it's good rule of thumb that a TV station can be supported in any town that can support a daily newspaper.

He figures there will be 500 stations within 5 years, thinks 10,000,000 TV sets will become normal year's output -- fine prospect for his components business.

Certainly, the small-town TV station has to fight for business, he told his Chicago audience, and WTTV had to go into neighboring towns, including Indianapolis, for it. Network service helps, too, so Tarzian installed own 2-hop microwave from Cincinnati, for which "line service" he now gets paid by the networks.

WTTV is not merely a local station any more; it's really an "area outlet." Few weeks ago, Indianapolis Star devoted 10-page section to WTTV and Tarzian's other operations. And the latest "census" of TV sets-in-use (Vol. 8:9) shows WTTV reaching 142,000 receivers -- 5 times as many sets as there are people in Bloomington!

'SUPER-POWER' UHF STATIONS IN SIGHT: If brute power is the answer to uhf coverage -- and most engineers are satisfied that it's a major factor -- the problem is beautifully in hand. Where transmitter manufacturers talked of uhf in terms of hundreds of watts only 2-3 years ago, they now speak casually of hundreds of kilowatts.

Abundantly clear at IRE convention in New York this week was fact that FCC need only provide the ceiling -- and engineering ingenuity will meet it. Key to problem has been found in the war-developed klystron tube. Consider these facts:

(1) A 12-kw klystron has been "proven out," is heart of transmitter being offered by GE (Vol. 8:5). Russell H. Varian, of Varian Associates, which makes the tube, says it has been operated satisfactorily at 15 kw, sees no great difficulty in reaching 25 kw. Beyond that, he says, "it's a question of getting the power outside of the tube. I think 100 kw may be possible." GE is taking all company can make this year, and Varian believes he'll be able to meet demand.

Varian has no qualms regarding life of tube. He reports, for example, that Bureau of Standards has had 3500 hours of trouble-free service in operation of 4-kw transmitter on 1047 mc at Cheyenne Mountain in Colorado.

(2) New 5-kw klystron was unveiled by Eitel-McCullough, and DuMont immediately announced that it would be incorporated in transmitter to sell for exactly same price as its 5-kw Channel 7-13 vhf unit -- \$69,450 -- available in early 1953.

Eimac's next step is 50-kw klystron, according to J.A. McCullough, who says: "I see no reason to stop in between." DuMont will incorporate 50-kw tube in transmitter "as soon as they give it to us" -- probably during 1953.

* * * *

Each of the 2 companies feels it has advantage over other. Varian points to its removable cathode, replaceable at modest cost, says ceramic construction of Eimac tube should have more testing. Eimac notes that Varian tube is much more expensive, must be tailored to each channel, while 3 of its own cover whole band.

Regardless of claims, fact is that new tubes, with high-gain antennas, already provide means for reaching 100-kw and 200-kw ERP, and point clear road to achieving FCC's expected 1000-kw ceiling.

Detectable signals at considerable distances may be achieved by such high powers, as was pointed out at IRE convention by Bell Labs and Bureau of Standards experts. This has led some to fear that FCC may have to retain freeze while it reconsiders station spacing. However, Commission propagation experts say that uhf propagation up to 400 miles or so isn't news; that such signals aren't strong enough to require changes; that allocation is based on actual measurements.

Effect of varying antenna height on uhf propagation, something on which little good experimental evidence is available, will be tested by RCA (Vol. 8:7). Plan is to work with WOR-TV, New York, utilize its tower to locate antennas at various levels -- 200, 400, 600, 800 ft. -- for exact comparisons.

ONE THEATRE-TV PIONEER'S evident disillusionment with medium manifested itself in testimony this week as FCC's Paramount hearing (Vol. 8:3-4, 6-9) finally entered United Paramount Theatres phase which involves license renewal of WBKB, Chicago, proposed sale of station for \$6,000,000 to CBS and planned UPT-ABC merger.

David Wallerstein, v.p.-gen. mgr. of UPT subsidiary Balaban & Katz, testified that company, as result of its consistent theatre-TV losses, plans no more installations—has in fact canceled contracts for 5 or 6 of them.

Of 20 events booked in any of B&K's 5 TV-equipped theatres during 1949-1951, only one showed profit in 2 of 3 theatres carrying it—Robinson-Turpin fight (Vol. 7:38). Biggest loss was total of \$18,475 by 2 theatres on 6 U of Illinois football games in 1950. Other losses ranged from \$45 to \$2890 per theatre per event.

Wallerstein also noted, incidentally, that audiences reacted unfavorably to televised public-service events such as President's speeches. Some patrons, he said, complained that they go to theatres strictly for entertainment.

Hearing perked up considerably, in both interest and speed, after long Paramount Pictures portion was completed early in week with testimony of Klaus Landsberg, mgr. of KTLA, Los Angeles; he covered station's programming, awards, financing, etc. If hearing continues at same pace, long-awaited testimony on proposed UPT-ABC merger could begin by end of next week. After Landsberg, 5 B&K witnesses were introduced in relatively quick sequence—Elmer C. Upton, secy.-treas.; Arthur A. Goldberg, v.p. and counsel; Wallerstein; John B. Mitchell, WBKB gen. mgr.; John Balaban, president.

Another development, however, may serve to lengthen hearing. After much written and oral argument over last couple weeks, DuMont counsel won right to cross-examine in all phases of hearing. But hearing examiner Leo Resnick cautioned DuMont that it would have to show in each case just how questioning relates to DuMont issues—main one being whether Paramount, through its roughly 25% stockholdings, controls DuMont.

As in Paramount Pictures phase, anti-trust history consumed much of examination. Brunt of questioning was borne by Goldberg, who related details of all B&K anti-trust cases—trade practices that brought them on, court rulings in cases that went to trial, etc.

FCC commissioners played amusing game of "musical chairs" this week, as they moved to new positions behind meeting-room bench to reflect changes in seniority when Comr. Walker became chairman. Next to Walker in seniority, Comr. Hyde was named vice chairman by his colleagues. Ex-Chairman Coy was presented with matched traveling bags as going away gift—and new Comr. Bartley was handed a particularly nasty AM case on which rest of Commission is split 3-3.

Speakers featured at NARTB convention in Chicago's Conrad Hilton Hotel March 30-April 2 include FCC chairman Paul Walker in first address in new role April 2, NPA administrator Henry H. Fowler April 1.

DESPITE FACT NPA'S BAN on home color set production may be regarded as certain to continue, color TV—compatible and incompatible—attracted considerable attention of engineers attending this week's IRE convention in New York. RCA and CBS even went through motions of another round of their old championship bout, but skirmish was generally considered little more than a pillow fight.

Engineers waited in long lines that snaked around Grand Central Palace exhibits in order to see CBS-Remington Rand industrial color demonstration. RCA-CBS fracas was occasioned by fact CBS showed for first time its field-sequential system using RCA tri-color tube. CBS's point was that system isn't necessarily mechanical, isn't wedded to whirling disc.

Color on tri-color tube was quite poor compared with disc-type receiver performance—technicians finally turned set off in demonstration we attended—but CBS's Adrian Murphy didn't attach blame to tube. RCA's reaction to demonstration was issuance of statement by v.p. Dr. C. B. Jolliffe saying that CBS "proves what RCA has been saying for many years—that the mechanical disc is outmoded and obsolete" and that tube doesn't help CBS system's incompatibility.

High point on color during convention, which included number of highly technical papers on subject, was March 4 evening symposium in Waldorf-Astoria featuring NTSC's topkicks: GE's Dr. W. R. G. Baker, Hazeltine's A. V. Loughren, RCA's Dr. E. W. Engstrom, Philco's D. B. Smith.

Dr. Baker's thesis was that NTSC's success in standardizing black-&-white in 1941 is ample proof that NTSC is only proper medium for fixing on color standards. FCC hearing, he said, just isn't effective means for utilizing entire industry's talent.

Loughren again displayed his remarkable knack for describing NTSC system in terms within grasp of laymen. The basic principles: (1) Human eye can't perceive small detail in color; therefore, narrow bandwidth for color suffices. (2) Black-&-white TV has "gaps" into which color information may be fit without disturbing black-&-white pictures. Thus, system is compatible.

Dr. Engstrom reviewed NTSC's field-testing program, pointed out that co-channel and adjacent-channel interference appear no worse than in black-&-white; that networking may be accomplished via narrow-band coaxial or wide-band microwave; that multipath interference appears less troublesome in color than in black-&-white.

Smith's topic was "NTSC and the Public Interest." His points: (1) To be of any use, color stations must be received—hence essentiality of compatibility at beginning. (2) Color system must make good use of spectrum—high resolution, low flicker, adequate brightness, etc.

In post-session question period, Dr. Baker was asked when NTSC would approach FCC with request to set standards on compatible system. "Not until the field tests are done," he said. "I expect that will be late summer or early fall."

Station Accounts: Major movie producer and 2 theatre chains warming up to TV with Loew's Theatres & MGM purchase of *Happy Felton's Knot-Hole Gang* starting April 18 on WOR-TV, N. Y., preceding home games of Brooklyn Dodgers and RKO Theatres' buy of 2 weekly spots on WNBT, N. Y., during late movie series . . . Chevrolet Dealers of N. Y. will sponsor local election returns Nov. 4 on WCBS-TV, N. Y., using 5 five-minute spots inserted one an hour as long as national results are undetermined; agency is Campbell-Ewald . . . Socony-Vacuum Oil Co. (Mobilgas), starting March 11, sponsors *Tommy Heinrich Sports Show* on WJZ-TV, New York, Tue. & Thu. 7:15-7:30, thru Compton Adv. . . . Manchester Hosiery Mills (Ironwear nylons) has purchased UA's 15-min. film *The Feminine Angle*, with Ilka Chase, for placement in Boston, Washington, Cleveland, Detroit, thru Bahn Adv., Boston . . . National City Bank of N. Y. has purchased *11th Hour Television News* on WNBT, N. Y., Mon.-Wed.-Sun. 11 p.m. . . . Chesterfields to sponsor one-third of Hollywood Stars-Los Angeles Angels games on KHJ-TV, starting April 1 . . . Standard Oil of Ohio has purchased 26 dramatic films from MCA for showing on 7 Ohio-Ind.-Ky. area stations, through Stockton-West-Burkhart Agency, Cleveland . . . WTVJ, Miami, selling partic. in *Clover Club Date*, Mon. midnight-2 a.m. . . . Among other advertisers reported using or preparing to use TV: Coastal Laboratories Inc. (Sul-Spa for Arthritis), thru Chambre Adv. Agency, Miami; St. Mary's Packing Co. (Duncan Hines canned goods), thru Kircher, Helton & Collett Inc., Dayton; Air-line Foods Corp., thru Harry B. Cohen Adv. Co., N. Y.; Trailer Coach Mfrs. Assn., thru J. Walter Thompson Co., Chicago; Kindle-Kwik Co. (chemical for kindling camp fires), direct.

Eisenhower backers canceled 3 political telecasts on 40-station NBC-TV network because "there just isn't enough money." National Citizens Committee for Eisenhower had ordered four 15-min. segments on consecutive Thursdays. Sen. Duff (R-Pa.) made first speech in series Feb. 28, at cost to committee of \$16,000 for time. Said committee spokesman: "We ordered the TV time on an 'if' basis—if we came up with the money, but there just isn't enough money at this stage of the game. Money is slow. We also didn't think that buying TV time was justifiable. If we can get people like Sen. Duff on such shows as *Meet the Press*, *Man of the Week* or *America's Town Meeting*, we have the advantage of a guaranteed audience and we don't have to pay for the time." Remaining 3 programs would have cost committee \$48,000. As if in response to recent criticism by Sen. Johnson and others (Vol. 8:7) of networks' policy of charging for political telecasts, CBS-TV announced 2 new special features: (1) *Presidential Timber*, 10:30-11 p.m. Fri., beginning April 4, each week presenting different candidate for presidential nomination; (2) Regular interviews with presidential aspirants every Wednesday on Douglas Edwards' Oldsmobile-sponsored news program, 7:30-7:45 p.m.

Political convention sponsorship code was formalized this week by Democratic and Republican national committees and TV-radio networks. It specifies that the political parties must approve "type of sponsor," timing and length of commercials, that announcement be made at beginning and end of each broadcast period disclaiming endorsement of sponsor's product by political parties, that the national committees receive no revenue from sponsorship.

Session on TV will highlight spring meeting of Assn. of National Advertisers at Hot Springs, Va., March 19-21. Theme of TV discussion March 21 will be "TV's Place in Your Present and Future Planning." Leslie T. Harris, TV-radio director of Colgate-Palmolive-Pect, will lead session.

Personal Notes: James H. Connolly, v.p. for ABC's owned radio stations, promoted to v.p. of San Francisco div., succeeding Gayle Grubb, resigned; Ted Oberfelder, WJZ gen. mgr., director of owned radio stations, succeeded by William M. Materne, account executive . . . Lewis Allen Weiss, ex-Don Lee president & MBS chairman, resigns March 31 as asst. NPA administrator in charge of Office of Civilian Requirements, returns to post of management consultant to Hughes Aircraft Co., Los Angeles, after 4-month vacation in Europe . . . I. E. (Chick) Showerman, Free & Peters TV sales mgr., resigns . . . Harold Fair, program director of WHAS & WHAS-TV, Louisville, and ex-head of NAB program dept., to head TV-radio dept. of Bozell & Jacobs Adv., New York . . . Hendrik Booraem promoted to McCann-Erickson v.p. and TV-radio mgr. of new program development, Alfred J. Scalpone to general executive coordinating domestic & overseas TV-radio, Leonard F. Erikson to head of New York TV-radio dept. . . . Donald Fink, editor of *Electronics*, currently in Belgium as consultant to Govt. which has been snarled on question of TV standards—625 lines adopted by most of continental Europe and France's 819 lines . . . Ivar H. Petersen, former NAB labor relations director, now administrative asst. to Sen. Morse (R-Ore.), nominated by President Truman as member of National Labor Relations Board . . . George Mathiesen, technical director, named production mgr. of KPIX, San Francisco . . . Walter E. Myers, ex-radio sales, heads NBC's new TV-radio political sales div. . . . Luellen L. Stearns appointed eastern div. TV sales mgr. in NBC's Spot Sales dept.; he's ex-CBS . . . Hamilton Young promoted to NBC budget director . . . Ted Cott, gen. mgr. of WNBT & WNBC, elected NBC v.p.

Honoring Dr. Lee de Forest as he marks 50th anniversary in radio and 45th anniversary of his invention of 3-element vacuum tube, imposing list of guests will attend April 8 testimonial dinner at Waldorf-Astoria. Included: former President Herbert Hoover; Charles A. Edison, former governor of New Jersey, former Navy Secretary, son of inventor Thomas Edison; Rear Adm. Ellery W. Stone, American Cable & Radio president; Brig. Gen. David Sarnoff, RCA chairman; Col. Sosthenes Behn, IT&T chairman; Walter Marshall, Western Union president; Dr. Mervin J. Kelly, Bell Labs president. Dinner is under all-industry auspices: The de Forest Pioneers, AIEE, ARRL, IRE, NARTB, RTMA, SMPTE, Veteran Wireless Operators Assn.

"Tele-Cue" as rival to TelePrompter (Vol. 8:4), to ease TV performers' job of memorizing lines, is latest device offered by Telechrome, Amityville, N. Y. Displayed at IRE convention this week, system comprises number of slave receivers which are fed actors' lines from simple scanner. President J. R. Popkin-Clurman claims number of advantages over TelePrompter, including fact that single operator can handle all units simultaneously and that single small card can feed all units. Telechrome now also offers complete color generating equipment for \$20,000.

TV-radio networks may be co-defendants in civil anti-trust suit against boxing promoters aimed at eliminating "restraints of trade in the promotion and broadcasting of championship bouts," it was hinted in New York by Justice Dept. officials. Govt. is expected to file suit next week on recommendation of Federal grand jury, following 5-month investigation of prize-fight business.

That Bell Labs film scanner (Vol. 7:27), described in July *Electronics* as producing pictures "very, very good—better than anything on the air today anywhere," appears to be getting hotter by the minute. NBC-TV is reported to have ordered several from Bell, and number of other stations are eager to get hands on units.

NEW CONSTRUCTION projects are now getting NPA go-ahead. But they'll get no steel, copper or aluminum until third quarter, for NPA isn't giving out materials in first or second quarter for projects which aren't already under way (Vol. 8:9). The new jobs now being approved are those in areas hit hardest by unemployment due to building restrictions—New York, Washington, Boston, Portland-Seattle, Los Angeles, San Francisco. Approvals are being granted early so builders can dig foundations, place materials orders, make firm plans to start actual building in July. New starts in all other areas are expected to get approval in time to begin construction in third quarter.

TV-radio station builders will get better break as result of this week's revision of basic NPA construction order (CMP Reg. 6). New order permits unrestricted use of foreign and used steel to supplement regular allotments. Although foreign steel generally sells at premium, this new provision may help ease station construction's biggest bottleneck—towers (Vol. 8:5).

There was aid for community antenna builders, too. They received their long-sought reclassification from "commercial" to "industrial" construction category, giving them equal status with broadcasters. This will result in bigger allotments as well as increase in amounts of materials they're permitted to self-authorize without applying to NPA—25 tons of steel, 2000 lbs. of copper, 1000 lbs. of aluminum, up from 5 tons of steel and 200 lbs. of copper.

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NBC went to "court" March 7 to appeal 2-time rejection of its application for materials to begin construction of Burbank, Cal., TV studios in second quarter (Vol. 8:9). Appearing before 3-man NPA appeals board headed by T. Munford Boyd, financial v.p. J. V. Heffernan pleaded that rules against new construction starts would put NBC in competitive position inferior to CBS, whose Los Angeles "Television City" has received materials allotments and is scheduled to begin telecasting activities in October (Vol. 7:40, 51, 8:9). If appeal is denied, he said, ultimate result might be to "completely reverse the competitive situation

in the industry and cause NBC to lose its current position of leadership."

Surprise witness at hearing was NPA asst. administrator Lewis Allen Weiss, ex-Mutual chairman and Don Lee director. Describing his role as "friend of the court," Weiss made strong case for TV-radio's essentiality in time of emergency, urged board not to "get the impression that the [Industrial Expansion] Division's rules represent the thinking of the defense leadership." Govt., he said, "recognizes the essentiality of TV and radio in the same category with newspapers . . . The considerations in this case must be beyond the ordinary considerations which motivate action on construction appeals."

Heffernan told board that CBS will have 5 Hollywood studios by October, ABC now has 5, while NBC, "which supplies 25% more hours of network programs" than CBS, has but 2. NBC and CBS each has 16 New York TV studios, he said in reply to question from board. If CBS has more and better Hollywood studio facilities than NBC next fall, he argued, it will be able to snag more top stars and shows, and perhaps permanently injure NBC's position in industry. But he said if NBC is permitted to start building in second quarter its studios can be completed by October.

CBS began construction of its "elaborate Television City" before broadcast stations were put under controls, and therefore has been permitted to continue construction, Heffernan said. He added that NBC originally had plans for similar big TV center but postponed them and designed far more austere building in order to conserve materials.

While "conservation has been the keystone" of NBC's "stripped-down plant," said Heffernan, "the CBS project has been permitted to continue on almost the same scale as if there had been no national emergency." For the Burbank studios, he said, "NBC has asked just 5.7% of the steel, 17.4% of the copper and 1.3% of the aluminum which CBS has requested . . . CBS has received over 97% of the entire structural steel allotment to radio and TV projects for the first quarter of 1952." Decision of appeals board is expected in 2-3 weeks.

MOVIES AND TV still aren't "going steady," by any means, despite the neighbors' observations that they'd make such a nice couple. They did cast a few flirtatious glances at each other this week, but their battles—which can hardly be classed as lovers' quarrels—continued as bitterly as ever. These things happened this week:

MGM, the studio which probably has displayed the least fondness for TV, and Loew's Theatres have signed to sponsor *Happy Felton's Knet-Hole Gava*, half-hour kid baseball series to precede each of the 77 Brooklyn Dodgers games from Ebbets Field over WOR-TV. Dodgers president Walter O'Malley, who made the announcement, called move "a significant association between TV, the movie industry and baseball." He added: "The impact of this popular pre-game program will be studied to determine if these groups can co-ordinate their future plans to bring at least a portion of the big games to theatre-TV screens."

Meanwhile, Paramount Pictures let it be known it was extremely pleased with results of TV guest appearances of players in DeMille film, *The Greatest Show on Earth*. "Never before," said a Paramount spokesman, "has the tremendous publicity and exploitation potential of TV been realized to such an extent and with such telling effect." And RKO Theatres, New York, is now buying spots twice weekly in WNBT's late evening film program.

The bouquets weren't all one-sided, either. CBS-TV's Edward R. Murrow will take his *See It Now* cameras to Sam Goldwyn studios next week to film 12-minute documentary on the movie industry. They'll spend full week

there, interview Goldwyn before camera, film "inside story" of workings of big studio.

That's the Sweetness-&Light Dept. On the other side, March 5 *Variety* reports film exhibitors have suddenly stopped talking about boycotting pictures made by producers who are selling to TV—and started boycotting them. Many independent exhibitors, reports the show business journal, have ordered their buyers and bookers not to touch films made by such "guilty" producers as Republic, Monogram, Pine-Thomas, Edward Small, J. Arthur Rank, Alexander Korda.

Chairman Matty Fox of Motion Pictures for TV Inc. this week reported negotiations with RKO for TV use of its entire library of some 650 features had fallen through. Trade reports said he had offered something over \$14,000,000. No other major studios are interested either, he said.

This week also saw formation of new TV film syndicating organization, by Pathe Industries Inc., owner of Eagle Lion studios. New subsidiary, Pathe TV Corp., has initial 2-year budget of \$6,250,000 to finance and distribute products of established TV film producers. Parent company owns one of largest independent film processing laboratories in country. Bruce Eells, ex-Young & Rubicam, who has headed his own transcription firm for last 5 years, will head new operation.

Bing Crosby Enterprises became largest TV film producer this week with closing of deal to make 208 half-hour films for more than \$4,000,000. New producing outfit, Lancer Productions, headed by v.p. Basil Grillo, has been formed to handle the 4 series of 52 films each.

YEAR'S SLOW START—IS SEASON THE REASON? Is a "normal" seasonal pattern finally emerging for the TV trade, or will current "softness" be with us for some time? Industry's pundits won't stick necks out on this one, but whatever the answer --

Retail TV sales took big dive in January, as revealed by latest figures from Dun & Bradstreet. Dealers sold 377,000 sets in entire month -- smallest amount for any month since first retail sales report (as of Aug. 31, 1951), and 283,000 below December's 660,000 (Vol. 8:6).

Perhaps even more significant, January was first time in survey's 7-month history when TV production outran sales. RTMA estimates 404,933 sets were built in January -- about 28,000 more than Dun & Bradstreet says were sold that month.

But inventories didn't increase in January, industry statisticians say; paradoxically, there seems to have been downward movement. While industry went into 1952 with more than 1,500,000 TVs in all trade pipelines (Vol. 8:6), RTMA and Dun & Bradstreet figures indicate total inventory was somewhat less at end of January.

Dealer inventories totaled 650-800,000 -- same figure given for December. RTMA's estimate of distributor inventories, however, dipped to lowest point in 12 months -- 485,342 -- from 600,346 at end of December. End-of-January factory inventories were reported at 205,663 (Vol. 8:6) vs. 206,741 for December. Thus all-trade inventory was somewhere between 1,340,000 and 1,500,000 as of end of January.

TV isn't suffering saturation ills any more than radio. Dun & Bradstreet reports January radio sales at 471,000 -- just a shadow of December's 1,192,000.

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Business is "good", say manufacturers, though last fall's favorite pastime of forecasting set shortages (Vol. 7:42) has gone out of style.

Promised easing of materials supplies in last half of 1952 may be partly responsible for lack of shortage talk. But there are also these sobering facts:

(1) There's still big cushion of inventories. (2) Freeze-end will bring no new demand for sets in first half of this year; in second half it may amount to some 130,000 (Vol. 8:8) -- a drop in the bucket compared to present inventories.

Limiting factor in TV production today is demand -- not materials. While current 100,000-a-week output rate has been made possible by conservation, there are no reports of any set makers being forced to the wall by materials limitations.

NPA is good barometer of TV-radio trade. Despite stingy materials rations in first quarter -- now two-thirds over -- Electronics Div. has received virtually no complaints from TV-radio makers, or requests for supplemental allotments.

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The Dun & Bradstreet report for January broke down the 377,000 TV dealer sales into 188,000 table models, 189,000 others. Of the 650-800,000 inventory, some 250-300,000 were table models, 400-500,000 others, unchanged from December.

Estimate of January radio sales was 394,000 home radios, 77,000 portables -- compared to December's 1,017,000 home, 175,000 portable. Radio inventories were unchanged at 1-1,200,000 home sets, 200-250,000 portables. RTMA reported that end-of-January distributor inventory of radios rose to 804,205 from 677,209 in December.

TV production for week ended Feb. 29 was 102,216 units (2636 private label), continuing slow but steady increase during February. The previous week saw 100,846 units produced, Feb. 15 week 98,522, Feb. 8 week 97,130. Factory inventory dropped to 202,938 from 208,669 preceding week.

Radio output for Feb. 29 week was 208,842 (83,804 private brand), highest unit production for any week this year -- up from 189,321 for week ended Feb. 22. Factory inventory of radios was 278,962, down from 324,092. Week's radios were 77,367 home sets, 37,886 clock, 21,283 portable, 72,306 auto.

Topics & Trends of TV Trade: Completely printed TV circuits are not only possible but now promise savings in costs, scarce materials, components and assembly labor. That's thesis of Sylvania physics laboratories engineers W. H. Hannahs and N. Stein, presented in paper before IRE meeting in New York this week describing method of printing complete TV circuits by combining techniques of etching and silk screening. Coils and connectors are etched, resistors and capacitors silk screened. Tube sockets and shields are assembled in single solder dipping operation. Each stage of circuit is printed separately, and adjacent stages interlock with each other, requiring no wire for interstage connections.

Several manufacturers displayed 27-in. rectangular tubes at IRE convention this week, but only Rauland (Zenith) gave indication of when production would begin. Rauland's metal-cone electrostatic-focus 27AP4 (Vol. 8:3) should be in production in about 2 months, company officials said. Other manufacturers' 27-in. tubes used Corning's all-glass bulbs. Thomas Electronics displayed tube, announced it would make 2 types, both magnetic focus—27CP4 with short-radius neck and 27BP4 with long-radius neck. Sheldon also showed glass 27-in., and Hytron indicated it had built several but its plans were indefinite.

Scott Radio Laboratories' production is running 6-10,000 TV sets a month, about 25% under a year ago, according to letter to shareholders from president John S. Meck. Approximately 80% is private-label (40% a year ago), some 7500 private-label having been produced in first 7 weeks of 1952. Customers include Allied Stores Corp., National Dept. Stores Corp. and Hudson-Ross Inc. Under new contract, Sears Roebuck's sets will also be made by Scott, which is replacing Tele-tone as supplier. Company netted \$47,091 on sales of \$1,074,197 from time of its merger with John Meck Industries Nov. 19, 1951 to Dec. 31. This year, January operations were at break-even point, February showed about \$30,000 profit.

Picture tube sales by RTMA members in January totaled 340,192, worth \$7,691,858, compared with December's 371,751, valued at \$8,213,251 and January 1951's 580,317, valued at \$16,272,654. Of January 1952 sales, 98% were rectangular, 16-in. & up. Receiving tube sales in January totaled 26,736,695, valued at \$18,895,527, down substantially from 37,042,303 same 1951 month. Of total, 15,763,221 were shipped for new sets, 6,338,157 replacement, 3,309,025 Govt., 1,426,292 export.

Two electronics firms changed hands this week—Sherold Crystal div. of Espey Mfg. Co. sold to Standard Coil for \$250,000; Arcturus Electronics Corp., Newark CR tube manufacturer, to group headed by Trevor Gardner and Alden Acker, president and v.p. of Hycon Mfg. Co., Pasadena, Cal. Crystal plant is located in Kansas City, Kan., and will be sixth plant operated by Standard, in addition to 2 others operated by a subsidiary.

Govt. orders reported in 1951 by RTMA members totaled \$789,753,260, increase of 165% over 1950's \$298,381,350, with this breakdown: radar \$61,359,561, communications \$257,309,384, navigational aids \$42,178,700, sonar \$22,260,689, lab & test gear \$4,766,153, crystals \$1,878,773.

Canadian RTMA reports 4859 TVs sold in January with list value of \$2,464,302. Majority of sales were in Windsor area (36.9% of total) and Toronto-Hamilton area (38.3%); Niagara Peninsula took 18%, with remaining 6.8% going to other areas. Jan. 31 inventory was 12,932.

RCA will try to cash in on its long years of identification with TV-radio when it launches spring advertising campaign for room air conditioner with slogan: "Tune in perfect weather with an RCA room air conditioner." Ads in national magazines and 15 Southern papers are planned.

Financial & Trade Notes: Among officers' and directors' stock transactions reported by SEC for Jan. 11-Feb. 10: Joseph B. Hall bought 100 Avco, holds 500; R. S. Pruitt sold 500 Avco pfd., holds 31,420 common, 281 pfd.; Charles Hummel sold 100 Bendix, holds 100; Harry Cohn gave 988 Columbia Pictures as gift (Dec.), received dividend of 3079 (Dec.), holds 125,278 common, 400 pfd.; William C. Decker gave 16 Corning Glass as gift, sold 1000, holds 5280; John H. Briggs bought 3000 Gabriel, holds 24,988 common, 2750 pfd.; Gardiner G. Greene sold 3000 Gabriel, holds 19,833; Laurence B. Dodds bought 100 Hazeltine, holds 100; William B. Hurlbut sold 600 Monogram, holds 2429; G. R. MacDonald gave 2020 Motorola as gift (Dec.), holds 3150; Adolphe A. Juviler sold 73,106 Olympic (Dec.), holds 15,000; Percy L. Schoenen sold 19,005 Olympic (Dec.), holds 5000; Barney Balaban gave 1500 Paramount Pictures as gift, holds 28,500; Thomas A. Kennally sold 1832 Philco, holds 18,102; Harry G. Sparks gave 104 Sparks-Withington pfd. as gift, holds 360; James O. Burke gave 2000 Standard Coil as gift, holds 337,660; Glen E. Swanson gave 6000 Standard Coil as gift, holds 408,210; H. W. Zimmer gave 100 Sylvania as gift (Dec.), holds 3919; E. Finley Carter sold 400 Sylvania, holds 764.

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Canadian Admiral reports net earnings of \$217,099 (75¢ a share) in 1951, despite record sales of \$5,349,660, compared with \$308,163 (\$1.07) on sales of \$4,971,958 in 1950. President Vincent Barreca's annual message to stockholders blamed higher corporate income taxes for drop in profits.

General Electric reports net income of \$138,116,527 (\$4.79 a share) on sales of \$2,319,348,000 in 1951, a decline in earnings of 20% from \$173,423,702 (\$6.01) on sales of \$1,960,429,446 in 1950.

Arvin reports net earnings of \$2,691,063 (\$3.02 a share) on sales of \$63,997,212 in 1951 compared with preceding year's \$3,605,126 (\$4.04) on sales of \$53,684,138.

Aerovox reports net income of \$783,606 (\$1.12 a share) on sales of \$22,594,370 in 1951 vs. \$1,753,172 (\$2.53) on sales of \$23,751,172 in 1950.

Trade Personals: Robert C. Wallace appointed Zenith merchandise mgr., continues handling govt. contracts . . . D. B. Blatz named mgr. of business management for Crosley, succeeding L. M. Salisbury, recently appointed controller of Crosley Distributing Corp. . . . Louis H. Niemann, ex-Sylvania, onetime NPA Electronics Div. official, now eastern sales mgr. and Washington representative, Hytron Div., CBS . . . John W. Bullock becomes Hallicrafters eastern sales mgr., succeeded as Hallicrafters-Chicago mgr. by Ernst Riehl; Jack Frohlich appointed western sales mgr. . . . Robert M. Fichter appointed consumer products sales promotion mgr. of Westinghouse . . . John C. Helies named gen. mgr. of GE appliance control dept., Morrison, Ill. . . . Herbert Barnett, executive v.p. of General Precision Laboratory, given new post of asst. to president of parent company, General Precision Equipment Corp. . . . John P. Gleason promoted to eastern sales mgr., Industrial and Electronic Div., American Structural Products (Owens-Illinois Glass Co.) . . . Caywood C. Cooley named Jerrold sales mgr.; Carl W. Schmelzle, asst. sales mgr. . . . D. W. (Winnie) May, ex-Hoffman eastern mgr., new gen. mgr. of Fada metropolitan div. . . . C. J. Tresslar, ex-Electric Supply Corp., Chicago, appointed Midwest sales mgr. of Tele King . . . James G. Flynn Jr., mgr. of Dallas manufacturing div., Collins Radio, named director of aviation & commercial sales div. . . . Rear Admiral Kenneth H. Noble (USN ret.) joins Reeves Instrument Corp., Claude Neon Inc. subsidiary, as military technical advisor.

Telecasting Notes: The 4 TV networks now offer total of 230 hours of programming a week. NBC v.p. Joseph Heffernan, arguing before NPA appeals board for materials to build Hollywood studios (see p. 7), gave this breakdown of hours of network programming for week of February 3, 1952: NBC 85½ hours, CBS 68¼, ABC 48¼, DuMont 27¾. As indication of TV's growth, he pointed out NBC-TV programmed 34 hours in typical 1950 week, 56 in 1951 . . . New TV-radio survey, Nielsen Coverage Service, has been announced by A. C. Nielsen Co., to include measurement of station and network audiences, frequency of listening, composition of audiences, etc., based on "entirely new and improved research technique"; first contract for new service placed by NBC for figure reputedly near \$250,000 for one-shot survey . . . NBC and *Life Magazine* team up to schedule more than 70 TV-radio programs covering New York's school system, tentatively set to start March 16 on WNBT & WNBC . . . Intense coverage of New Hampshire presidential primary by NBC-TV and CBS-TV, via films made by camera crews accompanying candidates stumping State and telecasts of other candidates' spokesmen, climax with special programs covering results late March 11; heavy snows forced NBC-TV to abandon plans for live pickups via 3-hop Manchester-Boston mobile microwave relay . . . Blacklist of Reds in TV-radio and movie industries is urged in U. S. Chamber of Commerce report, *Communism: Where Do We Stand Today?* . . . WXEL will carry Cleveland Indians' home games for third consecutive season . . . Best TV program on BBC, according to *London Daily Mail* poll, is British version of American *What's My Line?* . . . Big assist from TV helped make his recent personal appearance tour a success, says cowboy star Gene Autry; in areas where his TV film series had been shown, he said, attendance at his traveling show was at least 50% greater than in other towns . . . TV caught impact of threatened suicide in Cincinnati March 4 as Robert M. Jones, 26-year-old Army veteran, teetered on 47th-floor ledge of Carew Tower. WLWT and WCPO-TV covered for 2 hours from Carew Tower windows and adjoining observation platform until Jones was coaxed to safety.

TV standards with more lines and greater bandwidth were advocated for uhf at IRE color symposium this week by member of audience who asked panel why such standards aren't being pushed. Hazeltine research v.p. Arthur Loughren answered: "Above 525 lines and 6 mc, you get into diminishing returns very rapidly. In my opinion, the French are wasting their time with 819 lines. It just isn't worth it. If we fully utilized the bandwidth we have now, you'd see a tremendous improvement."

Three new subscribers to TV Code this week bring total to 85 of nation's 108 TV stations; 78 of Code subscribers are NARTB members. NARTB-TV membership rose to 87 stations (plus the 4 networks) with application of WLTV, Atlanta, and KDYL-TV, Salt Lake City. WMAL-TV, Washington, is expected to become 88th.

Copies of FCC's 'Freeze Report'

Each subscriber to the full services of *Television Digest* will receive one copy of printed full text of FCC's *TV Allocation Report* ending the freeze, including city-by-city channel tables, and full text of Rules & Regulations and Procedures. We'll print them simultaneously with release by FCC, now expected in latter March but quite likely to be further delayed. Commission says document will run about 600 single-spaced mimeo pages, which means 200 or more pages of our supplement format. Preprint orders for extra copies are now being taken at \$5 each.

Can uhf succeed in market served by 4 vhf? Washington's WGMS, which made FM operation pay (in connection with daytime AM) by stressing classical music, thinks so. M. Robert Rogers, v.p.-gen. mgr., announced station's intention to file for uhf after freeze-end, feels it can match its FM success in uhf. On other hand, gen. mgr. Ben Strouse of go-getting WWDC (Mutual) & WWDC-FM (transit radio), says he probably won't apply. "Even using our existing properties, it would cost about \$400,000 to set up a TV station," said Mr. Strouse, "and I can think of better ways to invest \$400,000 than in a uhf channel in a city so close to saturation, where all network programs are available on vhf." WGMS announcement marks first venture into uhf in such a sizable well-served market by a firm without the huge resources of a company like Westinghouse (applicant for Channel 17 in Philadelphia which has 3 vhf stations; see Vol. 8:8).

Another example of AMs' pooling resources to get into TV is formation of TV Colorado Inc., by stations KVOR, Colorado Springs, & KGHF, Pueblo, to apply for station to serve both cities. Joint venture proposes studios in both cities, 41 miles apart, linked by microwave. Firm plans to file within week, proposes 200-kw ERP, antenna atop 9000-ft. Cheyenne Mountain, Colorado Springs. KVOR president James D. Russell and KGHF president Gifford Phillips are directors of new corporation, which says it hopes to be on air by end of year as Colorado's first TV station. Firm hasn't specified which channel it will request, but it's expected to ask for 12, since KRDO, another Colorado Springs AM station, is on file for Channel 10, the other vhf channel tentatively assigned to Colorado Springs.

Five applications filed with FCC this week brought total pending to 509, of which 33 are uhf. Applicants: WEAR, Pensacola, Fla. seeking Channel No. 3; KCOM, Sioux City, Ia., No. 4; WAIM, Anderson, S. C., No. 58; KOVO, Provo, Utah, No. 9; WNAM, Neenah, Wis., No. 42. [For further details, see *TV Addenda 14-H* herewith; for listing of all applications to date, see *TV Factbook No. 14 and Addenda.*]

Another approach to satellites: Carl Smith, engineering v.p. of WHK, Cleveland, who developed circular polarization for FM, suggests same treatment for TV transmissions—permitting booster station to rebroadcast master station's signal, on same channel, so polarized as to preclude interference between the 2 signals. Proposal for Lawrenceburg, Tenn., advanced by John H. DeWitt of WSM-TV, Nashville (Vol. 7:50), provides that booster's emission be vertically polarized while WSM-TV's signal remains horizontally polarized.

Summer TV advertising wins 46,000 extra customers per month for average brand in New York area, NBC reports, citing these results of survey: (1) In January, 31 TV-advertised brands outsold non-advertised brands by 20%. In August, advertised brands outsold others by 37%. (2) In January, 16 advertised brands, which discontinued TV ads in summer, outsold non-advertised by 14%. But in August, the 16 outsold others by only 10%. (3) 94.8% of TV homes have at least one viewer available in average summer week. (4) TV viewing averages 76 minutes per day in August, 73 in January.

New low-cost uhf transmitting antenna was introduced by Workshop Associates, div. of Gabriel Co., 135 Crescent Rd., Needham, Mass., at IRE convention. While no price is given, manufacturer claims design cuts costs by providing extremely high gain while requiring only standard structural members for tower. Light-weight antenna is made entirely of aluminum, is said by Gabriel v.p. Gardner R. Greene to be adjustable "for the very smallest station [or for] highest power and greatest coverage."

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UHF SETS ON TAP, AWAITING STATIONS: TV set makers' preparedness for uhf production appears quite complete -- probably as complete as it can be, considering fact there is still no uhf market and no one knows how uhf demand will develop.

Results of our survey of top producers makes it clear they're ready. Matter of fact, several have already produced uhf units and tried to market them -- without success. Though responses summarized below give good sample of plans, you'll note that some of the heavier producers refrained from answering -- obviously hoping to get jump on competitors when uhf breaks. GE's Dr. W.R.G. Baker put it this way:

"I'm just not going to tell you. And I think you'll find some of the others feel the same way. I believe that's a good sign, too."

RCA disclosed latest uhf plans few weeks ago (Vol. 8:7), and other large outfits have given out varying amounts of information in last year or two. But such companies as Admiral, Philco, GE and Emerson won't say whether plans have changed -- or whether they're simply playing the situation by ear.

Competitive situation makes it clear that most of next summer's new models (for autumn market) will have uhf as optional feature, and some may even include it arbitrarily from scratch -- with "nothing more to buy" promotion -- depending on how imminent stations seem to be and how much publicity has developed.

Since many manufacturers don't make their own tuners, it's presumed their uhf plans are predicated on offerings of the tuner makers, such as Standard Coil (Vol. 8:9), Sarkes Tarzian (Vol. 7:40), Mallory (Vol. 7:45). In Admiral's case, for example, it's expected that Standard Coil's tuner will be employed, since it has been Standard's biggest customer. Of the 23 set manufacturers whom we queried, 13 replied. Following is a digest of their responses (in addition to GE & RCA):

* * * *

BELMONT (W.L. Dunn, v.p.): All-channel uhf tuner now in limited production, to be included in combination vhf-uhf sets "very shortly". Combination set to cost about \$30 more than vhf-only. Tuner to cost \$39.95 when installed in sets now in hands of public. All sets since January 1950 have room for tuner. Mr. Dunn added:

"It is our opinion that while the uhf stations actually going on the air in 1952 will be limited in number, the announcement of the green light for uhf will necessitate almost as complete an inclusion of uhf in TV receivers as though all uhf channels in present TV markets were currently operating. The end of the freeze will receive the greatest possible publicity, and we do not see how dealers can possibly sell vhf receivers to a public thoroughly alerted to the imminence of uhf."

BENDIX (W.A. Mara, gen. mgr.): "The replaceable strip uhf tuner that we are presently studying offers satisfactory answer to our problem...Combination uhf-vhf sets will be included in our plans just as soon as tuner manufacturers present acceptable units to us." No plans for converters at the moment.

CROSLY (J.W. Craig, v.p.): Planning to offer continuous and single-channel converters (Vol. 7:15) "in advance of actual transmissions," continuous-type running

\$50 or under. Combination vhf-uhf also planned, prices not yet determined. "We believe that uhf TV has grown, and converters and vhf-uhf receivers will be available to the public when uhf TV transmitters are on the air."

HALLICRAFTERS (R.W. Durst, executive v.p.): Converters -- continuous, strip inserts, single-channel, "depending on our distributors and what they prefer insofar as their localities are concerned" -- to be offered at \$40-\$50, in advance of actual transmissions. Combination sets, at some \$50 more than vhf-only, to be marketed "but not until there are enough stations to warrant the additional cost."

"It is felt that uhf will be developed very slowly during 1952, possibly not more than 10 stations, but will gain tremendous momentum during early 1953."

HOFFMAN (H.L. Hoffman, president): Will use uhf strip inserts for present sets, which contain Standard Coil tuners. Will produce combination sets, but not certain about converters. Prices still to be determined. Wrote Mr. Hoffman:

"I personally think that uhf has a good chance of getting started in markets that are not now being served by vhf, but I believe a broadcaster would think twice before he invited a situation where his competitor had a ready-made circulation for his advertising and he had to develop it the hard way.

"There is certainly the possibility that the controversy over the vhf channels in markets such as Portland and Denver will be so intense that uhf could slip in and get started before the vhf channels were assigned, particularly if they were in a position to tie in with the microwave or cable."

MAGNAVOX (Richard A. O'Connor, chairman): Will use continuous tuner, produce combination sets. Converter, not yet priced, can be attached externally to all Magnavox sets, installed internally in sets produced since last fall. Cost of vhf-uhf set, compared with vhf-only, is \$13-\$15 more at factory, to be reduced to roughly half that in next 6-8 months.

MOTOROLA (Robert W. Galvin, executive v.p.): Now building continuous uhf tuner, listing at \$40 extra when installed at factory, \$49.95 when sold in own cabinet for attachment to set. Future vhf-uhf sets to run \$25-\$40 above vhf-only. Tuners have been offered to trade -- no takers yet.

SCOTT (John Meck, president): Plans to offer uhf strips for that portion of sets already sold containing Standard Coil tuner. For others, single-channel converter will be offered. When uhf transmissions begin, built-in uhf will be made optional. Separate uhf converter also to be marketed. Combination set to run "minimum of \$50" more than vhf-only. Said Mr. Meck:

"It would be very, very helpful if FCC would set a conservative target date for breaking loose the uhf situation and then make a real effort to live up to it."

* * * *

SYLVANIA (J.K. McDonough, gen. sales mgr.): Combination sets, using continuous tuner, to be available this month at \$50 above vhf-only, but "differential will rapidly narrow down to something like \$20-\$30." Separate converter, also to be available this month, will run \$44.95. Mr. McDonough thinks that:

"Just as soon as the final allocation plan is announced, tremendous interest will develop in uhf, particularly in those areas now considered to be fringes for vhf which will then be able to receive one or more uhf channels on a converter.

"It is unlikely that there will be any substantial number of additional stations on the air before this time next year. However, we think that, when uhf broadcasting facilities are made available, the demand for sets which can be readily converted to uhf inside the set will be almost immediate."

TELE KING (Harvey L. Pokrass, president): Planning converters, design not yet frozen, probably continuous tuning; also, combination sets. Production dates not fixed, but "somewhat in advance of actual transmissions."

WESTINGHOUSE (F.M. Sloan, gen. mgr.): Sets produced since January have provision for plugging in 2 uhf channels. Preceding production "for some time" has had provision for addition of continuous tuner. Prices not yet established, but combination will probably run \$50 more than vhf-only. "We shall be well prepared to supply uhf sets and/or facilities at such time as uhf stations begin to broadcast. We don't expect more than a handful of uhf stations to be on air before year's end."

Clue to other manufacturers' plans may be found in devices they exhibited at IRE convention last week: GE -- continuous tuner calibrated both in megacycles and from 0 to 100. Zenith-- turret tuner with replaceable strips, as before. DuMont -- continuous tuner, with and without its own cabinet.

No manufacturer reports any plans for uhf-only sets. And none appears too worried about uhf antennas and installation problems, feeling that normal servicing channels will prove adequate. Many also point out that their converters may be attached by any set owner with a screw-driver.

ANTI-TRUST CASE SEEN LONG-DRAWN-OUT: Still puzzled, the TV-radio-electronics firms served with subpoenas duces tecum to appear before Federal grand jury in New York May 12, in obvious effort to pin anti-trust conspiracy charges on them in relation to color, FM and patents, are huddling with counsel these days trying to figure out how to comply with Dept. of Justice's sweeping demands.

"Mining operation," is how head of one company rather bitterly styled govt. attorneys' curious foray, as he contemplated demand for records and documents dating back to 1934 -- when several of cited firms were scarcely in swaddling clothes. It will take "vanloads of documents," said another, to comply with letter of all-inclusive subpoenas (for full text of subpoena, see our Supplement No. 77).

While most are agreed proceeding is pretty much a fishing expedition -- all annoyed and some quite angered because it requires so much work and expense at time when their main preoccupation is defense production -- calmer heads have decided to consult with govt. attorneys with view to agreeing on what one called "a reasonable means of cutting down such an impossible workload."

Some counsel have called on Melville C. Williams, special asst. to Attorney General, in charge of New York office, and have asked that requirements for data be pared down--particularly since so much of it is in storage or destroyed. What kind of reception they got, they're not saying.

But consensus seems to be that May 12 session of grand jury can do little more than accept appearances of "defendants" and take over their documents; that it will take months, possibly years, to analyze the data and arrive at any conclusions; that counsel fees will run into hundreds of thousands of dollars, perhaps millions, to say nothing of endless executive-&-staff man-hours consumed.

One opined such an investigation as subpoena implies could take 5-10 years. All stoutly maintain there has been no wrongdoing -- no "conspiracy" to thwart FCC's will on color, to hold back FM, or to mulct either industry or public by way of patent royalties. In final analysis, nobody's going to "win", is general opinion.

"The whole proceeding simply means a prodigious waste of time," said head of one of the smaller companies involved. He said he was going to urge his counsel to move in court to delimit scope of his subpoena "in view of its dragnet nature." He also thought appeal might be made to the defense agencies on plea that executive, legal and staff manpower is much more urgently needed on problems of electronics production for defense.

* * * *

Veritable iron curtain of silence drawn around case by Dept. of Justice is so tight that it won't even reveal list of companies served with subpoenas. We've been able to confirm that, in addition to RTMA and the 12 companies we've already listed (Vol. 8:9), Crosley, IT&T (Capehart-Farnsworth, Federal, et al) and Raytheon (Belmont) have also been served. There may be a few others, but not many.

Besides Mr. Williams, in New York, we've learned that Asst. Attorney General H. Graham Morison, in charge of anti-trust div., has detailed Marcus Hollibaugh, of Washington staff, to the case.

The suspicion persists, is voiced quite readily, that ex-FCC chairman Coy exerted strong influence in getting inquiry started, miffed at industry's refusal to accept Commission's color edict; that Maj. Armstrong, inventor of FM, long charging gangup against FM, may have been one of complainants; also, that CBS may have asked Dept. of Justice to act, still nursing hope its color system can win favor.

CBS-Columbia is one of those subpoenaed, however, is subject to just as

heavy a workload and legal fees as most of the others -- heavier, possibly, because broad scope of subpoenas indicates exhaustive inquiry into broadcasting-telecasting operations of CBS as well as NBC (RCA), DuMont, Crosley, GE, Philco, Westinghouse.

* * * *

Fifteen out of the 100 or more TV-radio manufacturers of U.S., plus RTMA, are thus definitely known to have been served with subpoenas, namely: Admiral, CBS-Columbia, Crosley, DuMont, Emerson, General Electric, Hazeltine, IT&T (Capehart-Farnsworth, Federal, et al), Motorola, Philco, Raytheon (Belmont), RCA, Sylvania, Westinghouse, Zenith.

These include all the biggest TV-radio set producers. But they also include some (like Belmont, Capehart, CBS-Columbia, Raytheon) that don't rank as high in TV-radio output as some companies that weren't served. Hazeltine doesn't make sets.

Special counsel have already been engaged by some companies, in addition to house lawyers. Among law firms known to be working on the case: For Admiral, Pope & Ballard (Ferris Hurd); CBS-Columbia, Rosenman, Goldmark, Colin & Kaye (Samuel I. Rosenman); DuMont, Roberts & McInnis (Wm. A. Roberts); GE, Simpson, Thacher & Bartlett (Whitney Seymour); RCA, Cahill, Gordon, Zachry & Reindel (John T. Cahill); Westinghouse, Cravath, Swaine & Moore (George Turner); Raytheon, Paul F. Hannah, general counsel; Crosley, Pruitt, Coursen, Oechler & McLaughlin (H. Preston Coursen); Zenith, Montgomery, Pritchard, Hart & Herriott (Irving Herriott); RTMA, Donovan, Leisure, Newton, Lombard & Irvine (Ralstone R. Irvine).

STILL NO FIRM DATE FOR END OF FREEZE: Outside chance for freeze decision by April 1 is voiced at FCC, but without too much conviction -- as Commission devoted another solid week to allocations deliberations, with "fair" progress. Commission would be delighted if it could make gift of decision to NARTB convention March 30-April 2.

Emphasizing how "tentative" are current deliberations is fact that FCC this week gave serious thought to processing uhf applications before vhf, after freeze, whereas previous thinking stipulated "no distinction." There's also strong possibility that existing stations wishing to increase power will have to wait until all new-station applications have been processed.

Though end of 3½-year wait grew nearer, prospects for fast processing of applications after the freeze grew gloomier -- as House Appropriations Committee reported bill cutting FCC's requested \$8,075,000 budget for fiscal year beginning July 1 to \$6,108,460 -- even less than current year's \$6,605,550.

Effect of cut -- if it goes through -- is worse than it appears, since there are pay raises to be taken care of, and with less money. Paradoxically, House committee said it "added \$51,810 for new positions in connection with TV application processing." Even if FCC does add that money to TV, it's drop in the bucket. Commission had originally asked Budget Bureau for \$600,000, to double TV processing facilities. Bureau cut it to \$200,000 in recommendation to Congress.

Appropriation isn't final, of course, since House has yet to act on it and Senate must concur. Chances are Senate will up it, if strongly voiced opinions of Majority Leader McFarland and others mean anything (Vol. 8:9).

Said House committee's report: "The committee appreciates the heavy workload presently being carried by this Commission. However, under existing economic conditions funds cannot be provided to increase appropriations for any peace-time agency, and it requests the Commission to regulate its work in such manner as will permit performance of essential functions with the funds provided in the bill."

* * * *

Most current industry speculation is over the effects of channel-by-channel application procedure presently favored by Commission but still facing acid test of final vote (Vol. 8:10). Arguments for such procedure, as against "lumped" hearings in each city, run like this:

(1) Quicker, easier hearings and decisions are possible, since only one winner per hearing need be picked. Cross-examination would be limited to those applicants for a particular channel. Shorter hearings would also be cheaper.

(2) No problem in parceling channels to successful applicants would face hearing examiner or FCC. Winner would get what he applied for. In lumped hearing,

there's possibility, even probability, that some winners would be awarded channels on which they hadn't even offered testimony. This may be of shaky legality.

(3) Uhf would be encouraged because some uhf channels would be uncontested, could be granted immediately. What's more, if uhf station gets on air long before vhf, it may snare best network affiliation -- particularly in new TV market.

* * * *

Proponents of lumped hearings argue as follows:

(1) FCC has full choice in picking best qualified applicants. For example, if 2 best applicants in city happen to specify same channel, both can get grants anyway -- impossible under channel-by-channel.

(2) "Spying, conniving, channel-jockeying and pure luck" would have great bearing on who winds up winner in channel-by-channel setup.

Commission's predilection for channel-by-channel, which may or may not stand up, appears based on "speed" and "uhf encouragement" arguments. As for "spying, conniving," etc., Commission apparently feels certain amount of such shenanigans is possible under any procedure, and it's up to FCC to scotch them.

NOTES ON THE BUSINESS OF TELECASTING: If you still need persuading that the business of telecasting is a good one and getting better -- as we've consistently forecast and reported in these columns -- we commend to your attention:

(1) PIB figures on January network billings, published on p. 12; and note how rapidly they're climbing from last year's month-by-month figures (Vol. 8:4).

(2) Detailed evidence how TV network-&-station revenues soared in 1951, when the 4 networks and 108 stations combined grossed \$239,500,000 and earned profit before taxes of \$43,600,000 -- up from 1950's gross of \$105,900,000 and net loss of \$9,200,000 and from 1949's gross of \$34,300,000 and net loss of \$25,300,000. We digested FCC's report on this last week (Vol. 8:10), but suggest you study detailed tables; ask FCC to send you Public Notice 73830 of March 6.

(3) Fact that CBS-TV acquired minority (47%) interest in another station, WTCN-TV, Minneapolis, also reported last week (Vol. 8:10). You can expect CBS to come forth with more such deals. Trade is already buzzing with rumors it's buying into WCAU-TV, Philadelphia, whose parent AM station the Paley-Levy interests once owned; but this is denied categorically by both CBS and Philadelphia Bulletin. It's well known that CBS and other interests have diligently "shopped" for stations, and there's hardly a station that hasn't had offers to sell out.

(4) Whether CBS acquires more or not, its intense eagerness to get deeper into station ownership, thwarted first by bad guessing on TV's future and then by the freeze, is not only stimulating quest of others for stations but also having effect of skyrocketing TV station values. CBS will pay record \$6,000,000 for WBKB, Chicago, if FCC approves; deal is tied up now in FCC's Paramount probe involving the proposed merger of ABC with United Paramount Theatres Inc.

(5) Price of WBKB turns out to be modest, albeit over the 12 years of its existence it cost Balaban & Katz some \$600,000 more than it took in. It went into black first in 1950 to tune of \$652,621 profit before taxes on gross of \$1,738,023; in first 9 mo. of 1951 showed profit before taxes of \$1,227,100 on \$2,283,601 gross.

(6) Operators of radio stations, who also operate TVs, will tell you to a man that their TV gross surpasses their AM; net would, too, if it weren't for taxes, amortization of past TV losses, mounting operating expenses and new capital outlays. Downward AM trend is also indicated in PIB's radio network figures (p. 12), and also in comparative AM network figures in aforesaid FCC report.

(7) Bigness of big-city station operation was hinted last September, when we disclosed that NBC's WNBT, New York, would achieve gross billings of \$8,000,000 in 1951 (Vol. 7:36). Actual figure isn't known, but it's generally believed to be much larger, and in light of rate increases could go as high as \$12,000,000 this year. And if WNBT went that high, you can assume WCBS-TV did, too.

(8) It's an open secret that NBC's and ABC's 5 owned-&-managed stations, DuMont's 3, CBS's 2 (plus its 45% in WTOP-TV) are among the best assets they have. Indeed, it's said they support their TV network operations. FCC's report showed the

networks and their 15 owned-&-operated stations represented \$132,200,000 of the 1951 revenues (more than half), \$12,400,000 income before taxes -- and it's believed just about all latter figure came from their station operations.

* * * *

Note: "Movie money" is casting eye on TV station ownership, too -- not only exhibitors but producers and actors. This week, report was current, unverifiable, that Louis B. Mayer and Ronald Colman plan to apply for Santa Barbara; and it was disclosed that Irene Dunne and Loretta Young had purchased majority of KRAM(AM), Las Vegas, Nev., TV applicant. Long TV applicants are Bing Crosby, for Spokane, Tacoma, Yakima, Wash.; Mary Pickford, for Asheville, Durham, Winston-Salem, N.C.; Gene Autry, for Phoenix, Ariz. (see TV Factbook No. 14).

Telecasting Notes: First regular 24-hour TV station is WDTV, Pittsburgh (also reputed to have been one of first to operate in black); as of March 17, it operates around-clock Mon.-thru-Fri., calling 1-6 a.m. show *Swing Shift Theatre*. It's mainly feature films and shorts, with 6 sponsors already signed. Manager Howard Lund says it's designed for the "more than 200,000 defense workers who finish work at midnight" . . . Trend away from summer hiatus reported by both CBS-TV & NBC-TV, former claiming nearly 100% of clients sticking, latter reporting several dozen have indicated intentions of doing so since Hofstra College summer-viewing report was issued; time discounts run about 10% for 52-week schedules . . . New York's WPIX got big publicity break in posting first reward, \$1000, for capture of slayer of young man who helped capture bandit Willie Sutton; WPIX also got good break as originating station of National Basketball Tournament in Madison Square Garden (Old Gold & Swiss Colony Wine sponsoring locally), piping Duquesne games to WDTV, Pittsburgh (Westinghouse sponsoring), Dayton U games to WHIO-TV, Louisville U games to WAVE-TV . . . Ethel Barrymore signs with newly formed Interstate Television Corp. (G. Ralph Branton) for series of half-hour films titled *Ethel Barrymore Theatre* . . . Transfilm Inc. plans series of TV films in which leading actors & actresses would read popular literary works—list to include Basil Rathbone, Madeleine Carroll, Monty Woolley, Burgess Meredith, Walter Hampden . . . Douglas Fairbanks Jr., as head of Dougfair Corp., will supervise production of 3 program series on NBC-TV—*International Theatre* (which he will m.c.), *The Silent Men* (based on radio show in which he now stars), *Foreign Legion* (adventure) . . . DuMont's *Captain Video* being released by RCA Victor as a recording for children, second such based on TV, other being *Tom Corbett, Space Cadet* . . . To capitalize on successful TV show and make low-cost radio package, CBS is experimenting with *I Love Lucy*, tailoring sound track to yield taped radio program costing estimated 25% less than live. March 5 *Daily Variety*, Hollywood, says if experiment is successful, CBS will have edge on competitors with its large number of similar "story-line" comedies . . . TV is becoming big song-plugging medium, observes March 12 *Variety*, with entry of Tele-Disks Inc., subsidiary of Seaboard Studios, into field of 3-minute films to accompany popular records; Columbia Pictures' Screen Gems is already active in same field . . . Masked ex-convicts, presenting their stories to panel comprising 2 experts on rehabilitation and 2 ex-convicts, are featured in novel *Four-square Court*, ABC-TV series starting March 16, Sun. 7:30-8, Norman Brokenshire moderating . . . U of Pennsylvania, which since 1940 has had tieup with Philco's WPTZ for football telecasts, joins station in elaborate TV venture—10-week series titled *In the American Tradition*, Sun. 2:30-3, covering work of its colleges via remotes from campus . . . Edward Lamb, owner of Erie's WICU & WIKK and publisher of *Erie Dispatch*, sets up fund for business-administration students at local Gannon College with \$2500

initial gift . . . WFIL & WFIL-TV, Philadelphia, building 25,000-sq. ft. addition to present TV studio bldg., will bring all TV-radio under one roof by Sept. 1 . . . Rate increases going into effect April 1: WDTV, Pittsburgh, from \$800 to \$1000 per Class A hour, \$125 to \$150 per 1-min.; WBAL-TV, Baltimore, \$700 to \$800 & \$125 to \$150; WDAF-TV, Kansas City, \$550 to \$600 & \$110 to \$120 . . . KRON-TV, San Francisco, raised Class A hour rate March 1 from \$600 to \$800, 20-sec. from \$120 to \$160 . . . WBAP-TV, Ft. Worth, raises Class A one-min. rate from \$80 to \$100 as of April 1.

Personal Notes: Harry Bannister, since 1941 gen. mgr. of WWJ, Detroit, and since its inception in 1948, gen. mgr. of WWJ-TV, joins NBC April 14 as head of both TV-radio station relations. He succeeds v.p. Carleton Smith, who moves into owned-&-operated station div. under James Gaines . . . Edwin K. Wheeler, ex-aide to Harry Bannister, presently business mgr. of *Detroit News*, returns to WWJ & WWJ-TV as gen. mgr. . . Adrian Murphy, president of CBS Laboratories Div., named president of CBS Radio, succeeding Howard S. Meighan, who rejoins executive staff of parent company as v.p. . . Joseph Brenner, ex-FCC examiner and its regional attorney in Los Angeles for last 4 years, resigned March 14 to enter private practice of law with S. V. O. Prichard, ex-Los Angeles asst. county counsel; firm of Prichard & Brenner will have offices at 321 So. Beverly Drive, Beverly Hills, Cal. . . Gayle V. Grubb, ex-ABC v.p. in San Francisco, joins Fort Industry Co. (Storer) as v.p. & gen. mgr. of WJBK & WJBK-TV, Detroit, succeeding Richard E. Jones, resigned; Glenn Jackson, ex-WMMN, Fairmount, W. Va., and former program director of WSPD & WSPD-TV, Toledo, named managing director of WAGA & WAGA-TV, Atlanta, succeeding James E. Bailey, resigned . . . Lloyd Griffin, sales promotion v.p., placed in charge of all Free & Peters TV operations, succeeding I. E. (Chick) Showerman, resigned . . . Charles A. Batson, ex-TV director of NARTB who recently joined Broadcasting Co. of the South (WIS, Columbia; WSPA, Spartanburg; WIST, Charlotte) as TV director, elected to board of directors . . . Leonard Blair promoted from ABC eastern production mgr. to eastern radio program director . . . Charles Phillips, asst. gen. mgr., named sales mgr. of WNBT, New York; Jay Smolin, ex-Amos Parrish, named adv. & promotion mgr. of WNBT & WNBC, by v.p. Ted Cott, gen. mgr. . . John Wilkoff, ex-BAB, named promotion mgr., NBC co-op sales dept. . . Col. Arthur L. Fletcher joins his nephew, Frank U. Fletcher, Washington radio attorney and ex-NARTB board member, in practice of law, with offices in Munsey Bldg., Washington . . . Marianna P. Woodson, engineer with Washington firm of Kear & Kennedy, married March 8 to Richard Cobb of Washington . . . Roy A. Meredith named TV-radio director of MacManus, John & Adam, Detroit agency, with headquarters in New York; Henry G. Fownes Jr. promoted to TV-radio production director . . . George Greaves, asst. mgr., KNBC, San Francisco, adds duties of program mgr., Paul Speegle having resigned.

HOUSE INTERSTATE & Foreign Commerce Committee March 12 finally reported out its changes in Senate-passed McFarland Bill (S. 658) which amends Communications Act, streamlines FCC procedures. Bill must be passed by House and go to House-Senate conference to iron out some substantial differences, but it has excellent chance of passage this session.

Committee spent 23 days in executive session on bill, possibly most time it ever devoted to any bill. Copies of bill and report won't be available for 2 weeks or so, but here are principal provisions:

(1) FCC is prohibited from discriminating against news-gathering entities in granting station licenses "solely" because of nature of their business. In recent years, FCC's general policy has been to favor non-newspaper applicants, in competitive hearings, "all other things being equal." McFarland Bill has no such provision.

(2) FCC is prohibited from consulting with staff in decisions on hearings involving "adjudication cases", such as granting, renewing and revoking station licenses. This goes along with McFarland Bill, was opposed by FCC majority but favored by Comr. Jones. Consultation with staff on rule-making, such as color decision and allocations, is not prohibited.

(3) Punishment short of "death penalty"—license revocation—can be meted out by Commission. FCC can issue "cease and desist" orders, levy fines up to \$500 per day, suspend licenses up to 90 days. McFarland Bill provides only for cease and desist orders.

(4) Resuscitation of old "Avco rule" is prevented. Rule, no longer followed by FCC, provided that person wishing to sell station had to advertise fact, and FCC considered all bidders on equal basis—regardless of who was to be original purchaser.

(5) Burden on stations coming up for license renewal is eased. Applicants for renewal needn't "furnish any information previously furnished by such applicant or not directly material to the question of renewal." Present law says: "Applications for renewal shall be governed by the same considerations and practice which affect the granting of original applications." An unusual provision, inserted at insistence of Chairman Crosser (D-Ohio), stipulates that if station doesn't get renewal, and someone else gets the license, latter has to pay former fair market value for physical facilities. However, such payment would be required only when station loses license because of something beyond its control—such as a frequency reallocation. Provision isn't given much chance of surviving House action or House-Senate conference.

(6) Before FCC sets station or applicant for any hearing, it must first notify party of reasons for hearing, give it chance to reply. Same as McFarland Bill.

(7) Applications granted without hearing are subject to "protest" for 30 days, and if "protestant" has given good reason, FCC must call hearing.

(8) FCC's authority to refuse licenses to those "finally adjudged guilty by a Federal court of unlawfully monopolizing radio communications" is retained as in Communications Act.

(9) Commission is required to report to Congress on any non-hearing broadcast case not decided in 3 months; for hearing cases, it's 6 months. Same as McFarland Bill.

(10) Supreme Court has discretion, as in present law, to review FCC's action in revoking or failing to renew licenses. In McFarland Bill, such appeals could be taken as matter of right.

(11) FCC's reorganization (Vol. 8:7) is given "statutory confirmation."

Station Accounts: National Tobacco Tax Research Council (Joseph Kolodny, president), comprising mainly tobacco growers, plans 6-week campaign on TV and radio to acquaint public with fact its products are taxed about \$2 billion a year and it carries its fair share of nation's economic burden; program called *A Salute to the American Smoker* to be placed . . . Natural for spring is *Home & Garden Show* on WOR-TV, New York, Sat. 1:30-2, starting March 15, sponsored by Garfield Williamson Inc. (Wonderlawn products), thru A. M. Seidler Adv., Brooklyn, and American Agricultural Chemical Co. (Agrico fertilizers), thru Cowan & Dengler, N. Y.; horticulturist Will Peigelback offers practical gardening tips for both amateur and professional gardeners . . . Oleomargarine makers expected to use TV-radio in big way in New York area, says *Radio Daily*, as result of lifting of ban on colored oleo, effective July 1; Associated Margarine Manufacturers isn't planning industry promotion, but manufacturers and agencies are quietly laying plans . . . New York's embattled Transport Workers Union (CIO) buys time for *TWU on TV*, using WOR-TV, plans regular schedule to carry fight against new transit authority; that labor unions like TV also indicated by 52-week renewal of Retail Clerks Union Local 770's program on KTTV, Los Angeles, titled *770 on the Air*, telecast since March 1950, thru Leonard Shane Agency . . . Sloane-Blabon Corp., div. of Alexander Smith Carpet Co., using TV spots in 27 cities in spring promotion of Koroseal tiles starting April 27, thru Geyer, Newell & Ganger, N. Y. . . Pfeiffer Brewing Co., Detroit, sponsoring Cleveland Indians' home games on WXEL, reported to have paid \$400-500,000 for TV-only rights, thru Maxon Inc., Detroit . . . Among other advertisers reported using or preparing to use TV: Kindle-Kwik Co. (chemical for kindling camp fires), thru Roberts, MacAvinche & Senne, Chicago (correction); Calgon Inc. (water conditioner), thru Ketchum, MacLeod & Grove, Pittsburgh; Dione Associates

Inc. (Dancing Feet Foot Creme), thru Tilds & Cantz Adv., Hollywood; Redi Foods Co. (Shrimp-in-the-Basket & frozen fish), thru Kastor, Farrell, Chesley & Clifford Inc., N. Y.; College Inn Food Products Co. (tomato juice cocktail, chicken), thru Weiss & Geller, Chicago; Laco Products Inc. (Laco castile shampoo), thru VanSant, Dugdale & Co., Baltimore; Purepac Corp. (Chloramint mouth wash), thru Leonard Wolfe & Associates, N. Y.

Network Accounts: Reynolds Metals Co. (aluminum) bought March 15 & 22 simulcasts of *Arturo Toscanini & NBC Symphony* on NBC-TV, Sat. 6:30-7:30, thru Buchanan & Co., N. Y. . . Bayuk Cigars Inc. (Phillies) starts *Adventures of Ellery Queen* April 16 on ABC-TV, Wed. 9-9:30, thru Ellington & Co., N. Y. . . Knox Gelatine Co. signs for Mon. 8:45-8:55 segment of NBC-TV's *Today* starting March 24, thru Wm. Weintraub, N. Y. . . Chesterfield begins *Gangbusters* March 20 on NBC-TV, alt. Thu. 9-9:30, thru Cunningham & Walsh, N. Y. . . Carter Products Inc. (Arrid, Rise) March 25 shifts *City Hospital* from ABC-TV to CBS-TV, alt. Tue. 9-9:30, thru Sullivan, Stauffer, Colwell & Bayles, N. Y. . . Pearson Pharmacal Co. (Ennds deodorant pills) starts *Police Story* April 4 on CBS-TV, Fri. 10-10:30, thru Harry B. Cohen Adv. Co., N. Y. . . R. J. Reynolds Tobacco Co. (Cavalier cigarettes) April 4 moves *My Friend Irma* on CBS-TV, Tue. 10:30-11 to Fri. 8:30-9 and April 3 *Camel's Man Against Crime* from Fri. 8:30-9 to Thu. 9-9:30; also drops *Pantomime Quiz* from NBC-TV . . . Carter Products Inc. (Arrid, Rise, Little Pills) sponsorship of *Drew Pearson* (Vol. 8:8) on ABC-TV, Sun. 11-11:15 p.m., starts May 4 . . . Electric Auto-Lite Co. (spark plugs, batteries, accessories) substituting preview of auto show from Waldorf-Astoria, N. Y., for *Suspense* April 1 on CBS-TV, 9:30-10 . . . General Mills has taken added 15-min. Fri. for *Bride & Groom* on CBS-TV, so that show is now seen Fri. 10:30-11 a.m., while Mon.-Tue.-Wed. show is seen 10:30-10:45 a.m.

REAL CRUX of Paramount hearing, whether common ownership of TV and movie facilities is "compatible" or "monopolistic," should be reached next week during testimony on ABC-UPT merger.

That UPT's vigorous executives will go all-out in their "compatibility" contentions was illustrated during this week's sessions when president Leonard H. Goldenson reiterated company's opinion that certain types of movies will naturally go into theatres while others will be made especially for TV. His colleague John Balaban, president of UPT subsidiary Balaban & Katz, had testified earlier in the week that if any B&K station were ever in a position to bid for a movie on equal terms with his theatres, he would favor TV even if it forced theatres out of business; but he was sure no such situation would ever arise.

Goldenson went on stand as complex consolidated hearing went into final phases involving proposed transfer of WBKB to UPT in 1950 splitup of old Paramount Pictures Inc.; proposed sale of that station to CBS for \$6,000,000; and fiscal and "monopoly" aspects of UPT-ABC merger.

Despite apparent pessimism of Balaban & Katz and the losses it sustained on theatre-TV shows since 1949 (Vol. 8:10), both Goldenson and secy.-treas. Robert H. O'Brien, ex-member of Security & Exchange Commission, asserted they haven't lost faith in theatre TV. Goldenson testified that in addition to the 10 theatre-TV installations UPT now operates, 4 more are being installed (in Buffalo, Omaha, Salt Lake City, San Francisco) and 10 more are on order. But UPT won't seek own theatre-TV frequencies if and when Commission authorizes them, he said.

O'Brien said UPT will continue theatre-TV experiments. Losses suffered so far, he said, were no true index to medium's success or failure in future. He noted that 69 theatres in U. S. now have TV installations. His testimony was devoted largely to history of anti-trust consent decree that resulted in separating Paramount producing and exhibiting interests.

As for Phonevision, Goldenson told how he urged producers to make films available for Zenith tests; but he gave these reasons why he thought pay-as-you-see TV won't work: (1) "Women won't pay to stay at home." (2) Public would learn how to unscramble signals, get shows without paying. (3) Much detail is lost on small TV screen. (4) Normal interferences in home life—children, telephone, etc.—would break "discipline" of audience as contrasted with quiet theatres.

Though actual UPT-ABC merger details are due next week, some questioning overlapped into that phase. Goldenson said UPT's 4 pending TV station applications for Boston, Detroit, Des Moines and Tampa will be withdrawn if merger is approved.

UPT v.p. & gen. counsel Walter Gross testified that of 1475 theatres once owned by Paramount, 621 were divested between March 3, 1949 and Jan. 31, 1952. When UPT drops 200 more (under recent 18-month court extension), it will be reduced to the 644 houses allowed under the decree.

Copies of FCC's 'Freeze Report'

Each subscriber to the full services of *Television Digest* will receive one copy of printed full text of FCC's *TV Allocation Report* ending the freeze, including city-by-city channel tables, and full text of Rules & Regulations and Procedures. We'll print them simultaneously with release by FCC, now expected in early April but quite likely to be further delayed. Commission says document will run about 600 single-spaced mimeo pages, which means 200 or more pages of our supplement format. Preprint orders for extra copies are now being taken at \$5 each.

NBC CAN BEGIN construction of its Burbank, Cal. TV studios immediately, and will receive materials in second and third quarters to complete building in time to start telecasting in October. Delivered in record time this week, NPA appeals board's verdict on NBC's appeal for materials was: "Approved in full".

There was little doubt that appearance of NPA assistant administrator Lewis Allen Weiss, ex-Mutual chairman & Don Lee president, at last week's appeal hearing (Vol. 8:10) clinched case for NBC. Weiss stressed essentiality of TV-radio to nation's welfare, urged board to set aside NPA rule that no new projects may receive materials. NBC financial v.p. Joseph Heffernan pleaded that his network would suffer competitive disadvantage vis-a-vis rival CBS, which has received allotments to complete its Hollywood "Television City" in time for fall TV season.

NBC will receive 211 tons of steel, 20,000 lbs. of copper, 800 lbs. of aluminum during next 2 quarters for its "stripped-down" wood-girdered building. Designed by the Austin Co., project will contain 2 studios with total area of 67,200 sq. ft. (vs. CBS's 347,900). Heffernan told appeals board NBC was ready to start digging foundations "immediately," and build as soon as it got materials allotments.

NPA this week announced its actions on last of first-quarter construction applications. Only TV-radio case involved was application of TV Cable Corp., Kingsport, Tenn., for materials to build community antenna project and store. This was denied.

J. Bernard Joseph, chief of NPA Electronics Div. broadcast & communications equipment section, will address engineering conference of NARTB Chicago convention March 31 on rules affecting broadcasting industry.

First official complaint to NARTB-TV Code Review Board came from Falls Church, Va., where St. James Parish Council of Catholic Women had surveyed 300 families on children's 4-9 p.m. viewing. Parents rated 17.9% of programs excellent, 53.5% good, 21.9% fair, 6.7% bad; they complained of too many cowboy and crime programs, suggested moving some adult entertainment out of 4-9 p.m. period. Another survey, of 1400 children, parents and teachers in Evanston, Ill., by Dr. Paul Witty, Northwestern U, found: (1) Children's average viewing has dropped from 21 to 19 hours weekly during last year. (2) Viewing drops 12% during first year of set ownership, 2% second year. (3) Most watching is during 6:30-8:30 p.m., when adult shows outnumber children's.

TV code's effect on commercials can't be measured completely until current sponsorship contracts expire, but *Advertising Age* clocked Chicago's WENR-TV, WGN-TV, WBKB & WNBQ March 5 and found, as reported in March 10 edition: (1) More than 50% of commercials exceeded times allowed in code. (2) Only one station had any commercials at all that ran less than time allowed in code—4 being 15-20 seconds under. (3) Many programs used sponsor's name or product too frequently. Code specifies that subscribers be permitted up to 52 weeks to terminate contracts not in conformity with code.

Final State audit of WOI-TV accounts showed Iowa State College's TV station earned operating profit of \$102,572 on total income of \$195,894 for fiscal year ended June 30, 1951. Station doesn't carry local commercials, derives all of \$160,909 income from networks and national spot. Operating expenses were \$93,985. During preceding fiscal year, earnings were \$1192.

Subscribers to TV Code now number same as NARTB-TV members—87 stations and 4 networks—with addition of 2 new subscribers this week. But, of the 87 code subscribers, 7 aren't members of NARTB; and 7 NARTB-TV members haven't subscribed.

OUTPUT STEADY, RETAIL TRADE SLUGGISH: TV set production is holding at 100,000-weekly level (see below) -- with everybody nursing hopes that spring baseball and summer politics will turn tide of retail trade from present low ebb to reasonable flow.

Though manufacturers have adjusted output rate downward to conform with demand as well as material cuts, while keeping payrolls busy on defense contracts, retailers dependent on volume aren't faring quite so well. Neither TV sets nor most other appliances are moving very fast these days -- and a lot of folk are worried.

Retail sales of large TV-radio stores in January were 39% below December, 24% below January 1951, according to Census Bureau's monthly retail trade report. That confirms Dun & Bradstreet figures published here last week (Vol. 8:10). And TV-radio-appliance store trade dropped 25% in January from December and 28% below January 1951. Unusual number of store closings has been reported lately.

Looking at TV-radio-appliance trade as a whole, March Radio & Television Retailing (Caldwell-Clements) calls business "fast and slow in the most erratic market [the] industry has ever experienced." And Retailing Daily, after national survey, reported March 13 that dealers are quietly but steadily reducing the number of lines they carry. "They would like to cut out some of their lines of merchandise," says that journal, but some "do not feel they can in their competitive situation."

Bright star in the trade seems to be 17-in. demand (table models), which in many cases exceeds supply. They're outselling larger tube sizes, though sometimes latter are priced only a few dollars more. NPA's Office of Civilian Requirements surveyed 5 cities in January (Boston, Philadelphia, Cincinnati, Houston, Birmingham) and found: "While reports of low inventory levels were relatively infrequent, some stores reported low stocks in 17-in. table model TV sets and low-priced radios."

Big Washington chain dealer George Wasserman (George's) confirms that TVs below \$250 are selling best, notably 17-in. He says recent weeks have shown TV sales "on the way down." He looks for poor April, with slump continuing to end of June. TV is following radio's seasonal pattern, he said. Slump now isn't as bad as last year's because "we're not loaded down with merchandise and not being panicked."

There are some who foresee -- or at least hope for -- revival of interest in high-priced consoles with appearance of 27-in. sets (Vol. 8:9), probably this summer; tube requires no greater cabinet depth than 21-in.

Dealer price cutting, still rampant, was described as "an armament race that nobody can win" by NARDA v.p. H.B. Price Jr., in talk March 11 before Charlotte (N.C.) Merchants Assn. "It's bribing consumers with your profits. Its result is a ravished market and discredited industry." The dealer who resorts to it, in words of Mr. Price, "sets off a chain reaction because others follow like a bunch of stupid sheep, regardless of the cost of the original merchandise or its replacement."

Some dealers are diversifying more -- air conditioners, phono records, etc. -- as hedge against reduced TV sales. Wholesalers see hypo to summer trade in keen competition for customers for low-priced air conditioners. RCA and Crosley will soon go into heavy promotion of their new Fedders-Quigan units. Carrier, Chrysler Airtemp, GE, Mitchell, Philco, et al, certainly won't sit silently by.

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Against 404,933 sets produced in January, as estimated by RTMA, February preliminary total (subject to revision) is 398,714. These compare with 645,716 in January & 679,319 in February of 1951.

First March week (ended March 7) brought forth 102,941 sets (1214 private label), not much change from the 102,216 of preceding week (Vol. 8:10). The March 7 factory inventory figure was 211,376, up from 202,938 the week before.

Radio output fell to 177,566 (73,641 private label) as of March 7 from 208,842 the week before. Radio inventory was 279,952, unchanged. Week's radios were 69,473 home receivers, 18,945 portables, 28,545 clock, 60,603 auto.

Topics & Trends of TV Trade: Seventh TV firm found to have violated Regulation W was Bartels Inc., Philadelphia, whose right to sell on installments was suspended this week for 30 days from March 24 by Federal Reserve Bank of Philadelphia. Firm was accused of making sales without required down payment. Another company in same area, Kirschner Bros., drew 15-day suspension last month on similar charge. Other violators penalized since November: Walter Lange, St. Paul, \$1000 fine and suspended 6-month jail term (Vol. 8:2); TV Service Center, Cincinnati, 15-day suspension; Master Tire & Supply, Lawrence, Mass., 30-day suspension; Jet Appliance, New Orleans, \$500 fine; Rosen's Inc., Baltimore, fines totaling \$1000.

Average TV set price dropped at least 10% in 1951; price of table model radio fell less than 1% in same period. This incidental intelligence is contained in analysis of Bureau of Labor Statistics consumer price index presented by price administrator Ellis G. Arnall to Senate Banking & Currency Committee, now considering extension of Defense Production Act. Analysis compared peak 1951 prices of cost-of-living items with December 1951 prices, showed that items comprising 58% of average family's expenses hadn't decreased at all. Expenditure for TV set is weighted as .69 of 1% of average family's annual living cost in price index; table model radio is .31%.

January excise tax collections on TVs, radios, phonos, etc. totaled \$14,778,466, up from preceding month's \$13,723,552, but less than the \$19,439,774 reported in January 1951. On phono records, Govt. collected only \$142,597 in January vs. \$644,818 in December and \$688,824 in January 1951. Excises on refrigerators, air conditioners, etc. dropped to \$2,965,832 in January from \$3,149,785 in December and \$6,589,878 in January 1951.

Bankrupt Starrett Television Corp. (Vol. 8:8,9) will continue operations on small scale, attorney Oliver T. Cowan told creditors' meeting. He said company's only orders are govt. contracts totaling about \$40,000, but that Starrett hopes to sell 2000 TV sets in month. Creditors elected unofficial committee headed by Charles Bornstein, American Credit Indemnity Co., authorized independent audit of company's books.

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Merchandising Notes: "TV club" is device used by some Denver radio-appliance dealers to capitalize on imminence of freeze-end. "Club" members pay \$1 a week toward purchase of sets to be delivered when TV comes to town; retailers explain that sets should be nearly paid for by that time . . . Sign of times? Davega Stores cuts quarterly dividend to 15¢ from usual 25¢ "in view of the situation now prevailing in the retail field" . . . Hotel TV rental business is good, we're told; tourists, especially from areas still without TV service, are staying in their rooms, watching programs, ordering plenty of food and drinks sent up . . . Tyson Radio Co., Brooklyn & Long Island retail chain, reported assembling sets under own trade name at rate of about 100 per week, offering 21-in. table at \$200, console \$230, plus tax; *Retailing Daily* indicates they will be wholesaled outside New York area . . . Arvin adds 3 new sets to line: 17-in. table \$240, open-face console \$280; 21-in. console \$340, prices including tax but not warranty . . . Magnavox introduces new 21-in. TV-radio-phono combination with AM radio \$550, with AM-FM \$595 . . . Majestic reported making some TV sets for Muntz TV . . . New Philharmonic line of 13 sets ranges from 17-in. table at \$190 to 20-in. table at \$210, console \$250, and 24-in. console \$400 . . . Sparton introduces 2 new sets—17-in. leatherette table \$240 and 20-in. leatherette table \$290; using new slogan, "Cosmic Eye Television."

Trade Miscellany: GE will convert its 200,000-sq. ft. home dishwasher plant in Scranton, Pa. to tube production, starting with hydrogen thyratrons, employing up to 500; Newell J. Corwin, tube dept. gen. foreman, will be works mgr. . . . GE tube dept. building new plant in Anniston, Ala., also has them operating in Owensboro, Ky.; Tell City & Huntingburg, Ind.; Schenectady, Syracuse & Buffalo, N. Y. . . . New Hytron tube plant opened this week in Danvers, Mass. to make miniatures, Newburyport plant continuing to make larger receiving and picture tubes . . . Gabriel Co. signs 10-year lease for 16,000-sq. ft. in Cleveland Athletic Club Bldg. . . . Johnson Electronics, headed by E. S. Johnson, ex-Motorola, recently with DX Radio Products, has established plant in Orlando, Fla., plans to increase present payroll of 20 to 100 in about 6 months . . . Victoreen Instrument Corp., Cleveland, has purchased all outstanding stock of Pioneer Electronics Corp., Salem, Mass., which it will operate as wholly-owned subsidiary . . . Pye Ltd., of England, has licensed Radio Minerva, Milan, to manufacture its TV receivers in Italy.

Trade Personals: Robert E. Williams returns to post as v.p. of Automatic Electric Co. after 6 months as director, NPA Communications Equipment Div.; replaced at NPA by William M. Day, v.p.-gen. mgr., Michigan Bell Telephone Co. . . . RCA chairman David Sarnoff vacationing until about April 1 in Beverly Hills, Cal. . . . Ernest A. Marx, gen. mgr. of DuMont receiver sales div., named director of international div., handling increasing export sales; Walter L. Stickel is national sales mgr., receiver div. . . . Dr. Ernest Ohsol named mgr. of GE product development lab . . . George E. Simons, who joined Benton & Bowles in April 1951, rejoins Crosley as adv. mgr. for all appliances as Crosley appoints BBDO as ad agency handling all TV-radio advertising and retains B&B as agency for new air conditioners and other appliances . . . A. T. D'Huyvetter returns to Crosley as operations mgr. of Crosley Distributing Corp., New York; Paul A. Hilton, ex-asst. gen. mgr. & controller, goes with Magna-Crest Corp., New York, as treas. . . . Allan Henry, ex-contracts administrator, named Belmont (Raytheon) TV-radio product mgr. in Chicago, Charles McKinney becoming adv. mgr. . . . Paul Frye, Belmont mgr. in Washington, transferred to Chicago as gen. sales mgr. for technical products . . . Thomas B. Kalbfus, ex-adv. & sales promotion mgr. of Hunter-Douglas Corp. (Venetian blinds), named gen. TV-radio sales mgr. of Westinghouse Electric Supply Corp., succeeding Horace A. Silliman, resigned; Charles N. Prensail named head of major appliance adv. & sales training, Westinghouse appliance div. . . . D. W. May, ex-Hoffman, appointed gen. mgr. of Fada's N. Y. metropolitan div. . . . C. A. Bejma, ex-Capehart-Farnsworth Chicago district mgr., becomes GE receiver div. district mgr. there . . . William Sevy, ex-Capehart-Farnsworth, named Arvin district sales mgr. for TV-radio in Ohio area, succeeding Allen McGehee . . . Mort D. Baron promoted to asst. sales mgr., CBS-Columbia . . . Harold L. Herndon, ex-service mgr., named Raytheon district mgr. in charge of sales & service, Cleveland; Albert R. Wolfe, his asst., named service mgr. . . . George E. McAllister named div. mgr. of Norwood, O. plant of Workshop Associates (Gabriel Co.) . . . John I. Moss, ex-chief of Navy Bureau of Ships contract planning section, recently with Central Television Service, Chicago, joins George Pettitt Co. as industrial sales mgr. . . . Magnavox names 5 new district sales managers as follows: Paul Solomon, northern New Jersey area, at New York; Paul Hunter, New York state, Buffalo; Joseph C. Papp, Southern California, Los Angeles; Maynard Moore, Boston-Providence, Boston; Frank W. Bram, eastern Pennsylvania, New Jersey & Delaware, Philadelphia; Charles N. Hoffman, Indiana-Kentucky, Indianapolis.

Financial & Trade Notes: Change in control of Olympic Radio & Television Co. may be presaged by sale of big block of stock, as revealed last week in monthly SEC report (Vol. 8:10). Family of Albert B. Wells, which last March sold big American Optical Co., purchased 92,111 shares of Olympic from president Adolphe A. Juviler and executive v.p. Percy L. Schoenen in December through its private investment firm of Fox, Wells & Co. Mr. Juviler's holdings were thus reduced from 82,400 to 15,000 shares, Mr. Schoenen's from 22,660 to 5000. About 340,000 shares are outstanding.

The stock which changed hands is worth about \$700,000, based on current Curb Exchange quotations. Heywood Fox, ex-asst. to president of American Optical, and Dr. R. Bowling Barnes, ex-American Optical v.p., have been named to Olympic board (Vol. 8:2). Dr. Barnes heads Olympic Development Co., research subsidiary, and is part owner of Olympic through Fox, Wells.

Olympic ranked somewhere in TV industry's second ten in 1950, when it produced 138,785 sets. In 1951 its output dropped to 70,414. Sales in 1950 totaled \$21,937,175, profits \$1,577,484; 1951 sales have been estimated at about \$15,500,000, with first 9 months' profits \$260,428 on sales of \$11,456,359 (Vol. 8:8).

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Sylvania's 1951 profits hit record \$8,253,973 (\$4.18 on each of 1,856,550 shares), despite 63% increase in Federal income taxes which meant that for every dollar of profit the company was permitted to keep Uncle Sam took more than two. Previous earning record was \$8,221,185 (\$5.37 on 1,456,550 shares) for 1950. Earnings before taxes rose 36% to \$26,153,973 from \$19,221,185 in 1950.

Sales passed \$200,000,000 mark for first time last year, reaching \$202,806,387, some 25% over 1950 volume of \$162,514,814. Financial program and physical growth also set new records. Additions to existing plants during year aggregated 300,000 sq. ft., and company acquired large number of new plants.

Chairman Max Balcom and president Don Mitchell reported 1951 sales well ahead of 1950 in every division except one—TV picture tube sales decreased because of drop in demand by set manufacturers. TV receiver sales were up in 1951, as well as receiving tubes, electronic equipment, auto radios, lighting products, flash bulbs, tungsten, chemical products. During latter part of year, defense order billings constituted 25% of monthly sales. They're expected to expand rapidly this year, but won't exceed 50% of sales, said Messrs. Balcom and Mitchell.

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Philco's annual report for 1951, reporting second largest sales in firm's history, notes that year was largely one of "engineering development and preparation for production in the field of military business," latter accounting for about 10% of 1951 sales. Substantial preparatory costs incident to this work, says report, were absorbed out of current earnings.

Sales totaled \$305,328,670, net earnings \$12,168,046 (\$3.35 per share on 3,525,372 shares outstanding) after Federal taxes of \$9,844,600. This compares with 1950 record sales of \$335,318,054, earnings of \$15,483,616 (\$4.29) after Federal taxes of \$18,220,000.

Working capital was increased from \$42,720,000 to \$43,848,000 during year, civilian inventories cut to \$28,785,000 from \$32,825,000. Total of \$8,700,000 was invested in plant expansion, with new 647,000-sq. ft. electronics plant in Philadelphia due to be ready for occupancy this May. It brings total Philco plants to 25, aggregating 5,300,000 sq. ft. Pamphlet to stockholders accompanying March 12 dividend payment of 40¢ per share pays particular attention to growing microwave relay business, in which Philco sees greater potential once TV freeze is lifted.

Mobilization Notes: Electronics industry's expansion—under way and completed—since Korean outbreak has been to the tune of about \$400,000,000, according to best estimates. Some 60% of this, or \$236,000,000, was accomplished with govt. tax aid, the remainder undertaken privately.

The \$236,000,000 in tax-aided defense expansion represents 336 projects, according to mobilization sources. Breakdown by type of project as of March 1: End equipment (principally fire control and related equipment), 129 projects valued at \$128,000,000; tubes (mostly subminiature for fuses and missiles), 79 projects, \$67,500,000; standard components, 82 projects, \$22,000,000; miscellaneous (plugs, sockets, relays, crystals, etc.), 46 projects, \$18,000,000.

* * * *

Certificates of necessity for 28 relatively small expansion programs went to 20 electronics and related companies Feb. 4-16. These DPA certificates for rapid tax writeoff totaled \$1,523,460. Raytheon received 8, for \$147,755 in expansion, all amortized at 65%. They were for production of electronic tubes and equipment at Quincy, Mass. and aircraft parts at Waltham, Mass., and Oxnard & Point Mugu, Cal. Others receiving certificates:

Transducer Corp., Boston, \$220,763 (75% amortization); Carborundum Co., Falconer, N. Y., resistors, \$151,215 (60%); Supreme Products Inc., Chicago, electronic parts, \$150,475 (80%); Gilbert & Barker, W. Springfield, Mass., \$149,560 (75%); Atlas Metal Stamping Co., Philadelphia, \$144,156 (75%); Romac Products Co., Long Island City, \$135,956 (70%); Sylvania, Seneca Falls, N. Y., tubes, \$70,605 (65%); Melpar Inc., Alexandria, Va., \$54,955 (80%) & \$10,062 (75%); Cook Electric Co., Chicago, \$56,500 (70%); Technology Instrument Corp., Acton, Mass., \$55,000 (65%); Magnavox, Ft. Wayne, \$32,113 (65%); Babcock Radio Engineering, Van Nuys, Cal., \$32,062 (65%); Continental Machine Co., Newtonville, Mass., \$28,415 (70%); Anton Machine Works, Brooklyn, \$22,003 (80%); Hillyer Instrument Co., New York, \$17,701 (75%); Daystrom Electric Corp., Poughkeepsie, N. Y., \$16,614 (75%); Scia Electric Co., Chicago, transformer laminations, \$12,811 (50%); Telecomputing Corp., Burbank, Cal., \$6934 (75%).

* * * *

GE's Carl L. Ipsen, Harry W. Robb & James H. Williams, RCA's J. A. Milling & W. W. Watts, Westinghouse's Edmund T. Morris Jr., were presented "certificates of service" by Commerce Secy. Sawyer March 12 at Washington luncheon honoring 188 businessmen who served without compensation to help U. S. set up defense program.

Materials shortages haven't eased to any extent, as indicated by Issue No. 5 of DPA's bi-monthly *List of Basic Materials & Alternates*. List reflects few changes in important materials since January; it's available at Commerce Dept. field offices.

Beli Labs corrects impression that it's accepting orders for newly-developed film scanner from NBC-TV or others (Vol. 8:10), says it has no such plans. RCA says it's studying device, as well as other new types of scanners, hasn't made any yet.

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Dividends: Admiral, 25¢ payable March 21 to stockholders of record March 17; Muter, 15¢ payable March 31 to holders March 15; Aerovox, 15¢ payable March 15 to holders March 5; Arvin, 50¢ payable March 31 to holders March 17; Eric Resistor, 20¢ payable March 15 to holders March 10; Cornell-Dubilier, 10% stock payable April 22 to holders April 4; Raytheon, 60¢ payable April 1 to holders March 15; Zenith, 50¢ payable March 31 to holders March 18; Davega Stores, 15¢ payable March 21 to holders March 11; Packard-Bell, 25¢ payable April 25 to holders April 10; Motorola, 62½¢ payable April 15 to holders March 31.

NETWORK TV time billings rose to \$15,213,792 in January, highest for any month ever, well ahead of network radio billings, and nearly double TV billings of January 1951. NBC-TV, CBS-TV & ABC-TV each rose to record monthly volume, with NBC-TV again running far ahead of NBC-radio and CBS-TV approaching within \$50,000 of the CBS-radio billings.

Network radio billings for January totaled \$14,477,939, holding close to 1951 monthly average but down from the \$16,691,878 reported for January 1951. CBS continued to lead in radio billings.

Detailed Publishers Information Bureau figures for January follow (for comparisons with 1951 month-by-month figures, see p. 14, Vol. 8:4):

NETWORK TELEVISION		NETWORK RADIO		
	Jan. 1952	Jan. 1951		
NBC	\$ 7,380,307	\$4,187,222	CBS	\$ 5,160,182
CBS	5,109,023	2,601,165	NBC	4,331,884
ABC	2,007,314	1,328,719	ABC	3,307,464
DuMont	717,148	435,527	MBS	1,678,409
Total	\$15,213,792	\$8,552,633	Total	\$14,477,939
				\$16,691,878

Gov. Dewey took action on educators' urgings re TV in New York, this week backed bill in State Legislature to set up 15-member commission to study whole educational TV picture, report to Governor and Legislature by Feb. 10, 1953. In urging action, Dr. Lewis E. Wilson, State Education Commissioner, spoke of "3 channels" that FCC has "agreed" to reserve for State. Since educators had proposed 11-station network, and FCC's original allocation had proposed to reserve 8 channels, it's presumed Dr. Wilson has learned that Commission will grant the 3 extra. Actually, it could have been safely concluded educators would get the 3, since channels are uhf, and 11-station plan was unopposed in "paper hearing".

Salt Lake City's KSL & KSL-TV, as 25.9% stockholder in KID, Idaho Falls, Ida., is one of principals, along with other Mormon Church interests, in that station's application for Channel No. 3. It was one of 5 filed with FCC this week, bringing total pending to 514, including 34 uhf. Others: WKNB, New Britain, Conn., seeking Channel No. 30; WINK, Ft. Myers, Fla., No. 11; KPLC, Lake Charles, La., No. 7; Waco Television Corp., Waco, Tex., part-owned by Texas State Network, No. 11. [For further details, see *TV Addenda 14-I* herewith; for listing of all applications to date, see *TV Factbook No. 14* and *Addenda*.]

Graybar signs with Federal Telecommunications Laboratories Inc. (IT&T) to handle national distribution of all Federal TV broadcasting equipment, including vhf & uhf transmitters, auxiliary equipment, antennas, cameras, film projectors, all studio equipment, microwave links. Graybar also plans to distribute products of other TV station suppliers, such as towers, transmission lines, audio equipment, studio lighting, according to J. W. LaMarque, general communications sales mgr. Federal recently installed stations in Buenos Aires and Sao Paulo. provided equipment for WSM-TV, Nashville, and WKZO-TV, Kalamazoo.

Pilot model of Eidophor color theatre-TV equipment is scheduled to arrive in New York by air from Zurich, Switzerland, March 15. Gear will be set up in 20th Century-Fox's New York home office theatre and put through its paces, including tests with video signals of varying bandwidths. No date has been set for demonstration to press. Film company plans to demonstrate equipment to FCC during theatre-TV hearing, scheduled to begin May 5.

Work on Toronto-Montreal microwave began this week, is still due for completion some time in 1953. Buffalo-Toronto link is due second half 1952, or in time to link first CBC station due August.

Daylight Saving Time effective on networks April 27.

Havana's CMQ-TV (Goar Mestre) formally inaugurated its Cuban "network" March 12 by placing into commercial operation its satellite stations in Matanzas (Channel No. 9), Santa Clara (No. 5), Camaguey (No. 6), Santiago (No. 2). Chartered plane took sponsors, admen and newsmen on tour of stations that day. Stations will be linked by microwave later, presently are operating as self-contained entities, using CMQ-TV kinescope recordings, newsreels and feature films. Meanwhile, rival CMA-TV, Havana, now under construction on Channel 2 and scheduled to begin operation in May or June (Vol. 8:7), is also constructing Channel 3 station in Santa Clara, plans outlets in Matanzas, Camaguey and Holguin for which channels have not yet been designated—all to be linked by what technical director Ventura Montes claims will be country's first microwave relay setup. Latest U. S. Dept. of Commerce advices state 24,273 TV receivers were imported into Cuba during 1951 at value in excess of \$4,000,000; with 5000 sets in inventory, it put sets-in-use as of Jan. 1, 1952 at 19,273.

Don't look for quick action on modification of NPA color TV order M-90. Fact is, very little progress has been made in last 2 weeks. NPA has considered whole issue unimportant ever since it made up its mind that it won't make any major changes in order (Vol. 8:8, 10). Principal modification will be exemption of theatre-TV equipment from ban on manufacture of color receivers. After attorneys rewrite order, it must run gauntlet of NPA asst. administrator H. B. McCoy, administrator Henry Fowler, DPA chief Manly Fleischmann—and all the way up to defense mobilizer Charles E. Wilson, whose famous letter to CBS launched the color ban.

Daily newspaper circulation held close to all-time peak in 1951, according to N. W. Ayer & Son's *Directory of Newspapers & Periodicals*, 84th edition, issued this week. Combined circulation of all English-language dailies in U.S. was 53,593,000 at end of 1951, as compared with record 53,618,000 in 1950. Evening newspapers increased to 32,225,000, highest on record; morning totaled 20,457,000, and the 3 all-day dailies totaled 911,000, both down slightly. Sunday circulation was 45,907,000. Since end of World War II, evening papers have added 12% to their circulations, morning papers 15%, Sunday papers 19%.

TV has yet to prove effectiveness as retail advertising medium, in opinion of National Retail Dry Goods Assn. After studying results achieved by retailers who have used TV for 1-5 years, and up to 1½ hours daily, NRDA's sales promotion division announced: "Results do not meet the standards which retailing expects and regularly receives from other media." Division manager Howard P. Abrahams notes, however, that TV is very productive when programs have strong local appeal and are accompanied by careful merchandising.

Wider TV football coverage and participation of more small colleges in TV program next fall were agreed upon at first meeting of NCAA's TV steering committee March 10. Committee will follow principle that no single college or small group of colleges will dominate football TV for fear "resulting financial rewards would create far greater temptations than any yet known [and] place irresistible premiums on developing winning teams."

Unscheduled drama for viewers was provided March 14 by 30-year-old Louisville news vendor who climbed WHAS-TV's 600-ft. tower on an "impulse". Station focused its cameras on him, and while viewers watched in suspense, 3 firemen went up the tower and the climber started descending. Firemen met him at the 200-ft. level.

Britain's third TV station was inaugurated this week at Kirk O'Shotts, Scotland.

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with **ELECTRONICS** REPORTS

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8 MORE TV NETWORK CITIES BY JULY 1: San Antonio and Tulsa will get July political conventions via direct network service, after all -- good news not only to those communities but to telecast sponsors and to the lagging TV trade.

That makes 8 in all to be added to interconnected service this summer. AT&T had announced Feb. 15 that extensions to those 2 cities "will not be feasible until later this year." But this week it reversed itself, issued assurance that microwave facilities will be added July 1.

AT&T also reiterated that the other 6 new cities -- Miami, Houston, New Orleans, Dallas, Fort Worth, Oklahoma City (Vol. 8:4,7) -- will start July 1.

Facilities to the 2 new cities are termed "temporary," and only one channel will be available to each of 8 new cities until permanent installations are made later in year. Actually, only thing temporary about Tulsa and San Antonio extensions is electronic gear. Everything else, including towers, will be permanent.

Thus, 60 of the 64 TV markets & 105 of the 109 stations will be able to get the July 7 GOP and July 21 Democratic conventions from Chicago. Only cities then remaining without network service -- and AT&T still offers no estimate for their inclusion -- will be Seattle, Phoenix, Albuquerque and Matamoros-Brownsville.

LOOK FOR 1250 APPLICATIONS—OR MORE: If you've been watching steady accretion of TV station applications, as reported in our weekly Addenda (blue) sheets -- well, you ain't seen nothing yet!

At beginning of freeze Sept. 30, 1948, there were 308 on file. By end of 1951, total had swelled to 473. Then, in first 12 weeks of this year, there has been gradual acceleration -- running as high as 7 in one week -- and bringing the total to 517, as listed in TV Factbook No. 14 and Addenda 14-A to 14-J inclusive.

All these went into files despite FCC's repeated request that none be filed during freeze, its assertions that early filings will get absolutely no preference, and fact that at least half the applications will require amendment to conform with new allocations and rules when promulgated.

Behind most such applications is apparent philosophy that "you can't lose and may gain" and you may smoke out or scare out the competition.

When FCC finally does welcome new applications, what then? We polled 20 top Washington law firms specializing in radio practice, asked each how many new ones it expects to file, got total of approximately 550. Add the smaller firms, the out-of-town counsel, the prospective applicants who haven't yet selected legal counsel -- and you're bound to get at least 250 more.

It's good guess therefore that 1250 or more applications will have been filed for as many stations by end of the 90-day filing period FCC is expected to allow. That includes the 500-odd already on file, some sure to be dropped.

Implications of this deluge are truly staggering -- in terms of FCC workload, of hearings, of delays in processing and granting applications.

ABC-UPT MAKING STRONG CASE FOR MERGER: Climax of 9-week-old Paramount hearing was finally reached this week, as story behind proposed ABC-United Paramount Theatres merger (Vol. 7:21) was unfolded by presidents of the respective companies -- Robert Kintner and Leonard Goldenson.

They made strong case -- unquestionably -- but cross-examination, with its probing for weaknesses, is yet to come. Testimony was in support of these 2 theses:

(1) ABC must have UPT's money and know-how to keep from falling hopelessly behind in competition with NBC and CBS.

(2) Merger cannot and will not conduce to "monopoly," and theatre folk, by reason of ability, capacity and goodwill toward TV & radio are eminently qualified to go into the telecasting and broadcasting businesses.

"Gap is widening" between ABC and top 2 networks, Kintner freely conceded, and he gave these reasons:

(a) ABC's manifestly weak financial status (see story, p. 15).

(b) Other networks enjoy "cushion" of non-broadcasting revenues from their receiver manufacturing businesses, from record sales, etc.

(c) NBC and CBS got jump in TV because they had powerful lineups of big AM affiliates who went into TV first. And ABC just hasn't the wherewithal to fashion programs attractive enough to entice affiliates away from NBC and CBS.

Illustrating ABC's difficulties in cracking NBC-CBS affiliates, Kintner introduced figures showing that ABC-TV cleared only 4.7% of "live" time in 30 one-station markets in a recent week, while NBC got 55.8%, CBS 37.4%, DuMont 2.1%. Its popular Celanese Theatre, for example, is carried on only 17 stations and isn't kinescoped because ABC can't get film rights.

In times of "recession," such as Kintner said the telecasting business has undergone since December, third network suffers badly. He said 7 ABC-TV shows have been canceled since December, and even NBC has 5 good periods open, CBS 2 or 3.

Looking into future, Kintner analyzed FCC's proposed allocation plan, and found: In top 162 markets, 21 would have 3 vhf channels, 57 would have two, 42 one, all rest uhf only. Unless ABC can beef up its programming, he indicated, network will be shouldered into uhf -- increasing its handicap.

* * * *

What would UPT do for ABC? Immediately upon approval of merger, Goldenson said, new American Broadcasting-United Paramount Theatres Inc. will assume obligation of \$25,000,000 worth of securities with which it will pay for ABC stock, will pay off ABC's approximately \$10,500,000 indebtedness, and will advance any additional funds necessary for working capital and expenditures for expansion.

ABC could then bid against NBC and CBS for high-powered talent on an equal footing, said Kintner. It would go in for the kind of high-rated comedy shows in which it has always been weak. It would take expensive risks of building up shows which may or may not click. It would expand drama, news, daytime programming.

And it would give financial injection to radio, "which is far from dead."

Kintner related how network first sought funds through a \$14,000,000 issue, which fell through; then negotiated with 2 movie companies, a record company, an electronics manufacturer, and CBS. Sale to CBS fell through because both companies decided "it wasn't in the public interest" to eliminate a network. All other deals collapsed because "firms don't go into broadcasting lightly, it requires tremendous resources, and the risks are high."

ABC chose UPT because of its good financial position and earning power, its excellent management, and because it could bring new showmanship, skill, experience to the TV and radio operations.

* * * *

Fears that "monopoly" will grow from merger are unfounded, witnesses testified, for these reasons:

(1) ABC's revenues will come from advertising, theatres' from admissions, thus there would be no undue "concentration" in the advertising field.

(2) TV and movies will use different kinds of film; thus, merged company will have no particular competitive advantage in bidding for or suppressing films.

(3) Distribution of ABC's affiliates and UPT's theatres wouldn't produce monopoly: ABC has affiliates in 181 cities where UPT has no theatres; UPT owns theatres in 176 where ABC has no affiliates; both have interests in 122 cities. And UPT has theatres in only 13 cities of the 51 where ABC has the only AM in town.

DuMont remains opposed, its counsel insisting that the merged company may have greater "leverage" in film-buying market, regardless whether TV and theatres buy different kinds of film. Importance of films is attested by Kintner's statistics on percentage of TV program time devoted to film (see p. 15).

* * * *

Fourteen other witnesses, including ABC chairman Edward J. Noble and vice presidents of both companies, buttressed Kintner-Goldenson testimony. Participants are now talking about "2 weeks" to conclude hearing -- but such guessing is reminiscent of FCC's freeze-end estimates. Cross-examination has way of running on and on. And another imponderable is Gordon Brown, owner of WSAY, Rochester, gadfly of networks, due to take stand after merger phase.

FCC's FREEZE HEADWAY, BUDGET SETBACK: Freeze parleys are over the hump, in opinion of most at FCC, but it still looks like "couple weeks" until The Day -- issuance of final decision. The "hump" surmounted this week covered very basic principles.

Some of most vigorous disagreement yet occurred this week, when several commissioners insisted on drastic cuts in vhf powers, heights, mileage separations -- way below those contemplated to date (Vol. 8:8) -- all to keep vhf from "drowning out" uhf and creating a new "clear channel situation."

But majority stuck to current proposals, compromising only to extent of limiting antenna heights to 1000 ft., with maximum power, in Zone 1 (Eastern U.S.), permitting 2000 ft. elsewhere. Majority's argument was that rural coverage would suffer from vhf cuts, and that uhf service will approach that of vhf if given adequate power and height. You can expect very strong dissents in final decision.

Appendices A & B of decision, covering rules & standards, plus coverage & interference factors, are considered "solid," almost certain to undergo no changes from here on out. FCC is now debating Appendices C & D -- table of city-by-city allocations. Everyone has fingers crossed, hoping for little dissension. Creating some problems, though perhaps no delays, is fact Canada is thinking in terms of vhf co-channel separations in neighborhood of 225 miles -- way above ours.

"Leaks" on some city allocations are bound to occur before final document is released. In fact, there has been certain amount of this every time draft of prospective allocation has been drawn up. There's not too much advantage to be gained from such "inside dope", since there will be plenty of time to study allocation before any grants are passed out.

* * * *

Chances of FCC's getting more money, to process TV applications, dropped another notch this week when House rejected efforts of Rep. O'Konski (R-Wis.), owner of WLIN, Merrill, Wis., to hike FCC's appropriation from \$6,108,460 to \$8,000,000. Rep. O'Konski argued, in speeches from House floor March 19-20, that it will take 5-10 years to bring TV to small towns unless FCC gets more money.

Up rose FCC's implacable enemy, Rep. Cox (D-Ga.), who got \$1,000,000 sliced from Commission's budget last year. "Is the gentleman serious?" he asked. "This Commission...has performed as if it were the hired agent of the Reds." Only Comrs. Jones and Bartley are worthy of Congress' respect, he said.

Rep. O'Konski defended present Commission, regardless of previous personnel. Said Rep. Cox: "The present chairman [Walker] was there when the scoundrel Lawrence Fly was down there terrifying the broadcasters all over the country. The present chairman slinked into my office about 10 days ago to offer explanations and make peace. But there is nothing that he could do that would make me feel that he is fit for the job he holds."

Though O'Konski was backed by Reps. Reams (Ind-Ohio) and Bailey (D-W.Va.), rejection of increase was clinched when Rep. Thomas (D-Tex.), chairman of appropria-

tions subcommittee, argued that FCC can take care of TV by transferring personnel from other activities.

Budget may fare better in Senate, though it's anyone's guess what final upshot will be, since all agencies such as FCC are being cut. All commissioners except Jones appeared before Senate appropriations subcommittee March 21, were joined by Sen. Johnson, chairman of Interstate & Foreign Commerce Committee, plus Haraden Pratt, President's Telecommunications Advisor, and a military spokesman.

NPA TO LIFT OWN NEW-STATION FREEZE: NPA won't stand in way of new TV grantees' getting on air after FCC lifts freeze. By mid-year, construction materials will be no major barrier to building new stations or altering old ones.

That's official now -- from DPA administrator Manly Fleischmann -- who qualified his statement by saying "all bets are off" in event of prolonged steel strike or other national emergency. If big strike occurs, "the most drastic possible curbs will have to be imposed at once."

Defense-supported demands for structural steel and aluminum will begin to decline by mid-year, Mr. Fleischmann announced, and new starts on civilian building will be approved in third and fourth quarters.

All industrial applications -- including broadcasting and community antenna projects -- are expected to be approved for third quarter. "By the fourth quarter," said DPA boss, "things will be somewhere near normal in the construction industry."

Second-quarter allotments for 5 TV network & station expansion projects were listed, meanwhile, by NPA's Industrial Expansion Div. (see p. 16).

These are in addition to NBC's Burbank, Cal. studios, which last week got go-ahead to begin construction after NBC successfully brought its case before NPA's appeals board (Vol. 8:10-11). Wasting no time, NBC this week made ready to break ground for \$3,000,000 two-studio project, will receive first materials in July.

* * * *

"Green light for planning" is what Mr. Fleischmann termed his announcement of easing construction situation. He assured prospective builders they can begin making plans now for projects to be begun in second half of year. To be in running for third quarter allotments, applications for new building starts must be sent to NPA immediately; official deadline passed long ago.

It won't be all gravy for TV-radio station builders, though. As antenna towers cease to be chief bottleneck in station construction (Vol. 8:5,8), copper will become the limiting factor.

NPA's "miserly attitude toward allocation of copper" -- to use Mr. Fleischmann's words -- will continue. And broadcasters will have to cut their requirements for copper through substitution and conservation.

TV THE 'GOLDFISH BOWL' OF POLITICS: Political correspondents covering the recent New Hampshire primaries marveled at seeing so many TV aerials in that state's towns and countryside -- asked us why, since state has no stations.

Study of the map shows Boston, with 2 stations, only 48 air miles from Manchester, state's largest city, and 64 miles from Concord, the capital. Moreover, most of state's 155,000-odd homes are in southern part of state and so within reach of more or less signal from Boston.

Study of trade data shows that a little more than 30,000 TVs were shipped into New Hampshire during 1950-51, which, added to those bought earlier or brought in by individuals from outside, means state has nice proportion of its homes TV-equipped -- maybe as many as one-third.

Did this affect the campaign, helping Eisenhower win his amazing sweep over Taft, Kefauver his surprise victory over Truman? Probably it did, say the political pundits who now, for most part, have come around to belief that telegenic qualities of candidates may well spell margin of their success or failure.

Boston stations weren't used for actual campaigning before New Hampshire's electorate. But since every TV home is now a veritable newsreel theatre, and every candidate now well known on TV whether seen live or via films, the impact of TV is manifest. As New York Times critic Jack Gould put it:

"The vivid lesson of the New Hampshire primary is that campaigns in the TV age are going to be conducted in a goldfish bowl."

Whether time is bought on TV stations for campaigning, whether candidates tour the hustings as they did in New Hampshire, whether they appear on forums or discussion programs, they now know they're seen by millions of people -- creating impressions of personality, ability and likeability. Mr. Gould added:

"For last week's primary the cameramen and commentators of the networks, especially those of CBS and NBC, swarmed over the state and by means of film did a generally fine job of documentary reporting...In fact, it was this demonstration of original journalistic enterprise on the part of TV that may constitute one of the most important and heartening developments in video in many years. [They] can dig into a story on their own initiative and by visual means provide millions of people with a new and illuminating insight into men and events."

Consider, then, the importance of TV in the remaining primaries, and of course at the Chicago political conventions in July (which will be covered fully and competitively) -- to say nothing of the November national and local campaigns.

* * * *

In most areas of forthcoming primaries, there are local and contiguous TV stations, which have already covered the national candidates and presumably are continuing to give politics a big play: Wisconsin, April 1, with good audiences built up by Milwaukee, Chicago & Minneapolis-St. Paul stations; Nebraska, April 1, stations in Omaha; Illinois, April 8, stations in Chicago, Davenport-Rock Island, St. Louis; New Jersey, April 15, stations in New York, Philadelphia, Wilmington; Pennsylvania, April 22, stations in Philadelphia, Johnstown, Pittsburgh, Lancaster, Erie; New York, April 22, New York City, Schenectady, Syracuse, Binghamton, Rochester, Buffalo, Erie; Massachusetts, April 29, stations in Boston, Providence, New Haven, Schenectady; Maryland, May 5, stations in Baltimore, Wilmington, Washington; Ohio, May 6, stations in Cleveland, Cincinnati, Columbus, Dayton, Toledo, Detroit, Huntington, Erie; Florida, May 6, stations in Miami, Jacksonville; West Virginia, May 13, stations in Huntington, Pittsburgh; Oregon, May 16, no TV; California, June 3, stations in San Francisco, Los Angeles, San Diego; South Dakota, June 3, no TV.

There's probably overlap from other stations, too, but main point is that, despite fact there are mere 108 stations in 63 U.S. areas, TV is cutting big swath in the 1952 elections, will cut bigger one in later years. Recognizing this, GOP national headquarters has published TV campaign map, showing areas of existing stations, based on Television Digest's TV area-&-network map -- idea of radio director Edward T. Ingle -- and has made it available to its candidates.

Personal Notes: James V. McConnell, director of NBC TV-radio spot sales, resigned effective March 21, will announce plans next week . . . Richard E. Jones, ex-mgr. of WJBK & WJBK-TV, Detroit, named director of DuMont's owned-&-operated stations, actively managing WABD, New York, and supervising WTTG & WDTV . . . Victor M. Ratner, who resigned as CBS v.p. in October 1949, resigns April 1 as adv.-sales promotion v.p. of R. H. Macy & Co. to open own public relations office at 515 Madison Ave., New York, his clients including Council on Motion Picture Organizations, William Morris Agency, 20th-Century Fox . . . J. R. Poppele (WOR) nominated for president, P. W. Morency (WTIC) for executive v.p., Radio Pioneers, on which balloting ends April 2 . . . James E. Kovach resigns as NBC-TV mgr. of TV production operations to become mgr. of *New York Times'* WQXR & WQXR-FM . . . Felix H. Kent, ex-CBS legal staff, joins ABC legal dept., along with Muriel Henle . . . Gene Ragle, ex-WLWT, named program director, WLWC, Columbus . . . Walter A. Scanlon, ex-Alexander Smith Co., named sales promotion mgr., CBS-TV film sales, Charles D. Reeves named Chicago mgr. . . . Francis N. Littlejohn Jr., ex-NBC, named managing editor for CBS-TV news; Paul C. Levitan, ex-technical operations supervisor, named CBS-TV special events producer . . . John F. Rayel, NBC-TV talent procurement supervisor, named supervisor of package program sales; John G.

Fuller, sales promotion mgr., named supervisor of program sales development--both reporting to Ruddick C. Lawrence . . . Gerry Ross, ex-NBC-TV producer, named TV-radio director, Hilton & Riggio Inc. . . . Edward Larkin named mgr. of Los Angeles office of CBS Radio & TV Spot Sales . . . Arnold Wester, ex-MGM & Jerry Fairbanks Inc., joins Wm. Esty & Co. in charge of reopened TV production office in Hollywood . . . Robert W. Day, TV-radio director, elected v.p. of Albert Frank-Guenther Law Inc. . . . Donald A. Rutledge, ex-Arabian American Oil Co., appointed NBC mgr. of employe relations.

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Newly elected TV members of SPAC, NBC affiliated stations planning & advisory committee: Lee Wailes, for WSPD-TV, Toledo (Storer), and Stanley E. Hubbard, KSTP-TV, St. Paul. Reelected for TV: E. R. Vadeboncoeur, WSYR-TV, Syracuse, and Martin Campbell, WFAA-TV, Dallas. Newly elected members representing radio affiliates: Robert B. Hanna, WGY, Schenectady (same ownership as WRGB); Allan M. Woodall, WDAK, Columbus, Ga.; P. A. Sugg, WKY, Oklahoma City (WKY-TV); Ed Yocum, KGHL, Billings, Mont.; Willard C. Worcester, WIRE, Indianapolis. Reelected for radio: B. T. Whitmire, WFBC, Greenville, S. C.; Ralph Evans, WHO, Des Moines, and WOC, Davenport (WOC-TV); Richard O. Dunning, KHQ, Spokane. Committee elects officers in mid-April.

RELATIONSHIP OF TV and radio has always been handled very circumspectly by NARTB—understandably, because of organization's diverse and touchy membership, who are dominantly AM operators. However, president Harold Fellows, a veteran broadcaster, tackled topic of "TV—The Shape of Things to Come" this week, did forthright job of buttoning up some obvious and some not-too-obvious aspects of subject. In March 21 talk to Assn. of National Advertisers at Hot Springs, Va., he made these points:

(1) "TV is big, and it will get much bigger."

(2) "TV is not apt to lower the value of good radio stations. It might contribute to the demise of a few marginal operators." He noted that, of 58 AM stations deleted since 1947, half were in TV areas, half in non-TV.

(3) TV time charges will go up—"but the cost per viewer will go down." Talent costs will always be high for "extravaganzas" but costs will come down because TV will produce new talent, and industry will find new ways of reducing costs.

(4) "TV probably will have a more dire effect on magazines than on newspapers, although this possibly can derive from the fact—as in radio—that there may be over-expansion in the periodical field."

(5) "Advertising will support TV—because I believe TV will do its share of supporting business . . . Business is getting bigger. America is getting bigger. We still have the same businesses-per-person ratio in the U. S. that we had at the turn of the century, although population has increased [about] 75,000,000. More people mean more business—and more business means more advertising."

(6) TV's quick transition from loss to profit is attributable to: "It's good, and advertisers want to use it"; and, of course, limited facilities because of freeze.

(7) "I can't refrain from observing that radio with over 100,000,000 receivers [has] over 6 times as many outlets for its messages as TV and nets only slightly more than double the revenue of TV. This can't be an indication that TV is overpriced, if one can read any significance into the fact that hundreds of advertisers are standing in line to get time on the medium. I wonder if it could mean that radio is underpriced?"

(8) "Will all of our children grow up to be gangsters? No, I believe TV broadcasters possess a keen awareness of their programming obligations . . . I believe TV will contribute to making better men and women of our children through spreading knowledge and culture."

Noting 10-15% less reading time in TV than in non-TV homes, Wm. E. Steers, v.p. of Doherty, Clifford & Shenfield Inc., told Assn. of National Advertisers convention in Hot Springs, Va. March 21 that only those media which have failed to capture the interest and imagination of the public will be vitally hurt by TV. Entertainment and escape type of magazines are in direct competition with similar fare on TV, he said, hence it's reasonable to expect a loss in that kind of reading.

Copies of FCC's 'Freeze Report'

Each subscriber to the full services of *Television Digest* will receive one copy of printed full text of FCC's *TV Allocation Report* ending the freeze, including city-by-city channel tables, and full text of Rules & Regulations and Procedures. We'll print them simultaneously with release by FCC, now expected in early April. FCC document will run about 600 single-spaced mimeo pages, which means 200 or more pages of our supplement format. Preprint orders for extra copies are now being taken at \$5 each.

Newly elected to NARTB (radio) board and taking office at Chicago convention March 30-April 2: E. R. Vadeboncoeur, WSYR, Syracuse, succeeding Wm. Fay, WHAM, Rochester; Harold Essex, WSJS, Winston-Salem, reelected; Henry B. Clay, KWKH, Shreveport, for Harold Wheelahan, WSMB, New Orleans; Stanley R. Pratt, WSOO, Sault Ste. Marie, Mich., for Richard M. Fairbanks, WIBC, Indianapolis; E. K. Hartenbower, KCMO, Kansas City, for Wm. B. Quarton, WMT, Cedar Rapids; Jack Todd, KAKE, Wichita, reelected; Wm. C. Grove, Cheyenne, reelected; Albert D. Johnson, KOY, Phoenix, for Calvin J. Smith, KFAC, Los Angeles; Paul Morency, WTIC, Hartford, director-at-large for big stations, succeeding James D. Shouse, WLW, Cincinnati; A. D. Willard Jr., WGAC, Augusta, Ga., medium stations, reelected; Lee W. Jacobs, KBKR, Baker, Ore., small stations, succeeding Patt McDonald, now WNOE, New Orleans; Michael R. Hanna, WHCU, Ithaca, N. Y., FM stations, taking place of Frank U. Fletcher, ex-WARL-FM, Arlington, Va. Continuing members of NARTB radio board: Leonard Kapner, WCAE, Pittsburgh; Thad Holt, WAPI, Birmingham; Robert T. Mason, WMRN, Marion, O.; Merrill Lindsay, WSOY, Decatur, Ill.; H. W. Linder, KWLM, Willmar, Minn.; Kenyon Brown, KWFT, Wichita Falls; Glenn Shaw, KLX, Oakland, Cal.; H. Quenton Cox, KGW, Portland, Ore. Continuing directors-at-large: John H. DeWitt Jr., WSM, Nashville, large stations; Hugh B. Terry, KLZ, Denver, medium; Edgar Kobak, WTWA, Thomson, Ga., small; Ben Strouse, WWDC-FM, Washington, FM. Elected this week to succeed Craig Lawrence, ex-WCOP, Boston, now WCBS-TV, New York, was Wm. B. McGrath, WHDH, Boston.

Nation's 10 most popular TV shows for February, according to American Research Bureau: *Arthur Godfrey's Talent Scouts* (CBS), ARB rating 52; *Red Skelton* (NBC), 50; *You Bet Your Life* (NBC), 49; *Texaco Star Theatre* (NBC), 49; *I Love Lucy* (CBS), 48; *Arthur Godfrey & His Friends* (CBS), 47.5; *Show of Shows* (NBC), 42.9; *Mama* (CBS), 41; *Philco TV Playhouse* (NBC), 40.5; *Fireside Theatre* (NBC), 40. Trendex ratings for March 1-7: *I Love Lucy* (CBS), 47.1; *Talent Scouts* (CBS), 46.1; *Star Theatre* (NBC), 41.2; *Red Skelton* (NBC), 37.8; *Show of Shows* (NBC), 36.6; *Fireside Theatre* (NBC), 35.1; *You Bet Your Life* (NBC), 32.9; *Mama* (CBS), 32.7; *Man Against Crime* (CBS), 32.1; *Racket Squad* (CBS), 31.6. President Truman's address March 6, carried by all networks, rated 45.2, or between Arthur Godfrey and Milton Berle. Nielsen ratings for 2 weeks ended Feb. 23: *Talent Scouts* (CBS), 57.8; *Red Skelton* (NBC), 54.1; *I Love Lucy* (CBS), 53.7; *Star Theatre* (NBC), 51.8; *Comedy Hour* (NBC), 51.4; *Show of Shows* (R. J. Reynolds-NBC), 47.1; *Show of Shows* (partic.), 46.9; *Godfrey & Friends* (CBS), 45.7; *Philco Playhouse* (NBC), 43.2; *Big Town* (CBS), 43.1.

Shared TV sponsorships, networks' answer to problem of corraling smaller-budget advertisers and providing greater station clearance for big-budget sponsors, are clearly analyzed in Feb. 29 *Tide Magazine*. Article gives typical examples of the 4 basic techniques—alternate week, participating, regional, cooperative—includes handy "lexicon of TV sales devices." It's pointed out that shared sponsorships haven't produced as high identification of star and product as in radio (e.g., Jack Benny-Jello, Fibber McGee-Johnson's Wax), but that sponsors have learned how to compare sales in TV and non-TV areas in order to determine TV's pulling power.

Broadcast Advertising Bureau engages Pulse Inc. to conduct nation-wide survey of automobile listening habits, testing via 100,000 interviews in 250 cities; BAB thinks auto set ownership is higher than joint network-estimated 23,500,000 (Vol. 8:5).

Telecasting Notes: An unseasonable softening of TV sponsorships is evident among networks and stations, causing quite a bit of concern that telecasting business could turn out to be feast-or-famine. Blame is laid mainly on slower trade generally and on high program and talent cost, though it's conceded by some that ever-increasing station rates could be pricing TV out of its market, playing back into hands of other media. "We've got to get out and hustle for business now," said one station manager. "It isn't just coming over-the-transom" . . . NBC-TV's loss of Admiral's *Lights Out* Mon. 9-9:30 and CBS-TV's dropping of *Frank Sinatra Show* Tue. 8-9, which it couldn't sell, are among most glaring of quite a few current casualties that more than offset optimistic official statements that sponsors aren't taking usual summer hiatus this year but instead will take advantage of 52-week discounts (Vol. 8:11) . . . "Economy" is watchword at NBC-TV, where second quarter budgets are being shaved radically as one step toward meeting softened market . . . Hollywood reports have MGM's publicity v.p. Howard Dietz going all-out with "teaser" film spots, utilizing name stars, to exploit new feature movies; recent purchase of spots preceding Dodgers games on WOR-TV (Vol. 8:9) just starter of big campaign . . . MGM buys *Lucy & The Stranger*, one of *Fireside Theatre* series, for \$14,000 from Bing Crosby Enterprises to incorporate into its forthcoming 4-part *Mademoiselle*; Procter & Gamble originally paid \$17,000 for it, second run brought in still more, so it netted nice profit besides proving TV good creative medium for feature film producers . . . Big Wolfson theatre chain has turned over its Capitol Theatre in Miami entirely to its WTVJ, remodeling 3-story structure for studios, offices, etc., in-

cluding one 68x100-ft. studio, to be ready by mid-summer . . . Saturday Evening Post's *Keep Posted* program on DuMont Network asked viewers to vote on whether they thought Congressional committee hearings should be televised; despite Speaker Rayburn's edict against it (Vol. 8:9), more than 98% voted in affirmative . . . WTVN, Columbus (Edward Lamb), announces nation-wide TV script contest for cash prize of \$1000, details available from station . . . WBNS-TV, Columbus, netted \$6500 in drive for Pilot Dogs Inc., which trains guide dogs to be given free to the blind . . . NABET-CIO (National Assn. of Broadcast Engineers & Technicians) dropped from New York council of National Assn. of Broadcast Unions & Guilds because of alleged "raiding" by NABET . . . CBC's first TV outlet may be the one in Montreal, whose studios last week were used to originate live and film shows piped via 2-hop microwaves to Eastern Canada All-Electrical Exhibition; station is due on air in August . . . British Broadcasting Corp. has invited Lynn Poole, creator-producer of DuMont's *Johns Hopkins Science Review* to consult with its staff on 3 science programs; Poole goes to London April 22 . . . U of Michigan Sunday 1-2 p.m. credit "telecourses," one of first and most ambitious educational TV undertakings, now being fed by Detroit's WWJ-TV to WJIM-TV, Lansing, and WKZO-TV, Kalamazoo . . . WHAS-TV, Louisville, from March 22 is represented by Harrington, Righter & Parsons . . . More station rate increases effective April 1 to add to those previously reported (Vol. 8:9,11): WRGB, Schenectady, from \$500 to \$600 per Class A hour, \$100 to \$125 per 1-min.; KPRC-TV, Houston, \$500 to \$600 & \$100 to \$120; KMTV, Omaha, \$400 to \$450 & \$80 to \$90; it claims to be first station to guarantee rate up to 52 weeks to all advertisers.

Station Accounts: General Tire & Rubber Co., now parent company of WOR-TV, New York (Vol. 8:3), becomes major sponsor on that station April 14, reviving old stock company idea by presenting same play nightly for week. First show will be *Trial of Mary Dugan*, repeated Mon.-thru-Fri., 7:30-9 p.m.; second is *Three Men on a Horse*, same schedule. All are produced in WOR-TV studios by Warren Wade, ex-WPIX & NBC-TV, under title *Broadway TV Theatre*. Agency is D'Arcy Adv., Cleveland . . . Catalina Inc. (bathing suits) to use TV-radio spots in key cities to back up newspaper, magazine, outdoor promotion of its "Miss Universe" beauty pageant, co-sponsored by Pan American Airways, Universal film studios and City of Long Beach, Cal.; agency is David S. Hillman Inc., Los Angeles. Ads will also tie in with Skol sun-tan lotion, whose ads will mention Catalina swimsuits . . . B.V.D. Co. expected to resume TV spots shortly, thru Hirshon-Garfield Inc., N. Y. . . Lorillard's new "Kent" filter cigarette is being handled by Young & Rubicam, though Old Gold agency is Lennen & Mitchell; TV-radio to be used extensively . . . Southwestern Bell Telephone Co. sponsoring *Televiews of Week's News* Sun. night on WOAI-TV, San Antonio . . . Another natural for TV: Julius Carlebach Art & Antiques Gallery, New York, to use it with other media in campaign to be handled by Richard H. Roffman Associates . . . Among other advertisers reported using or preparing to use TV: Baltimore Paint & Color Works (Gleem Mildew Resistant House Paint), thru S. A. Levyne Co., Baltimore; Golden Dipt Div., Meletio Sea Food Co. (Golden Dipt Ready-Mixed Breeding), thru Olian Adv., St. Louis; Stern's Garden Products Inc. (Miracle-Gro Plant Food), thru Kiesewetter Associates, N. Y.; James Manufacturing Co. (James dishwasher), thru Galen E. Broyles Co., Denver; Henry Rosenfeld Cosmetics Co. (liquid make-up), thru Leonard Gussow-James Hyman Adv., N. Y.; Riverbank Wine Co. (Romolo wines), thru Manhattan Adv. Agency, N. Y.; Sapolin Paints Inc. (paint, varnish), thru Hicks & Griest Inc., N. Y.

FUN WITH FIGURES" might be good generic term covering current crop of surveys—each proving something to satisfaction of somebody:

(1) *Puck—The Comic Weekly* (Hearst) released study by NYU and Columbia U professors, covering 1069 New York TV and non-TV homes, showing: (a) Time spent on weekday evening radio listening was 49% less in TV homes; (b) total movie-going was 45% less; (c) number of books read showed no change; (d) time spent on reading magazines, daily newspapers and Sunday papers was down 8%, 14% and 15% respectively—though average number of readers is actually slightly higher (4-5%) in TV homes.

(2) Advertest studied 1036 families in New York, concluded that average TV family devoted 4 hours and 20 minutes to daytime weekday radio listening, while non-TV family gave 4 hours, 34 minutes. Advertest's poll of 757 New York TV homes, on early evening habits (5-8 p.m.), found TV set in use 1.84 hours, radio .48 hours.

(3) WOR cites Pulse surveys to show radio little affected in New York when whole day considered: (a) In average day (6 a.m.-midnight) in Oct.-Dec. 1951, 773,300 families listened to radio, compared with 734,700 same 1946 period. Jump is attributed to 16% increase in number of radio families, 43% increase in morning listening and 15% increase in afternoon listening—offsetting 17% decline in 6 p.m.-midnight listening; (b) average nighttime TV sets-in-use is 53.5 among families owning TV 9 months or less, 43.1 among families having sets over 2 years.

(4) Recent Nielsen figures show more homes using TV than radio during 10-11 p.m. first December week—8,850,000 vs. 8,045,000. Radio led rest of day.

(5) *Milwaukee Journal* 1952 Consumer Analysis, to be published in April, will show that 9.9% of TV owners among the 5000 respondents reported they had been to movie within a week, while 18% of non-TV respondents had; 52.8% of TV owners had been to movie in 6 months, compared with 69.4% of non-TV respondents.

TV-RADIO 'METALS PINCH' BOWING OUT: Materials shortage will no longer be factor to reckon with in TV-radio receiver production, come mid-year.

Bigger allotments of all metals -- including copper -- are definitely in the works. Even second-quarter materials rations, tightest of the mobilization period, may well be increased.

TV-radio set makers actually never felt real squeeze of materials shortage. Trade slump and conservation cut industry's need for vital metals when pinch began.

Conservation measures have removed defense-imposed ceiling from TV production for rest of year, while cutting costs without degrading sets. Actual ceiling on the industry's output is being fixed by the rather listless demand for sets.

DPA hasn't made final determination of third-quarter allotments -- but from word that has leaked out, it's fairly safe to assume that allotments to TV-radio and other consumer goods manufacturers will fall within these ranges (in terms of percentage of usage during first-half 1950 base period):

Steel, 60-65% (vs. 50% for first and second quarters); copper wire, 40-45% (vs. 35% second quarter, 40% first); copper & brass mill products, 35-40% (vs. 30% second quarter, 35% first); aluminum, 45-50% (vs. 30% second quarter, 35% first).

Rations of copper will probably be highest since fourth quarter 1951, steel and aluminum highest since third quarter. Allotments may be made on 6-month basis, same amount being granted for third and fourth quarters simultaneously, with supplemental allotments pledged for fourth quarter if metals supply eases further.

CMP's swansong may come by year's end or shortly thereafter. DPA boss Manly Fleischmann told House Small Business subcommittee this week that steel is scheduled for decontrol in last quarter of 1952 or first quarter of next year, aluminum near first of 1953. Defense step-up wouldn't alter this schedule much, he said.

Big steel strike -- or, of course, war -- could throw all of Govt.'s ease-and-decontrol planning into a cocked hat.

MORE PRICE CUTS--WHAT THEY MAY MEAN: Those headline-winning GE, Emerson and Muntz price reductions this week (see Topics & Trends) -- are they symptomatic of another such wave of distress as struck the TV trade about this time last year?

Positively not, the manufacturers will tell you. Not for those who have geared production to demand. And not unless the TV business goes all to hell this spring & summer, which seems unlikely in view of upcoming baseball and politics -- not to forget July 1 extensions of network service into more cities (see p. 1).

Why, then, these second and third price cuts within a matter of months? To quote one competitor, obviously annoyed:

"Sure, it's symptomatic of loaded warehouses of a few companies." Emerson denies this, but it's common trade talk that GE, which produced heavily last winter in anticipation of materials shortages, has perhaps the biggest oversupply of sets. Its inventory is spread widely, for own GE Supply handles most of its distribution.

Factory-to-home producer-&-seller Muntz has been called "biggest retailer in the TV field." It has always competed on a cut-rate basis.

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TV retail trade is extremely slow generally -- no doubt about it. At moment it's obviously slower than output rate, reflected in 21,000 jump last week in factory inventory (see below).

Who has the inventory? Not me, says nearly every manufacturer asked. The factory figure isn't dangerous, most opine, because only few days supply from each of 70-odd reporting companies could quickly add up to 200,000 or more.

Big RCA says it's "producing realistically" only what it thinks it can sell, has no intention of going "hog-wild" on production after sad experience of year ago.

Philco says it's out of merchandise, even raided some of own executives' homes recently for certain numbers, foresees no distress. Crosley has had 2 price cuts (3 on some models) and contemplates no more. Motorola spokesman said, "Our inventory is clean and our production is sensitive to a market which we know has softened. We know when to pull in our horns." Majestic reported: "We're better than average, holding our own, but the going is certainly rough in New York."

Besides foregoing, whom we were able to contact directly, trade press quotes Admiral, Belmont, Capehart-Farnsworth, DuMont, Sentinel & Zenith as all saying they have no intention of slashing prices, too.

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Main depressing factors seem to be these: (a) income-tax month psychology, spelling slowdown for most consumer goods; (b) bargain sales, growing out of still-excessive inventories and desire to hypo dragging sales, even if there's little or no profit to be made; (c) public lack of confidence in ever-changing prices.

Market has narrowed, of course, now that large proportion of homes is TV-equipped. But over the long haul, especially with freeze due to be ended soon and some new stations possible in year or so, most agree industry has only seen its beginning. Even this year, in opinion of perennial prognosticator J.B. Elliott, RCA consumer products v.p., there will be 4,500,000 to 5,000,000 sets made and sold.

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Another consistent long-range optimist is Emerson's Ben Abrams, who told his distributors at company convention in New York this week:

"While TV now reaches about 50% of the population of the U.S., not more than 25% have access to good programs. Areas that are served by one or 2 stations are not receiving the full benefits of TV, with consequent limited demand for sets. Such markets will soon be reached by 3, 4 or 5 stations and at that point there will be greater consumer interest, with the desire to own TVs increased tenfold.

"From this point out, our business is definitely on the upgrade. Excess inventories have diminished in all channels to no more than 50% of August 1951 when surplus inventory was at a peak. The general inventory condition is now normal, while inventories in the hands of distributors and dealers are beginning to appear subnormal. This marks a turning point, when a turning point is badly needed."

Referring to Emerson as "the Ford of the radio industry," Abrams recalled that in 1932 the average small radio cost \$25; in 1936, Emerson startled the trade with a \$9.95 number. Asked whether same trend may occur in TV, whether we may look forward to a \$100 TV set some day, he noted that an Emerson 16-in. set cost \$375 in 1947, \$200 in 1950; that a 17-in. table introduced for \$250 three months ago has come down to \$180.

He foresaw a \$99.95 TV eventually, though he thought most likely future development will be projection sets capable of casting 3 or 4-ft. images on screens or walls -- tiny projection units made possible by printed circuits and transistors.

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Production of TVs totaled 100,847 (1432 private label) during week ending March 14, reports RTMA, down a bit from 102,941 week before (Vol. 8:11). This was elevventh 1952 week, and average continues about 100,000 per week. Factory inventory jumped to 232,483 from 211,371, exceeded in 1952 only by 239,700 of last Jan. 11.

Radio output was 193,379 units (84,637 private label) vs. 177,566 week before. Inventory went to 287,899 from 279,952. March 14 week's radios were 72,790 home sets, 17,137 portables, 35,973 clock, 67,479 auto.

AVERAGE FACTORY PRICE DOWN TO \$176.84: On basis of most authoritative trade figures available -- based on the actual dollar volume on which patent royalties were paid -- it's possible to calculate some TV-radio factory-price averages that should be quite significant to the trade, particularly to the manufacturers.

There's no guesswork about these figures; they show 1951 overall sales of 17,106,457 units of all kinds (TVs, radios, phonographs) at total factory value of \$1,201,787,545. This compares with 20,656,486 units worth \$1,605,731,113 in 1950.

RTMA estimated 5,384,789 as final total of TVs produced in 1951 (Vol. 8:5), whereas this report covers only 5,110,149 TV units. Difference, of course, was the

output on which no royalties were paid (largely Zenith's, which is litigating the patents) and the closeness of the figures would tend to indicate how reasonably accurate are RTMA's final compilations.

Radio unit output last year was 12,299,146, RTMA reported; this report says 11,996,308, including about 450,000 phonos. These figures are accordingly derived:

(1) Average factory price of all TV receiver types was \$176.84 in 1951, down from \$180.86 in 1950 and \$189.55 in 1949.

(2) Table TVs cost average of \$142.52 in 1951, consoles \$193.79, TV-radio-phono combinations \$282.75.

(3) Total TV set sales at factory, on which royalties were paid, amounted to \$903,685,382 last year.

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Turning to radios and phonographs:

(1) Average factory price of all radio receiver types was \$24.92 in 1951, including auto radios at \$28.37.

(2) Low-end table radios averaged \$10.37 per set, the "above \$12.50" category of table models \$17.35. AM consoles averaged \$33.03, FM consoles \$111.59. Table models with AM-phonos averaged \$42.37, with AM-FM-phono \$94.14. Consoles with AM-phono were \$102.50, with AM-FM-phono \$122.11. Battery portables were \$18.79, battery table models \$21.60.

(3) Total radio sales at factory, on which royalties were paid, amounted to \$298,102,163 last year -- this figure including \$8,711,910 for 448,264 phonographs-only (average \$19.43).

Note: Projection TVs continued to be turned out in 1951 -- but they were very, very few: only 1380 of them, valued at factory at \$308,118.

DEFENSE ELECTRONICS' MANPOWER PROBLEM: Military production will require at least 50,000 additional electronics workers by mid-year -- including some 7500 new skilled employes in the "scarcest" category.

That's estimate by Bureau of Labor Statistics, based on thorough study of the industry in collaboration with military and civilian mobilization authorities. Results have just been published in 36-page report, "Defense Manpower Requirements in Electronics Production" (Manpower Report No. 12), by Stuart A. Pettingill, available from Labor Dept.

Forecast of new manpower needs may actually be too low, since it's based on assumption that further materials cuts will chop civilian production down to level of less than 85,000 TVs weekly. Actually, materials supply is expected to ease in third and fourth quarters (see p. 8), and weekly output is averaging about 100,000.

The 50,000 new workers needed by electronics industry (including the firms outside "the industry" making electronic products) are divided thus in the report: Semi-skilled & unskilled, 35,000; administrative, executive & office workers, 8000; skilled metal & tool workers, 3000; electronic technicians, 2000; engineers, 1500; draftsmen & other semi-professional workers, 500. Other highlights:

(1) Industry will be producing end equipment at annual rate of \$4 billion by mid-1952 (\$1.5 billion civilian, \$2.5 billion military), compared with World War II peak rate of \$2.9 billion (no civilian) in 1944. Military electronic production will reach peak sometime between July and December 1952.

Two factors -- inflation, and the complexity of modern electronic equipment -- indicate that "physical volume of production will be less" than peak World War II rate. "Even at peak of the defense period, the volume of orders will not warrant establishment of extensive production lines. [Some] receiver and component manufacturers will have idle capacity."

(2) Some 65% of the dollar value of prime electronics contracts is being subcontracted to other firms. "TV-radio receiver and component manufacturers will receive a substantial share of these subcontracts, but many will go outside the electronics industry for non-electronic components and assemblies."

(3) Total employment in electronics industry will rise to 360,000 workers in

July from March 1951 level of 300,000. Report forecasts these changes in employment levels of different segments of industry:

Workers manufacturing TV-radio receivers will decrease from last March's level of 85,000 to 45,000 by July; military end equipment will rise from 40,000 to 120,000; commercial end equipment will remain unchanged at 15,000; components, up from 100,000 to 110,000; tubes, 60,000 to 70,000.

(4) The most important TV-radio manufacturing centers are Chicago with 20.6% of output, Philadelphia-Camden 13.5%, New York 9%, Syracuse 6.6%, Indianapolis 5.3%. Top military-commercial electronics areas are New York 15.5%, Philadelphia-Camden 10.6%, Los Angeles 9.8%, Syracuse 9.1%, Chicago & Boston, 8.3% each.

* * * *

To relieve electronics manpower shortages, report recommends:

(a) Channeling defense production into plants in TV-radio manufacturing areas where workers have been laid off.

(b) Maintenance of high TV-radio production during remaining reconversion period to help industry retain present labor force.

(c) Conservation of key skilled workers through industry-wide employe training programs, restrictions on "pirating" of engineers, utilization of armed forces engineers in electronics plants, extension of draft deferments to students in technical schools, accelerated technical and engineering school courses.

Trade Personals: Leighton H. Peebles, consultant to NPA Communication Equipment Div. since March 1951, rejoins National Security Resources Board March 31 as communications consultant to production resources director Frank M. Shields; he served with NSRB 2 years, leaving when its Electronics-Communications Div. was disbanded . . . Philip Krieger, president, Maspeth Telephone & Radio Corp., Brooklyn, named to New York-New Jersey Small Business Regional Advisory Board of Small Defense Plants Administration . . . William J. Helt, Belmont TV sales mgr., promoted to gen. sales mgr., succeeding G. L. Hartman, resigned . . . John P. Gleason named eastern regional sales mgr., American Structural Products Co. (Kimble glass), in New York . . . Fred Miller, Kaye-Halbert chief engineer, promoted to director of engineering & research . . . Robert J. Tarlton named Jerrold chief field engineer, succeeding Caywood C. Cooley, now sales mgr. . . Wm. L. Parkinson promoted to GE receiver dept. product service mgr. . . DeWitt C. Suplee, ex-Stromberg-Carlson, Detroit, named asst. mgr., Crosley TV sales section, under gen. sales mgr. E. W. Gaughan . . . V. C. Havens has resigned as Crosley asst. gen. sales mgr. in charge of advertising to reside on west coast . . . Charles Wandres promoted to asst. mgr. of DuMont N. Y. factory distributorship, succeeding H. T. Goerger, resigned . . . F. E. Drouillard, ex-Elctromaster Corp., named Sparton rep for eastern Michigan, W. R. Brittle head of new southern California district . . . Tim Coakley named New England representative, Industrial Television Inc. . . Wm. Sevy, ex-Capehart-Farnsworth, succeeds Allen McGehee as Arvin TV-radio sales mgr. for Ohio river district . . . Wm. Costello shifted by Capehart-Farnsworth from govt. section to Chicago district mgr., succeeding C. A. Bejma, now with GE, Chicago . . . Lewis E. Pett named DuMont transmitter div. western district mgr., covering 16 western states . . . William J. Nave named mgr. of new GE tube plant in Anniston, Ala., to be dedicated June 12 . . . George L. Loomis named mgr. of Sylvania tube plant in Burlington, Ia. . . Clinton H. Vesceius, ex-RCA Victor tube dept., joins Otis Elevator Co. as traffic mgr. . . Dr. H. S. Bennett named director of research & engineering, Dynamic Electronic-New York Inc. . . A. D. Adams, owner of A. D. Adams ad agency, named executive secretary, Phonograph Manufacturers Assn., whose new headquarters are at 277 Broadway, New York . . . E. J. Baughman named TV

equipment representative for General Precision Laboratory on west coast . . . Wells R. Chapin, ex-WIL, St. Louis, and Raytheon, named GE electronics div. district sales mgr. for TV-radio broadcast equipment in St. Louis . . . Carl Krumrei, sales v.p., named gen. mgr. of Radio Specialty, Philco distributor in Milwaukee, succeeding late Alvin VanAntwerpen; Kenneth W. Brown new sales mgr.

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First public telecast of surgical operation, as distinct from numerous closed-circuit demonstrations for doctors, was carried March 16 by WPTZ, Philadelphia. Cameras caught last few minutes of 2½-hour operation for peptic ulcers performed by Dr. I. S. Ravdin, U of Pennsylvania chief surgeon. Station reported viewers phoning in with such comments as: "This is the TV we've been waiting for" and "It was thrilling." Dr. Ravdin was sparkplug behind development of CBS's closed-circuit color equipment for medical use, sponsored by Smith, Kline & French, big pharmaceutical house. Program was first of 10 in station-university series, *In the American Tradition* (Vol. 8:11).

Uhf and color are top topics scheduled for April 19 session of Cincinnati IRE section. Covering uhf will be T. P. Tissot, RCA, and Myron F. Melvin, Mallory. On color: Stephen W. Moulton, Philco; Dr. R. M. Bowie, Sylvania; Robert Dressler, Chromatic TV Labs; Leroy W. Nero, Motorola; R. E. Fisk, GE; C. J. Hirsch, Hazeltine. In addition, NBC's E. D. Goodale will cover "Phase, Amplitude & Aperture Correction in Black-&White TV Systems" and Bell Labs' Arthur C. Peterson will describe transcontinental microwave.

Community antenna system costing \$2,000,000 is being planned for Reno, Nev., according to Richard F. Callaway, secy-treas. of Camco Enterprises Inc., 10 41st Ave., San Mateo, Cal. If Reno city council approves, antenna will be installed on 7000-ft. peak near Reno, pick up San Francisco.

Complete audio reference manual, *The Recording and Reproduction of Sound*, has been published by Howard W. Sams & Co. Inc., 2201 E. 46th St., Indianapolis (\$7.95). Written by Oliver Read, editor of *Radio & Television News*, 790-page volume covers basic recording methods, phono reproducers, public-address systems, amplifiers, etc.

Joint RTMA and Canadian RTMA meeting will be held in Brock Hotel, Niagara Falls, N. Y., April 24-25, RTMA holding regular board meeting first day.

Topics & Trends of TV Trade: "Our industry is becoming racket-ridden. We're getting discredited and our profession is being insulted by promoters who advertise sirloins at 66¢ a pound, TV service at \$1 a call, or \$100 discount to anyone who can recognize the *Star Spangled Banner* as a tune to be identified."

Thus, somewhat bitterly, NARDA president Mort Farr addressed Memphis Appliance Dealers Assn. this week, lumping in general advertising woes with the price-gouging and unethical advertising which are causing more and more concern at TV-radio trade's retail levels.

NARDA is obviously irked at promotion of fix-it-yourself literature, pertaining to TV repair—book getting most publicity lately being *TV Owner's Guide to Operation and Repair* by James Conto, already promoted in big ads in newspapers in New York, Newark, Boston, Philadelphia, Chicago, with campaign due to be spread to Washington, Cleveland, Los Angeles, Kansas City, Richmond, Grand Rapids. Ring-bound booklet, 127 pages, sells for \$1.98, published by Bedford Co., New York. It isn't nearly so flamboyant or intemperate as scare-type ads would indicate. Sales are said to have approached 250,000.

That some servicemen are bringing discredit of public on themselves, is manifest in series of 3 articles titled "Video's Growing Pains" in *Washington Star* this week—the latest such local "expose" and one that has already prompted demand for hearings on a proposed repairmen's licensing bill for District of Columbia, supported by that newspaper.

Licensing is the most frequently proposed reform, but industry spokesmen say it would accomplish little inasmuch as an unscrupulous minority will always cheat. *Radio Daily*, which campaigned against New York City servicing rackets 2 years ago, stated March 19 that problem is still unsolved and warned manufacturers to "take some decisive action to clean up the service abuses or the whole structure of retail sales will be in jeopardy."

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GE has reduced list prices on 14 TV receivers by \$20 to \$90, at same time announcing new 21-in. Model 21-C-200 to sell for \$370. New prices on two 17-in. tables went down from \$250 to \$230 and on one from \$270 to \$230; on 17-in. consoles, \$270 to \$230, \$280 to \$230, \$300 to \$240, \$330 to \$250, \$350 to \$290, \$330 to \$250, \$350 to \$260, \$360 to \$290; on 20-in. table, \$300 to \$270; on 20-in. consoles, \$350 to \$300, \$370 to \$330. All prices include warranty, Federal tax extra.

Emerson cut prices on two 17-in. models this week—table from \$230 to \$180, console from \$250 to \$230. Also reduced was 20-in. table, from \$270 to \$230. Added to line were 3 new models: 17-in. French Provincial console with doors, \$280; 21-in. mahogany table, \$280; 21-in. Early American table, \$290. Excise and warranty are extra.

Muntz TV Inc. has reduced 20-in. table from \$160 to \$140, 21-in. open console \$220 to \$200, 21-in. console with doors \$240 to \$220, 24-in. open console \$300 to \$270, 24-in. console with doors \$330 to \$300.

Hoffman Radio has adopted "one-price" policy, embracing cost of receiver, excise tax, year's warranty on tube and all parts—no extras on customer's bill. Company is absorbing warranty charge on all 17 & 20-in., adjusting prices of 21 & 24-in. to cover warranty.

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RTMA awards committee to make annual presentation to that "person, group or company [which] has performed outstanding services" for TV-radio industry, named last week by chairman Robert C. Sprague: Leslie F. Muter, chairman; Sprague, Glen McDaniel, John W. Craig, R. E. Carlson, A. D. Plamondon Jr., H. J. Hoffman, Arie Liberman, Max F. Balcom, Paul V. Galvin.

Merchandising Notes: Canadian set makers gearing for fall-winter TV business, with expected August openings of CBC stations in Montreal & Toronto; but dealers aren't hurrying to stock up, for it's anticipated 25% excise tax on TV-radio sets may soon be reduced . . . TV sets were cynosure of Eastern Canada All-Electrical Exhibition in Montreal, will again be at this summer's Canadian National Exhibition in Toronto; all manufacturers readying (for list, see *TV Factbook No. 14*) . . . Crosley Radio & Television Ltd., Toronto, which took over Brand & Millen in October 1951, will come out with line of table TVs & radios this fall; wholly owned Avco subsidiary will produce in 30,000-ft. plant in Toronto . . . Packard-Bell presents 2 TV consoles to carrier *Bon Homme Richard*, so that its 2000 men can enjoy TV while ship is being overhauled in Bremerton Navy Yard; on completion of overhaul, sets will be turned over to next carrier returning to yard.

Chances are Regulation W will not be abolished when Congress finally votes on Defense Production Act possibly sometime in May. Even some of those battling regulation in current Senate Banking Committee hearings admit rule covering installment buying probably won't be killed in an election year. This week ex-Sen. Francis J. Myers (D-Pa.), gen. counsel of National Foundation for Consumer Credit, made strongest argument against regulation, charging it discriminates against poorer people, doesn't retard inflation. Among others testifying against regulation: National Retail Furniture Assn., American Bankers Assn., National Consumer Finance Assn., National Automobile Dealers Assn.

Standard Coil supplied over 30% of tuners used in TV sets last year, company estimates in annual report. Previously it said it had made 6,000,000 tuners, or 40% of all built (Vol. 8:9). Manufacturers who use Standard Coil tuners in "all or a substantial part" of their sets: Admiral, Emerson, Capehart-Farnsworth, Stewart-Warner, Hallcrafters, Hoffman, Packard-Bell, Sparton. Company recently began shipments of tuners to Stromberg-Carlson, DuMont, GE.

Covideo Inc., 212 Broadway, New York, and president Sidney I. Horwatt and v.p. Louis Brown have been banned by Federal Trade Commission from representing that they manufacture coin-operated TV-radio sets, and making certain other claims (Vol. 7:39, 44, 8:5).

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It's Electronics Week in Chicago week of May 18 by proclamation of Mayor Kennelly; Electronic Parts Show is slated May 19-22, Audio Fair May 23-24, both in Conrad Hilton Hotel. Western Merchandise Mart's summer market is scheduled for July 14-18 in San Francisco. West Coast Electronic Show and Convention is scheduled Aug. 27-29 in Municipal Auditorium, Long Beach, Cal. National Electronic Distributors Assn. holds third annual convention and manufacturers conference in Atlantic City, Sept. 22-25, has just sent out brochure with contract forms and floor plans.

New Kirk O' Shotts station, providing Scotland's first TV service, is Great Britain's fourth outlet, not third, as erroneously reported in Vol. 8:11; others are Alexandra Palace (London), Sutton Coldfield, Holme Moss—latter "by far the most powerful TV transmitter in the world, putting out over 50 genuine kw," according to B. G. H. Rowley, Marconi representative in New York.

Japanese plan 3 TV stations, using U. S. standards and equipment, Commerce Dept. notes in *Foreign Commerce Weekly*. First station, in Tokyo, will cost around \$850,000, while outlets in Nagoya and Osaka costing total of \$2,000,000 are scheduled to be built over 2-year period. These 3 stations could cover all 4 Japanese home islands.

Mobilization Notes: Some 30 electronics-communication construction projects, representing total estimated cost of \$107,000,000, received second-quarter materials allotments from NPA. This includes 5 TV broadcasting projects listed on p. 16. Allotments were also issued for 31 electrical equipment projects estimated at \$54,000,000.

Westinghouse and GE have largest expansion programs under way in electronics-communications field. Westinghouse received allotments for 6 projects, total cost \$34,189,000, while GE got materials for 5 to cost \$32,282,000. These figures do not include other plants being built by same manufacturers outside electronics-communications field.

Westinghouse projects approved include \$11,000,000 aircraft armament system plant at Friendship Airport, Md.; \$8,250,000 transformer plant at Sharon, Pa.; \$5,389,000 phenolic plastic resin plant at Hampton, S. C.; \$5,000,000 & \$2,800,000 electronic tube plants at Horseheads and Bath, N. Y.; \$1,750,000 electronic mica project at Ironton, Pa. GE received allotments for \$17,374,000 tube plant at Utica, N. Y.; \$8,500,000 tube plant at Louisville; \$2,000,000 tube plant at Anniston, Ala.; \$2,833,000 electronics plant at Liverpool, N. Y.; \$1,576,000 control apparatus plant at Plainville, Conn. Sylvania, \$2,899,335 tungsten plant at Towanda, Pa., \$1,520,270 microwave tube plant at Woburn, Mass., and subminiature tube plant at Burlington, Ia. (cost not given). Other large electronics-communications plants:

Western Electric, 3 plants totaling \$16,062,732, including electronics equipment at Chicago, telephone & telegraph at Lawrence, Mass., guided missiles at Whippany, N. J.; Hughes Aircraft, Tucson, Ariz., \$11,300,000; General Instruments Inc., Dallas, 2 electronics plants, \$11,220,000; Philco, Philadelphia, electronics, \$5,418,602; Hoffman Radio, El Monte, Cal., radar, \$3,015,000; Roosevelt Field Inc., Mineola, L. I., electronic products, \$2,000,000; Polan Industries, Huntington, W. Va., glass for electronic tubes, \$2,245,000; Varian Associates, Stanford U, klystron tubes, \$1,520,000. Many, but not all, of these plants are being built under govt. tax amortization program.

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Subcontractors and suppliers received 46¢ of every Westinghouse sales dollar last year, says E. T. Morris, newly appointed subcontracting manager, who served 9 months as chairman of DPA's Electronics Production Board. He asserted that the company's purchases from 14,107 subcontractors and suppliers in year ended Oct. 31, 1951 totaled \$554,000,000. Net sales during same period were \$1,207,811,000. Of the 14,107, some 11,946 were small businesses, 2161 larger companies. About 11,000 were helping Westinghouse build defense equipment. In the 12-month period, Westinghouse bought \$218,000,000 worth of products from small businesses, average purchase from each amounting to more than \$18,000. About 20 of the small firms received contracts of \$1,000,000 or more. "Any businessman who believes he can help us build electrical equipment should drop us a line in Pittsburgh," he said.

Resignation of DPA chief Manly Fleischmann, effective June 30, reportedly has been submitted to President Truman. Mentioned as possible successors to head the control agency have been Munitions Board chairman John D. Small, deputy DPA administrator Ralph S. Trigg and Walter P. Chrysler Jr.

Basic guide on renegotiation, compiled for govt. contractors and subcontractors under title of *Renegotiation Manual*, has just been published by *The Renegotiation Letter* (Vincent F. Callahan & Frederick Hollowell), Evans Bldg., Washington. Price of 2-volume guide is \$7.50.

Revised govt. procurement manual, listing 5000 items wanted by military and civilian agencies together with locations of procurement offices, is available from Commerce Dept. field offices and local chambers of commerce.

Tubes with 20 times the life expectancy of former types, 2 to 10 times more resistant to shock and vibration, have been developed in Navy's reliability program, started in World War II. So far, ruggedized military versions of 30 standard tube types have been produced, with most of the developmental work done by Aeronautical Radio Inc., Washington. Fifty other types are now in various stages of research and development. While the new tubes cost 5-10 times as much as present commercial types, total costs will be cut because of low replacement rate. Tubes require same amounts of nickel, tungsten and mica as standard types, but their longer life will result in saving of critical material required by military electronics program.

Revolution in microwave "wiring," which promises to slash costs of TV network relays, was revealed in papers presented by engineers of IT&T's Federal Telecommunications Labs at recent IRE convention. New printed circuit technique, already being used on small scale, replaces bulky, expensive waveguide circuits or "plumbing" used in present systems, makes possible microwave receivers costing as little as one-tenth the price of conventional equipment. In contrast to "jewel-like" machining required in production of old-type waveguides, new "wiring" can be produced directly from diagrams by etching or die-stamping. New equipment is several hundred times lighter, far more compact than existing plumbing, saves large quantities of scarce copper. Federal's engineers see new technique valuable in military and aircraft applications and wherever microwave equipment is used.

"TV's Embarrassing Boners," by Paul Gardner in March 9 *American Weekly*, chronicles some of telecasting's funniest and most painful moments while acknowledging "the wonder is, not that TV has such fluffs as these—but that they happen so rarely." Examples: (1) On Robert Montgomery show, man is murdered while telephoning. Receiver is left dangling, swinging slowly for dramatic effect. Everything went fine, except for fact that camera was aimed too low, caught stagehand crouched on floor "gently batting the phone to keep it swinging." (2) Touching scene during *Abe Lincoln in Illinois*, when title role actor Raymond Massey was about to entrain for Washington inaugural, lost good deal of punch when an extra in crowd bid him farewell with: "Goodbye, Mr. Massey." Says Gardner: "It was goodbye to the extra as well as to Mr. Lincoln." (3) Three Russians did excellent job at rehearsal of *We, The People*, describing brutal treatment in Soviet prison camp. Then: "At the end of dress rehearsal they trooped out of the door and never came back. They thought the rehearsal was the real thing."

New CR tube for camera view-finders is GE's 5-in. aluminized GL-5QP4. Company says that tube will be used in all its studio cameras; that it's particularly useful in bright sunlight where ordinary tubes wash out; that it will be employed in cameras for the Eidophor color theatre-TV equipment being made for 20th Century-Fox. Another camera development, General Precision Laboratory's remotely-controlled unit (Vol. 7:5), will be demonstrated at NARTB convention. From remote position, operator may change lens, focus, pan, tilt.

Society of Motion Picture & Television Engineers holds 71st semi-annual convention in Chicago's Drake Hotel, April 21-25.

Jacob S. Jammer, 53, v.p. and director of International Standard Electric Corp. and International Standard Trading Corp., IT&T subsidiaries, died March 16 in Montclair, N. J.

Dr. Pablo Carrera Justiz, U of Havana professor of transportation, appointed Minister of Communications by Gen. Batista.

Financial & Trade Notes: CBS in 1951 earned consolidated net income of \$6,360,097, or \$3.10 a share on 2,051,491 shares outstanding during year, on gross sales of \$175,695,587 which scaled down to \$129,690,547 after discounts, commissions and returns. This compares with earnings of \$4,105,329 (\$2.39 on 1,717,352 shares) on gross sales of \$124,105,408 and net sales of \$87,973,447 in 1950; \$4,184,079 (\$2.44) on gross sales of \$105,397,580 and net sales of \$74,980,578 in 1949.

Net income for 1951, annual report this week explains, includes special credits of \$871,155 (43¢) arising from tax depreciation adjustments. Operations of Hytron group of companies (including Air King), merged with CBS last June 15, are included in consolidated statement. Provision for 1950 taxes was \$8,130,000 vs. \$5,450,000 in 1950.

Report does not break down income from various units of parent company separately, but it's known Columbia Records Inc. enjoyed unusually good year and report reveals TV accounted for gross billings of \$42,470,844, or 226% more than 1950. Speaking before San Francisco Press Club Feb. 18 (Vol. 8:8), president Frank Stanton reported 1951 TV billings of \$69,000,000, radio \$42,000,000, but these were doubtless before discounts and commissions.

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Steady growth in business of Hazeltine Corp., albeit Federal taxes are taking some 2½ times its net income, is indicated in 1951 annual report showing gross income from all sources of \$6,957,344, net of \$1,459,489 (\$4.17 per share) after providing \$3,479,300 for Federal income taxes. In 1950, gross was \$4,378,000, net \$1,428,431 (\$4.08) after \$1,355,310 taxes (Vol. 7:11), and in 1949 gross was \$2,843,213, profit \$985,072 (\$2.81). In 1951, company paid \$1.75 per share dividend on its only class of authorized stock, which consists of 600,000 common, of which 350,000 are issued and outstanding. Report also shows earned surplus account of \$5,861,306 as of Dec. 31, capital & surplus \$7,994,386. Hazeltine Research Inc., it states, owned 567 U. S. patents, had 95 applications pending as of Dec. 31, as well as 2128 patents in 24 other countries.

Proxy notice for annual stockholders meeting in Dover, Del., April 8, shows the 10 directors to be elected owning total of 15,200 shares as follows: Jack Binns, president, 2000; W. A. MacDonald, president, 1000; Jennings B. Dow, executive v.p., 300; L. B. Dodds, v.p., 100; Fielding Robinson, v.p., 700; H. Elbert Foster, member N. Y. Stock Exchange, director, 3000; William H. Grimditch, consultant, director, 1200; Alan Hazeltine, director, 400; Philip F. LaFollette, ex-Gov. of Wisconsin, director, 800; Henry Reeve, Lethbridge-Owens & Phillips Inc., director, 5700.

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Merger of Kellogg Switchboard and IT&T was approved by stockholders at March 12 meeting. After March 21, Kellogg will be continued as wholly owned subsidiary of IT&T, holders of Kellogg common receiving 1.44 shares of IT&T for each Kellogg share. Extra cash payment will be made to Kellogg holders if average of daily closing market prices of IT&T between March 11-20 is less than \$15.972 per share.

Short interest in TV-radio and related stocks on New York Stock Exchange showed these changes between Feb. 15 & March 14: Admiral, 19,345 Feb. 15 to 16,985 March 14; Avco, 18,280 to 11,080; GE, 10,463 to 9205; IT&T, 28,148 to 20,939; Magnavox, 12,418 to 10,628; Motorola, 14,385 to 15,120; Philco, 8395 to 9972; RCA, 37,960 to 36,045; Syl- vania, 4650 to 5535.

Collins Radio Co. reports profit of \$847,326 (\$2.66 a share) on sales of \$28,481,163 for 6 months ended Jan. 31, vs. \$132,161 (35¢) profit on \$5,853,143 sales same period preceding year. Jan. 31 backlog totaled \$165,000,000.

Motorola's 1951 net profit was \$7,289,102 (\$8.29 a share) on sales of \$135,285,086, both figures being second largest in firm's history. Record 1950 net was \$12,809,247 (\$14.56) on sales of \$177,104,669. Provision for Federal taxes was \$7,454,980 in 1951 and \$13,890,323 in 1950. Working capital as of Dec. 31, 1951 was \$29,056,342, up \$7,976,980 in year; net worth increased by \$5,073,894. President Paul Galvin, noting decrease in TV sales in 1951, reported increased defense equipment billings, said these would account for largest portion of expected 1952 increase over 1951. He also foresaw marked increase in sales of home and portable radios this year, steady demand for auto radios, excellent market for communications equipment, notably microwave.

Zenith Radio's 1951 sales fell to \$110,022,780 from \$134,012,595 in 1950, net profit after taxes amounting to \$5,370,740 (\$10.91 per share) vs. \$8,479,390 (\$17.22). Provision for Federal taxes was \$6,400,000 for 1951 and \$5,900,000 for 1950. Inventories at end of year totaled \$11,405,047, some \$2,500,000 below preceding year. President E. F. McDonald Jr. said normal second and third 1951 quarter's seasonal slowdown in retail sales of TVs and radios was aggravated by govt. restrictions on installment buying and by color TV controversy. Export sales and profits, he stated, were at record level, look even more promising in 1952 with TV markets opened up in Cuba, Mexico and Brazil.

Standard Coil Products Inc. reports sales of \$40,302,526, profit of \$2,487,944 (\$1.69 on each of 1,470,000 shares) for 1951 vs. \$35,632,396 sales, \$5,266,442 (\$3.58) profit in 1950. The 1951 figures include sales and earnings of Kollsman Instrument Corp., acquired by Standard on Jan. 1, 1951. Standard and Kollsman had combined inventories totaling \$9,144,650 at year's end. At end of 1950 Standard's inventories were \$2,559,101. Standard Coil has filed registration statement with SEC covering 486,858 shares of common stock to be exchanged for common of General Instrument Corp. (Vol. 8:5), exchange to be on basis of 4 Standard for 5 General, if holders of 85% of latter's shares accept. F. Eberstadt & Co. and Hirsch & Co. are dealers.

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Corning Glass Works reports TV picture tube bulbs and consumer products were only divisions whose sales didn't hit new highs in 1951. Company's 1951 consolidated net sales were \$115,750,172, profits \$10,141,164 (\$3.70 each on 2,659,008 shares); in 1950, sales were \$116,473,981, profits \$17,612,355 (\$6.53 on 2,649,533). Corning will open pilot plant-laboratory for developing new picture tube bulbs in about 2 months. Big new Danville, Ky. receiving tube and tubing plant will open in May. Annual report says "encouraging progress has been made in the development of glass bulbs for use in color picture tubes."

Lear Inc., manufacturer of automatic pilots, gyro-flight instruments and aircraft radio, reports 1951 profit of \$803,630 on \$21,000,000 sales vs. loss of \$22,132 on sales of \$7,952,000 in 1950. President Richard Mock said shipments for January & February 1952 totaled \$5,280,000 and March 1 backlog reached new high of \$41,900,000.

Decca Records reports net income of \$835,456 (\$1.08 a share) on sales of \$19,767,536 in 1951, compared with \$1,004,177 (\$1.29) on sales of \$21,786,711 in 1950.

RCA annual meeting is May 6, when stockholders will vote on new 3-year terms as directors for Walter A. Buck, John T. Cahill, Gano Dunn, Edward F. McGrady.

Samuel Becker, of New York law firm of Odell & Becker, who was special FCC counsel conducting telephone inquiry in 1935-37, named general counsel to Newbold Morris in probe into govt. corruption.

ABC NET INCOME was \$368,943 in 1951, equal to 22¢ a share on 1,689,017 shares outstanding, and comparing with \$84,605 (5¢) in 1950 and loss of \$519,085 in 1949. The 1951 net income does not include special credit of \$131,438 for adjustment of prior years' depreciation less provision for added Federal income taxes.

Detailed report won't be issued until stockholders' meeting April 8, but gross revenues for year were disclosed as \$58,983,129 vs. \$45,470,876 in 1950 and \$40,267,488 in 1949.

Despite steadily increasing revenues, ABC profit column has been held down largely by losses attributed to TV operations, according to summary of ABC earnings, 1943-thru-Nov. 1951, filed at current FCC hearings (see p. 2). TV operations, though now profitable, accounted for loss of nearly \$9,000,000 since 1948, it was reported.

On other hand, spot & local time sales of ABC's owned-&-managed stations, including 5 TV, have surged forward—amounted to \$11,411,344 for first 11 months of 1951, attributable mainly to TV, vs. \$9,286,008 for all 1950 and \$6,194,231 for all 1949. Network time sales for the 11 months of 1951 were \$29,789,887 vs. \$27,229,528 for all 1950 and \$27,466,603 for all 1949.

ABC has had to borrow money to keep going, according to hearing testimony, which is aimed at persuading FCC to approve merger with United Paramount Theatres. Total obligations (notes and mortgages) were \$10,575,748, latest being note to June 1, 1953 for \$3,800,000 credit at 3% with Bankers Trust Co., personally guaranteed by Chairman Edward Noble. Thus far \$1,500,000 of the credit was borrowed last December, \$500,000 this month, balance being regarded as adequate reserve until autumn, by which time it's hoped ABC-UPT merger will have been approved. Under terms of deal, new ABC-UPT company takes over all outstanding obligations.

Note: It's estimated by TV-plumping NBC, which recorded dollar volume of \$137,156,000 in 1951, up from \$92,091,000 in 1950, that its owned-&-managed stations accounted for about \$40,000,000 of 1951 gross. This is up 43% over preceding year, and credited mainly to its 5 TV stations. *Variety* says NBC's 11 stations accounted for \$8,000,000 of NBC's profit, WNBT alone doing about \$10,000,000 gross business last year.

Failure of CBS color system leads to 2 conclusions, according to Hazeltine annual report released this week (see also Financial & Trade Notes): "First, no amount of political pressure can force the successful production of complex electronic equipment or compel the public to buy them until the technical problems have been solved; and second, judicial findings cannot overrule scientific facts." Report adds: "Actually, TV is undergoing the same cycle of development as did the motion picture industry in its search for a successful method of reproducing colored pictures. The 'movie' industry also tried a field sequential system first, but success was not achieved until a satisfactory simultaneous system was developed. Fortunately for that particular industry its choice of the scientifically correct standards was not dependent upon the ruling of any Government bureau."

TV's use of film will increase greatly in next few years, according to ABC president Robert Kintner. Testifying during Paramount hearing this week (see p. 2), he estimated that 50% of ABC-TV's programming will be on film by next year. Most of it will be movies made especially for TV, not old feature films, he said. Producing figures for ABC's 5 stations and 2 affiliates during recent week, he showed WJZ-TV, New York, using film 39.3% of programming time; others ranged from 30.9% for WXYZ-TV, Detroit, to 64.6% for non-interconnected WBAP-TV, Ft. Worth.

YOU CAN ADD Pilot Radio Corp. to list of companies subpoenaed to appear before Federal grand jury in New York May 12 in Dept. of Justice's probe of possible "anti-trust" activities of TV-radio-electronics firms in connection with color, FM, patents (Vol. 8:9, 11). It was one of the 5 intervenors in RCA December 1950 suit in Chicago Federal court (Vol. 6:51) to enjoin and set aside FCC's decision choosing CBS color system.

Only other intervenor known definitely to have been subpoenaed was Emerson, which has law firm of Chadbourne, Hunt, Jaeckel & Brown (Richard C. Hunt) now working on case. Whether the others were subpoenaed cannot be ascertained as yet; they were Wells-Gardner, Sightmaster, Radio Craftsmen, IBEW Local No. 1031 (Chicago) and TV Installation Service Assn. (Chicago).

Reason Dept. of Justice declines to reveal any details whatsoever about probe, which the industry generally believes is "fishing expedition" with ultimate objective a test of legality of the RCA patent pool, was given by a spokesman as follows: "Grand jury investigations are clothed in secrecy to protect the innocent from implications of wrong-doing."

It was learned this week, also, that IT&T and its subsidiaries Capehart-Farnsworth and Federal Telephone & Radio Corp. were separately subpoenaed and that IT&T v.p. & gen. atty. Charles D. Hilles Jr. is working on case for all 3, along with firm of Davis, Polk, Wardwell, Sunderland & Keindl (Porter Chandler) as special counsel. That makes total of 19 known subpoenas issued, namely: RTMA, Admiral, Capehart-Farnsworth, CBS-Columbia, Crosley, DuMont, Emerson, Federal, GE, Hazeltine, IT&T, Motorola, Pilot, Philco, Raytheon (Belmont), RCA, Sylvania, Westinghouse, Zenith.

Not included, though it's apparent now that its representatives had at least informal hand in prompting the Dept. of Justice proceeding (along with the other probable complainants detailed in Vol. 8:11) was Paramount Pictures Inc. or its half-owned Chromatic Television Laboratories Inc. Paramount was spark-plug behind recent demand that NPA lift its Order M-90 banning production of color TV receivers (Vol. 8:6-8).

Because of its sweeping nature, subpoena served on companies (for full text, see our Supplement No. 77) may be subject of court motions by some of counsel to seek clarification and limitation. They may ask Judge Knox to cut down workload imposed by exhaustive demand for documents back to 1934, and will seek agreement that no documents pertaining to classified defense production need be produced.

Color TV order M-90 will come up for discussion again at regular meeting of NPA's TV-radio receiver advisory committee March 27 in Washington. NPA has asked manufacturers to come to meeting armed with answers to these questions: (1) Has execution of war contracts been delayed by shortage of engineers? (2) What percentage of engineering staff is devoted to military work? Defense and Labor Depts. already have told NPA there is serious shortage of electronic engineers needed for military work, and in effect advised against rescinding of color ban. NPA also will ask manufacturers whether they would prefer to have their future materials allotments geared to seasonal pattern of TV-radio industry.

Zenith's tri-color tube, built by subsidiary Rauland and employed during NTSC field tests, is said (by a competitor, confiding in us) to be remarkably good, particularly from standpoint of contrast. Improvement in contrast stems from use of grey filter face, as in black-&-white tubes, and it's predicted others will switch to new face. Slight loss in brightness is much more than compensated by contrast improvement.

CONSTRUCTION ALLOTMENTS for second quarter, announced at week's end by NPA (see story, p. 4).

CBS Los Angeles studios, to cost \$5,250,000, scheduled for completion this fall. It was allotted 95,000 lbs. of copper, had received allotments for fourth quarter 1951 and first quarter 1952 (Vol. 7:40, 51).

DuMont New York studios (205 E. 67th St.), \$1,750,000, listed as 23% complete in first quarter. It will get 10,000 lbs. of copper, received advance allotment of steel for first, second and third quarters last December (Vol. 7:51). Its application for materials had been denied for fourth quarter 1951 (Vol. 7:40).

WDAF & WDAF-TV, Kansas City (*Kansas City Star*), \$700,000 project listed as 72% complete, having been begun in April 1949. NPA allotted 5315 lbs. of copper.

ABC, San Francisco, TV-radio studio addition, \$600,000. Project received an allotment for fourth quarter 1951, but was turned down for first quarter 1952 because there was "no evidence of start" (Vol. 7:37, 51). For second quarter it got an allocation of 28 tons of steel including 7 tons of structural, 5000 lbs. of copper wire. NPA lists project as having been started in December, and as "0% complete."

WTMJ-TV, Milwaukee (*Milwaukee Journal*), tower, \$307,936. Allotted 179 tons of steel, including 28 tons structural; rejected for first quarter on grounds of "no start" (Vol. 7:51), but now listed as having begun in January, presumably under self-authorization procedure.

More second-quarter allotments will be announced later. Many projects are now being built which require no NPA allotments because their materials requirements have been scaled down to amounts which may be self-authorized. No radio-only or community antenna projects have been announced as approved for second quarter.

Based on 1950 Census, J. Walter Thompson's newly published seventh edition of *Population and Its Distribution* has been revised to reflect fact that "markets are no longer thought of in terms of city size alone, but are considered in terms of the central city and surrounding territory dominated by it." The 428-page volume includes for first time special treatment of 162 "Metropolitan Markets" and 436 "Smaller Urban Markets," bringing up-to-date figures for former which publishers released for *Television Digest's Factbook No. 14* (pp. 42-46). Bulk of book comprises city-by-city and county-by-county data for each state, including population, number of households, total retail sales, breakdown of sales into 7 groups of businesses. Volume is available from the agency, 420 Lexington Ave., N. Y. (\$15).

Who has what rights to use of transmitted TV signals? This controversial question may be brought to court for clear-cut decision by *Kansas City Star's* WDAF-TV as result of recent theatre-TV pickup of commercially telecast basketball game. Commonwealth Theatres paid U of Kansas for "right" to pick up WDAF-TV's telecast of Kansas-Kansas State basketball classic for its Granada Theatre in Lawrence and Ashland in Kansas City. But WDAF-TV, which relayed the telecast 35 miles from Lawrence to Kansas City, refused to approve theatrecast, even announced during course of telecast that pickup for commercial purposes was expressly prohibited. Both theatres enjoyed capacity audiences.

UNESCO session on TV in Paris April 7-12 will be attended by 14-15 delegates from UN countries, including 3 from U. S.: Richard Hull, WOI-TV, Ames, Ia.; Davidson Taylor, NBC-TV; Robert Hudson, Ford Foundation.

ABC on April 1 is moving more of its operations, including all broadcasting, from Radio City to its own 7-story building at 39 W. 66th St., New York. Remaining in Radio City will be some management offices.

Deal for purchase of KOB & KOB-TV, Albuquerque, N. M., which ex-FCC chairman Wayne Coy will manage as half owner with Time Inc. (Vol. 8:9), was being completed in Washington this week between counsel for Time Inc. & Mr. Coy (Philip G. Loucks) and for T. M. Pepperday (Pierson & Ball). Mr. Pepperday was in Washington to complete arrangements for sale, involving about \$700,000 net. Mr. Coy was subject of attack on Senate floor March 17 by Senator Welker (R-Ida.), who erroneously asserted FCC had already granted KOB 770-kilocycle "television facilities" before lifting of the freeze and charged Coy had secured approval of transfer before quitting as chairman. Coy retorted that Welker had "reached a new height [in] asserting more things not so in less time than any member of the Senate heretofore."

Monopolistic control of TV-radio rights to championship boxing bouts was charged in civil anti-trust suit filed by Justice Dept. March 17 against International Boxing Clubs of New York and Illinois and their owners, James D. Norris and Arthur Wirtz. Action was recommended by Federal grand jury, following 5-month investigation of prizefight business (Vol. 8:10). Complaint charges defendants with monopolizing promotion and exhibition of championship matches and conspiring "to exclude others [from] sale of radio, television and motion picture rights," including theatre-TV rights. IBC secretary Truman Gibson said he believed suit was directed more against sale of TV rights than against actual IBC promotion of bouts.

Demand for TV in fringe areas has produced another technique, in addition to community antennas and "bootleg" stations: reflectors. FCC has encountered several installations of chicken wire, etc., on tops of hills, so oriented that they bounce TV signals into valleys. Some within Commission discourage practice on grounds it may be interpreted as illegal rebroadcast under terms of Communications Act. Others in FCC encourage it, saying practice doesn't create new interference and provides service. Such installations have been reported near Ogden, Utah, and Maysville, Ky.

Charlotte-Atlanta microwave, opened for telephone service March 17, will be available for TV sometime in April, making it possible for Atlanta's 3 stations to get individual network service for first time. Other 2 routes are coaxial from Jacksonville and from Birmingham. Whether 3 different network programs will be available simultaneously in Atlanta also depends on choice of programs made by intermediate stations along the 3 routes.

Two more tall antennas were authorized by FCC this week, when it granted Detroit's WJBK-TV a CP to build 1057-ft. tower, reducing power from 16.5 kw to 3 kw, and Cleveland's WXEL a CP to go up to 776 ft. and cut power from 21 kw to 7.5 kw. Also granted was directional antenna requested by KRON-TV, San Francisco, to concentrate signal in densely populated area rather than dissipating it over ocean (Vol. 7:35).

Three applications filed with FCC this week brought total pending to 517, of which 36 are uhf. Applicants: WNBH, New Bedford, Mass., seeking uhf Channel No. 50 in Boston; KAYL, Storm Lake, Ia., No. 34; KTBC, Austin, Tex., No. 7. [For further details, see *TV Addenda 14-J* herewith; for listing of all applications to date, see *TV Factbook No. 14* and *Addenda*.]

Third resolution to probe TV-radio and books (H. Res. 581) was introduced in House March 19 by Rep. Elliott (D-Ala.) and referred to Rules Committee. Like other two (Vol. 8:8-9), Rep. Elliott's measure would authorize select House committee to study extent of "immoral or otherwise offensive matter" in TV-radio programming and pocket-size books and grant committee subpoena power.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
OF THE
VISUAL BROADCASTING
AND ALLIED ELECTRONICS
ARTS AND INDUSTRY

Television Digest

with **ELECTRONICS** **REPORTS**

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LAST GO-AROUND ON FREEZE—FCC HOPES: Freeze won't end by time of NARTB convention next week, as even Chairman Walker had hoped -- and you can continue to take with grain of salt any estimates you hear. Simple fact is that no one knows yet.

With 3 commissioners attending Chicago convention (Walker, Hyde, Bartley), with many knotty problems yet to be cleared, with no FCC session on freeze booked until April 3 -- you can see that "mid-April" is about the earliest possible date.

An example of potential snags is Canadian allocations. Commissioners and staff members will meet with CBC officials in Chicago, try to iron out conflicts.

Allocation plan will be absolutely rigid--for a year--once it is adopted. FCC's intention is that no stations will be "squeezed in" during that period, even if they come within 2-3 miles of minimum separations.

Everyone at FCC says bulk of work is done, yet nothing is truly "final" in sense it can't still be changed. Another go-around on procedures for handling of applications after freeze is planned, and Commission is "reexamining" critical question whether hearings will be on "channel-by-channel" or "lumped" basis (Vol. 8:11).

Channel-by-channel was considered "in" until very recently, but there's now some chance that lumped procedure may win out.

On some of basic post-freeze procedures, this seems to be the thinking:

(1) Period of 90 days to be permitted for filing applications after end of freeze, during which no CPs will be granted.

(2) First cities to be processed to be those with no TV service now -- the bigger the city, higher the priority. Cities with no TV service to be considered first will be those beyond 40 (perhaps 50) miles from stations now operating.

(3) Uhf applications to be processed before vhf -- more probable than not.

* * * *

Everyone's racking his brains, seeking methods of hastening stations on air once freeze is over. Proponents of channel-by-channel handling contend theirs is only promising technique; opponents claim it won't prove out, besides being unfair.

Even Sen. Capehart (R-Ind.) is looking for ways and means. He has asked FCC for opinion on this idea: Set up trustee to build and run station until Commission picks a grantee who would then get station.

Trouble with that proposal seems to be that some applicant may not choose to go along with trusteeship, filing for channel himself -- and whole business would be thrown into hearing anyhow.

Best hope for speed still appears to lie in mergers and dropouts.

A million angles are being kicked around, as applicants seek loopholes for getting jump on opposition. For example, it's been suggested that under anything but "single lump" hearing procedure, a well-heeled applicant might rush in and cop off a uhf channel while everyone else waits for vhf. He could start building with all diligence -- but is there anything to stop him from requesting modification of

CP to shift to vhf channel? If not, he might be able to join vhf hearing, at same time securely holding his uhf station.

Will someone take allocation plan to court, hold up the works? Question recurs as freeze-end nears. It remains a possibility. FCC appears confident, as it usually does about its decisions, that it will be sustained by courts. But it must be recalled that FCC and its attorneys were almost unanimous in opinion that courts would give short shrift to appeals from color decision. But courts did delay effectiveness of decision for many months, even though Commission finally won.

Comr. Jones will dissent. Basically, he feels that the channel allocations should be made on basis of demand as expressed in actual applications -- not on a fixed plan unchangeable for specified period. In this, he agrees with Federal Communications Bar Assn. Since Jones generally documents his opinions heavily, some disappointed channel-seekers may back court appeals with his dissent.

WILL FCC FAVOR AM OPERATORS IN TV? That the radio broadcasters regard telecasting as their rightful heritage -- even though most shied clear of it until its public appeal and profit potential became apparent -- is manifest from the fact that 387 of the 519 new-station applications now pending come from broadcasting interests. (Statistics based on compilation in TV Factbook No. 14 and Addenda to date.)

That's about 75% of applications already on file. And it's reasonable to assume that radio folk will continue dominant among the 1250 or more applications anticipated by time FCC fixes its end-of-freeze cutoff date (Vol. 8:12).

There's no reason to believe FCC will depart from the precedent of favoring radio folk in deciding local competitive grants, which was established in days of FM hearings, but you may be certain there will be tremendous efforts to change its thinking when it comes to TV (see p. 3). Of present 108 TV stations, all but 22 are identified with local AM ownerships who pioneered TV field with consent and encouragement of Commission. Of the 22, just 14 have no AM identity whatever.

If radio operators were to be discouraged at this juncture, many think it would be very much like separating parent and child -- for there's strong conviction in highly regarded quarters that radio experience is prime requisite for TV station operation inasmuch as general economics and commercial techniques are much the same.

* * * *

Nevertheless, it's quite apparent that non-radio interests, also lured by glamour and profitability of telecasting, will be applicants in large numbers and substantial competitors for local franchises. Further analysis of our statistics also indicates that:

(1) Theatrical interests will apply in force, notably local theatre owners who intend to profit by the experience of newspapers vis-a-vis radio. They couldn't lick radio, so they joined it. As of now, there are only 4 theatrically-owned stations (see p. 6, TV Factbook No. 14). And there are only about a score of pending applications from show folk, if you include the 4 identified with United Paramount which will be dropped if UPT-ABC merger goes through.

(2) Newspaper and magazine interests, who are already identified with the ownership of 42 of the 108 existing stations, will also be prominent applicants. Of the 519 applications now pending, 118 are identifiable with the publishing business. Most are already in radio, therefore also counted among aforesaid broadcasters.

(3) Nearly all the existing TV licensees, having a profound faith in the business, will apply for more outlets. Only 2 companies as yet have allowed limit of 5 stations (ABC & NBC); George Storer has 4, DuMont 3, Scripps-Howard 3. Multiple ownerships will be eagerly sought, whether vhf or uhf, especially if new FCC rules permit multiple owners to add uhf to the 5-limit vhf, as proposed (Vol. 8:8,10).

* * * *

Note: Network urgings that their affiliates apply for TV apparently have borne fruit, for among the 385 broadcasters' applications we count 81 from ABC radio affiliates, 79 from CBS, 68 NBC, 79 independents.

Among the 108 existing stations, 41 have AM adjuncts affiliated with NBC, 17 with CBS, 15 ABC, 7 MBS, 7 independent.

NEW PITCHES LIKELY AT TV HEARINGS: FCC's traditional criteria for granting of CPs, for preferring one applicant over another, may be in for considerable reevaluation as end-of-freeze brings bitterly fought TV hearing cases before it for decision. Attorneys in and out of the Commission doubt whether any major changes are in the making -- but they foresee some possibilities.

Record of local AM ownership is bound to carry weight (see page 2). But precedents had a way of going by the board in radio. And they're not firmly fixed in TV, for there never were any really fierce hearings that went to decision. Now, question is whether AMs will retain old advantages.

Non-broadcasters -- particularly non-radio newspapers -- may try to argue that TV is a "new medium," not a logical extension of AM; that TV & AM are competitive, therefore independent or newspaper operation would increase competition.

Theatre interests may claim, by same token, that TV is just as rightfully their "natural heritage" as radio's, and point to inroads on audiences. Commission has long looked down its nose at movies, but it has yet to face case wherein issue of AM vs. movies is isolated for clearcut decision.

Question of finances appears much larger in TV than in AM -- but is it? As one attorney puts it: "If an applicant is financially qualified, he's financially qualified. By that I mean that if one party proposes a \$500,000 operation and has \$500,000, he's just as qualified as one proposing a \$500,000 setup with \$1,000,000 to back it up."

Yet, an applicant with everything else in his favor may find himself in trouble if rival has palpable advantages in programming potential and superior technical facilities.

Then, too, what kind of competition is more important, inter-network or inter-station? With such outfits as CBS and DuMont fighting toe-to-toe for facilities vs. local interests in key cities, FCC may have some sticklers to decide "in the public interest, convenience and necessity." Is it more desirable to have a weak locally owned operation than a strong network or absentee-owned operation?

Revenue figures show (Vol. 8:10) that ownership of stations is essential to healthy network operation. Is that strong enough argument to favor network? Is it incumbent on FCC to help equalize competitive positions of the networks by favoring those which, for one reason or another, haven't full complement of owned stations?

Then there's the matter of encouraging uhf. If Westinghouse, to support its Philadelphia uhf application (TV Addenda 14-F), proposes to throw its great manufacturing weight into production and distribution of uhf sets and converters, does it rate nod over locally-owned AM interests with no such resources?

Or, if FCC permits owners of 5 vhf stations to add a couple uhf, should NBC get preference because of its pioneer role in uhf experimentation and in building TV, and because of the great manufacturing capacity of its parent RCA?

How about small AMs who propose to pool resources into single TV applications? Would that violate FCC's duopoly rules against cross-ownership in the same city? If so, should rules be changed? (Within FCC, some are favorable to idea, but don't count on it yet, for a lot of hurdles must be jumped.)

Foregoing pose just a few of the problems of legalisms, precedent and preference facing the FCC. Most observers think the basic criteria in radio regulation will stick, despite new angles, many of which were produced or aggravated by freeze:

The locally-owned AM-FM station, actively directed by its owners, and with good service record, has head start -- but it's going to have to hustle to keep it.

THE STATUS OF FEATURE FILMS ON TV: Do televiewers want and do the telecasters need Hollywood's -- and Britain's -- old feature films?

There's little doubt they do, for the present at least, despite testimony of ABC president Robert Kintner and United Paramount president Leonard Goldenson that TV must rely primarily on films "tailored" for the medium rather than on the ordinary run of feature films produced for theatre showing (Vol. 8:12).

They may be proved right, eventually, but fact is that feature films thus far released to TV, even the westerns and the badly sound-tracked oldies, are among

most popular fare on the air. They're also prolific sources of sponsorship income.

Study any station's program structure, including network-owned stations, and you will be surprised how many old movies, and occasionally one not so old, are included in the day's schedule. There's hardly a station without afternoon and late night films. Pittsburgh's WDTV even runs all night, mainly with film (Vol. 8:12).

* * * *

Good effort to spell out just what feature films mean to telecasting is the theatrical journal Billboard's survey (Aug. 29) resulting in estimate that stations this year will pay out \$12,050,000 to film distributors for their product and will in turn take in \$19,869,840 from sponsors of feature films.

That would be very close to 10% of total telecast revenues of 1951, networks and stations (Vol. 8:10). Billboard bases findings on rate of rentals during February & March among representative stations it polled in 1, 2, 3, 4 & 7-station cities.

It reports 842 feature films being shown weekly on all U.S. stations, or an average of nearly 8 per station per week. It calculates at least 42,100 feature film showings on TV this year, including repeats. And there are plenty of sponsors.

New York City was said to be No. 1 in "consumption and volume sales of old flickers"; 149 were counted in a recent week, 70% of them sponsored. Los Angeles, which also has 7 stations, reported 95 films weekly, only 25% sponsored. One-station markets, like St. Louis, fed by 4 networks, are said to allow little time for films; best markets and best competitive ratings of film are in the multiple-station areas. National as well as local sponsors go for film features, buying either whole picture (with few annoying cut-ins) or spots (with a lot of cut-ins).

Most of the films are 5-10 years old, says Billboard, though now and then there's a current "A" British film like 'Seven Days to Noon' and 'Woman of Dolwyn', recently released within short time after theatre showings. Average price paid in New York per running is \$350. Chicago & Los Angeles stations pay about 50% more because of greater programming need. Single-station markets offer \$75-\$100 each.

Biggest motion picture producers haven't yet opened their vaults, which contain some excellent play-out films -- and it's common talk that capitalization of these via TV rentals is one way they expect to offset reduced theatre income. Billboard says several majors are "on the verge of releasing huge numbers of films [and] RKO is said to be readying a package of 650 of its films for TV distribution, which may not hit the market this season but are practically sure to appear in the late fall. David Selznick is "pricing the market for some of his top products."

All this activity with only 108 U.S. outlets and one on the Mexican border. Repeats of the oldies are common, of course, and once the freeze is lifted and new stations take the air the same films will find still more buyers.

* * * *

Note: The many British films on American TV, both old and new, are said by Washington observers to be winning understanding and goodwill for that country, to say nothing of dollar exchange, better than any studied propaganda. Some people say they like the British films better than American oldies.

SOUR GRAPES ATTACK on TV emanating from Abram F. Myers, counsel and chairman of Allied States Assn. of Motion Picture Exhibitors, has observers wondering whether it's designed to touch off same sort of movies-vs.-TV antagonisms that newspaper interests led against radio about 20 years ago—before they found that "if you can't lick 'em, join 'em." Statement issued in Washington was thinly veiled attack on Phonevision, among other facets:

"TV has not scrupled to use political influence in seeking special favors from the Govt. at the expense of the movies. [It] is time the public was told that the real controversy between the movies and TV revolves around the frantic efforts by TV to obtain the best motion pictures with which to bolster its own unsatisfactory programs. The public needs to be told that TV interests have employed an ex-Democratic United States Senator and a Collector of Internal Revenue (now extremely ex) to persuade the Justice Dept. and the FCC to bulldoze the motion picture in-

dustry into turning over its products to TV." Other highlights from long statement:

"Film company executives must be either for or against the motion picture industry; there is no middle ground. [And] no matter what their ideas for the future may be, they should now join in an all-industry effort to expose, match or repel the clandestine efforts of TV to undermine the movies by exerting political influence . . . As a medium for the instantaneous communication of events of general interest, [TV] affords strong competition to radio, newspapers and to newsreels which it has virtually superseded. [But] TV's worth as an entertainment medium, once its novelty appeal wears off, remains to be seen. It has enjoyed a measure of success in the use of live talent and has served a useful purpose in giving employment to some needy, deserving comedians. The motion picture business is a straightforward, legitimate entertainment business. TV is a huckster."

BYWORDS DURING ABC-UPT merger hearing this week were "competition" and "monopoly," as FCC and DuMont counsel sought to find every danger that could conceivably result from merger. Principal witnesses during cross-examination were presidents of respective companies, Robert Kintner and Leonard Goldenson.

Hearing will recess after March 31 until April 14, so that FCC may prepare questions on specific theatre anti-trust situations—to be directed at Paramount Pictures' v.p. Paul Raibourn, possibly president Barney Balaban and others.

Interesting facet of this week's sessions was CBS's testimony on reasons why it wants to buy WBKB, for \$6,000,000, when and if ABC-UPT merger is approved (see below).

TV won't be a "stepchild," can't be, Kintner and Goldenson insisted. Though merged company's investment in theatres will be greater than in TV, they said, organization must promote both facets or risk bankruptcy. Competition from other TV networks and theatre groups forces such promotion, they insisted.

But what about subscription TV and theatre TV? Assume these become successful, asked FCC counsel Fred Ford, won't new company hold commanding position because of its TV and theatre interests? And might it not be in company's self-interest some day to stifle such media?

Neither Kintner nor Goldenson would accept assumption that either fee-TV or theatre TV would amount to much. Thus, they could see no such special advantage growing out of merger.

Goldenson wouldn't even concede that TV will cut into theatre boxoffice in long run. He agreed that business drops during TV "novelty period," but he said movie-going is on upgrade in such TV-saturated cities as Chicago and Boston. He claimed that many other factors played strong part in theatres' post-war drop.

The real competition, said Goldenson, is not between TV and movies, but between TV and other in-the-home activities, and between movies and other out-of-the-home activities.

Ford posed another question: If merger is successful, won't other TV networks want to merge with theatre groups? Kintner thought not, saying that CBS and NBC already have strong earning power, diversified businesses (receivers, records, etc.) and considerable know-how.

DuMont counsel made no bones about his network's concern—that 3 strong TV networks, instead of 2, may well kill off DuMont during shortage of stations and cable. In Kintner's opinion: "There are potentials in the TV business which will let one, 2 or 3 additional networks come in."

Reason why Barney Balaban still has holdings in UPT—despite splitup—was explained by UPT secy.-treas. Robert O'Brien. Balaban had been given options on 40,000

shares of UPT during splitup. "Certificates of interest" for those shares are held for him by trust; he can't vote them. Further, Balaban is under court order to dispose of the stock, but deadline comes after merger is scheduled to go into effect.

Merger hearings caught attention of *New York Herald Tribune Syndicate* columnist John Crosby who plumped for tieup, saying: "The public has more of stake in this corporate matter than it realizes . . . the more networks there are, the more programs the public has to choose from and the better the programs are inclined to be." And while FCC is making up "its exceedingly slow-moving mind," he added, "ABC is in danger of procedural strangulation. It can't borrow any more money until the transaction is completed. It can't complete the transaction without FCC approval . . . ABC is a healthful third force in broadcasting that must be preserved and allowed to grow and expand."

* * * *

CBS witnesses reiterated thinking behind proposed purchase of WBKB, so clearly outlined some time ago by executive v.p. Joseph Ream (Vol. 7:36). TV division v.p. Jack Van Volkenburg noted:

(1) "Station operation, as distinguished from network operation, is now profitable. We don't believe this is a temporary phenomenon."

(2) TV costs are high, will get higher. Cable charges, for example, ran \$2,619,700 to feed 52 stations in 1951, compared with \$1,433,000 for 187 AM stations.

(3) Clearances are most vital in securing network business, are far easier to obtain if network owns key stations. Basic economic reason is that affiliate gets only 30% of card rate from network show, compared with 70% from local program. Unable to clear Chicago, CBS-TV lost Kellogg's *Space Cadet*, which went to ABC-TV. Another time, Borden canceled plans for thrice-weekly 15-min. show because of inability to clear Chicago. "And I might note, it was only by entering into an extremely onerous arrangement with a Chicago station not normally our affiliate were we able to secure, or keep, 3 other sponsors whose time purchases involved totaled 4 hours a week."

(4) Program originations outside New York are extremely valuable. "We might ultimately originate as many as 12 hours" from Chicago. CBS's WBBM originated 1200 radio shows in 1951.

(5) Uhf isn't the answer, because of Chicago's 1,000,000-plus vhf sets. CBS could make up the \$6,000,000 that WBKB will cost much sooner than it could go into black with uhf.

Van Volkenburg differed with ABC's Kintner on future of film in TV. Former said CBS is committed to policy of more and more live programs, whereas Kintner forecast great increase in film, running as high as 50% of ABC's TV time by end of next year (Vol. 8:12).

Personal Notes: Howard Morgens, adv. v.p. of Procter & Gamble Co., elected chairman of Advertising Council, succeeding Fairfax M. Cone; Frank Stanton, CBS president, and Leo Burnett, president of Leo Burnett Co., elected vice chairmen . . . James V. McConnell, NBC TV-radio spot sales director who resigned last week, on May 1 becomes v.p., John Blair & Co., which has also elected Richard D. Buckley as president and assigned v.p. David Simmons to New York and Gale Blocki Jr. to Chicago and appointed W. Ward Dorrell as research & program consultant . . . Carlton D. Smith, v.p. being succeeded as mgr. of NBC owned-&-operated stations, by Harry Bannister, ex-WWJ & WWJ-TV, Detroit (Vol. 8:11), on April 14 becomes director of operations for network's own stations . . . John G. Preston, who quit FCC in 1945 to join ABC as chief allocations engineer, promoted to director of engineering facilities & general services under engineering v.p. Frank Marx . . . Thomas F. Flanagan returns to managing

directorship April 1 of National Assn. of Radio & Television Station Representatives, succeeding Murray Grabhorn, now with Petry . . . Malcolm Neill, CFNB, Frederickton, N.B., reelected chairman of Canadian Assn. of Broadcasters; F. W. Elphicke, CKWX, Vancouver, vice chairman . . . Earl H. Platt, GE engineer, assigned to job of installing Italy's first TV station ordered from GE for Milan . . . Harry Wismer, ABC sports director, has resigned and opened own freelance office in RKO Bldg., N. Y. . . James S. Pollak, who recently transferred from WJZ, leaving ABC Chicago div. program directorship May 1 . . . Sidney Nadler, ex-WOR-TV, named film editor of WXEL, Cleveland . . . Charles F. Grisham promoted to national sales mgr., WLTV, Atlanta . . . Ralph Dawson, ex-WJR, named asst. sales mgr., WXYZ-TV, Detroit . . . Ely Landau, ex-Emil Mogul, forms own film producing firm, Ely Landau Productions, 10 E. 44th St., N. Y. . . E. B. Crosland, Southern Bell gen. attorney, now AT&T asst. v.p. in Washington.

Telecasting Notes: General Teleradio Inc., New York corporate name of WOR & WOR-TV operations recently acquired by Thomas S. Lee Enterprises Inc., a California corporation and a subsidiary of General Tire & Rubber Co. (Vol. 8:3), will shortly be adopted as name for entire subsidiary operation—depending on whether name is available in California. Plan is to operate WOR, Yankee and Don Lee divisions under name of General Teleradio Inc.; same interests also now own 58% control of Mutual Broadcasting System (Vol. 8:9), but it will continue as separate entity . . . Chicago will be “blacked out” of fight telecast schedule by order of International Boxing Club April 16 when Pabst sponsors CBS telecast of Ray Robinson-Rocky Graziano middleweight championship bout from that city. Pabst has offered vacated 9-10 p.m. time period on CBS-TV affiliate WBKB to Red Cross for that night . . . Old Paragon film studios at Ft. Lee, N. J., home of early silents, lately occupied by Kaj Velden Studios Inc., of 249 W. 64th St., New York, to build and store scenery for TV and Broadway plays, was destroyed in \$1,000,000 fire March 23 . . . Sterling Television signs up pioneer J. R. Bray’s animated

cartoons for TV distribution . . . Bishop Fulton J. Sheen’s highly praised *Life Is Worth Living* on DuMont Tue. 8-8:30 is subject of 4-p. photographic article in April *Catholic Digest* . . . DuMont film dept. distributing new series of 3½-min. films titled *In the Fashion Spotlight* for local sponsorships . . . KSD-TV, St. Louis, signs with TV Authority covering local talent . . . It’s big news in the trade press now when a radio station raises rates; hence lots of publicity last week when NBC’s KOA, in non-TV Denver, upped national spot rate 12½% (\$320 to \$360 per Class A hour, \$48 to \$54 per 1-min.) on plea that radio families have increased 39% since last program rates set in 1944, 29% since last announcement rates set in 1948. Also hiking AM rates were Boston’s WORL, about 15%, and WKBV, Richmond, Ind., 20% . . . More TV rate increases effective April 1 to add to those previously reported (Vol. 8:9, 11, 12): WSM-TV, Nashville, from \$300 to \$350 per Class A hour, \$50 to \$60 per 1-min.; WBZ-TV, Boston, \$1250 to \$1500 & \$250 to \$300; WAFM-TV, Birmingham, \$300 to \$400 & \$50 to \$80; WOW-TV, Omaha, \$400 to \$450 & \$80 to \$90.

BAN ON TV at public hearings in New York State was signed into law March 27 by Gov. Dewey, who issued strong statement charging that TV cameras—and radio and movie-making apparatus, which are also banned—can be responsible for “improper exploitation and intolerable subversion of the rights of the witness.” Believed to be first law specifically barring TV from hearings, measure applies to all official state proceedings where witnesses are subpoenaed or otherwise compelled to attend.

Gov. Dewey makes no secret of his disapproval of the manner in which last year’s New York Kefauver crime hearings were conducted, and said in his statement that use of TV-radio & motion picture apparatus at hearings tends to convert official proceedings into “indecorous spectacles.”

Broadcasters’ efforts to persuade Gov. Dewey to veto measure were unavailing. Urging further consideration of bill, NARTB president Harold Fellows wired the governor March 26: “Hasty and precipitous action . . . without detailed deliberation could have serious precedent-setting consequences.” NBC president Joseph H. McConnell urged: “Such restriction on freedom of speech would stifle development of documentary reporting by TV just as it is beginning to demonstrate its effectiveness in stimulating public thought and opinion.”

Bill was introduced by State Sen. Nathaniel T. Helman (D-Bronx), reported favorably by Judiciary Committee March 17, passed Senate March 18, Assembly March 20.

Dave Garroway’s 7-9 a.m. *Today* program on NBC-TV, experiment launched in mid-January to prove early-morning TV has same popular appeal and revenue potential as early-morning radio (Vol. 8:3, 5), continues to make trade news—though it still hasn’t any big-segment sponsors. Its rating, reports American Research Bureau, has jumped from 5.3 for first period (Jan. 13-26) to 7.6 for week of March 1-7. On March 31, it adds holdout WPTZ, Philadelphia, to 31-station network, replacing Ernie Kovacs’ 7-9 a.m. *Three to Get Ready* show which antedated it as an early-morning pioneer on that station by more than year, Kovacs taking on new 12:30-1 p.m. show. This week, to showcase *Today*, NBC-TV will carry it Mon. 9-9:30 p.m. with live pickups from 2 cities, newsreels, voice pickups from overseas, news, interviews, music—a promotion designed to demonstrate show to those who haven’t yet seen it. And NEC v.p. Ted Cott, who heads its key WNBT, reports he’s going all-out for daytime programming, predicts it will follow pattern of daytime radio, claims 200% increase in audience since *Today* began; local spots on WNBT’s *Today* account for more than \$5000 weekly revenue.

Network Accounts: Gillette will sponsor *Kentucky Derby* on CBS-TV May 3, first time it has been carried live; last year it was filmed and telecast late in day . . . Pillsbury Mills Inc. (Cake Mix, Pie Mix) Sept. 1 starts simulcast of *Arthur Godfrey Time* on CBS-TV, Mon.-thru-Thu. 10:30-10:45 a.m., thru Leo Burnett Co., N. Y.; Lever Bros. has sponsored 10:15-10:30 portion since Jan. 7 . . . Standard Brands Inc. (Royal puddings & gelatin) March 20 started sponsorship of 5:45-6 Thu. segment of *Howdy Doody* on NBC-TV, Mon.-thru-Fri. 5:30-6, and Continental Baking Co. (Wonder bread & Hostess cakes) will sponsor same time segment on Wed., starting June 11; agency for both is Ted Bates & Co., N. Y. . . Goodyear Tire & Rubber Co. sponsors 3 films of *The Greatest Story Ever Told* Apr. 27, May 25 & June 22 on CBS-TV, Sun. 4-4:30, replacing *Columbia Workshop* those dates; agency for Goodyear is Kudner . . . Allen B. DuMont Laboratories started March 25 as sponsor of *What’s the Story* on DuMont, Tue. 10:30-11, thru Campbell-Ewald . . . Edward R. Murrow’s *See It Now*, sponsored by Aluminum Co. of America on CBS-TV, Sun. 3:30-4, changes time April 20 to Sun. 6:30-7 . . . Lever Bros. (Surf) extends sponsorship of *Hawkins Falls, Pop. 6200* to weekly basis April 1 with purchase of Tue. & Thu. segments on NBC-TV, Mon.-thru-Fri. 5-5:15, thru N. W. Ayer & Son . . . Camels will use *Pantomime Quiz* as summer replacement for *Man Against Crime* on CBS-TV, Thu. 9-9:30 starting July 11 . . . Hazel Bishop Inc. (lipstick) reported readying sponsorship of *Cameo Theatre* on NBC-TV, Wed. 10-10:30, starting April 2; show has been canceled in same Sun. time period by alt. sponsor Regent Cigarettes which has bought 3 spots weekly on NBC-TV’s morning show *Today*, thru Brooke, Smith, French & Dorrance, N. Y. . . Owens-Corning Fiberglas Corp. reported buying *You Are There* for presentation on CBS-TV, time & date unannounced.

Copies of FCC’s ‘Freeze Report’

Each subscriber to the full services of *Television Digest* will receive one copy of printed full text of FCC’s *TV Allocation Report* ending the freeze, including city-by-city channel tables, and full text of Rules & Regulations and Procedures. We’ll print them simultaneously with release by FCC, now expected about mid-April. FCC document will run about 600 single-spaced mimeo pages, which means 200 or more pages of our supplement format. Preprint orders for extra copies are now being taken at \$5 each.

COMPATIBLE COLOR TV will be "ripe" for presentation to FCC this summer or fall, in opinion of most of industry (Vol. 8:10). That's why Dr. Allen B. DuMont and his research v.p. made news in Chicago this week when they told IRE-AIEE meeting that perfected color is 5-8 years away.

Dr. DuMont told us it's not the system he's concerned about; it's fact tri-color tube needs more development—to improve registration and bring costs down. He estimated that set with tri-color tube, at present stage of development, would cost 2-2½ times cost of monochrome receiver.

Tube is coming along, he said, and he gave as example Corning development of a glass mask to replace current metal mask which contains hundreds of thousands of precisely spaced holes.

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That NPA intends to keep color TV ban on books was indicated again this week, this time in letter from NPA chief Henry Fowler read by WMAL-TV newsman Bryson Rash on special program March 26 celebrating completion of that station's new Washington studios. Fowler's letter said, in part:

"There is some indication that more of the materials which would be needed for color TV will be available in the third and fourth quarters of this year. However, even if we had a plentiful supply of every raw material needed for the manufacture of color TV, the engineering factor would still remain a significant problem. Our current supply of electronic engineers would be insufficient to meet the demand, at the present rate of military electronic design and production, at least until 1954. To transfer engineers from their defense duties in this field to the time-consuming business of putting color TV into production could deal our defense production program a serious blow . . ."

No firm decision has been made on the problem yet; NPA knows it has a tiger by the tail and is proceeding cautiously. While it's taken for granted ban on home color TV set production will be retained in some form, final order could contain some surprises. It's certain, though, that order will permit manufacturers all the freedom the defense program will allow; it won't reflect any partisanship in the color dispute. Said one NPA official this week: "If you think we haven't been working on that order, you're wrong. We're giving it a great deal of thought and considering every possibility."

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Demand for uhf transmitting equipment is still "uncharted," compared with known vhf market—hence emphasis to be placed on uhf by manufacturers at NARTB convention in Chicago next week. DuMont is offering new "three-point program" to applicants: equipment, network affiliation, receiver promotion. Company has called into Chicago its receiver division regional sales managers to describe plans for pushing uhf receivers and converters, before stations go on air and after. DuMont's summarizes its view of uhf in new brochure, *UHF, The New Big Development in Television*. None of manufacturers planning uhf transmitters will have complete high-powered units on display. Such units are scheduled for late this year and early next (Vol. 8:5, 10). To be shown, however, will be "hearts" of uhf equipment—driver stages, power tubes, antenna sections, etc. GE, for example, will have in operation 100-watt driver of 12-kw uhf transmitter. Studio equipment will also get very heavy play, such as RCA is giving new camera—its first new model since 1947. RCA figures that 130 man-years of design engineering went into it. DuMont will give "glimpse into the future" when it shows unusual continuous-motion film system employing flying-spot scanner. Equipment won't be commercially available for 18-24 months.

Station Accounts: Olympic Radio next week starts cooperative campaigns, including local TV along with newspapers and radio, to back up its national magazine & billboard advertising of 1952 line of sets. Local campaigns will stem from 42 distributorships, with color insertions in March 30 *American Weekly*, April 7 *Life*, April 19 *Saturday Evening Post*, handled by adv. mgr. George F. Bart . . . Boston Red Sox home games will be sponsored alternately on WBZ-TV & WNAC-TV, with 31 of the 77 also going to WJAR-TV, Providence, by Narragansett Brewing Co. & Chesterfield, both thru Cunningham & Walsh, and Atlantic Refining Co., thru N. W. Ayer; Atlantic with Adam Scheidt Brewing Co. also sponsoring rotating schedule of Philadelphia Athletics & Phillies on WCAU-TV, WFIL-TV, WPTZ . . . Daily 6:45-7 p.m. on WNBT, New York, opened up when Tex McCrary-Jinx Falkenburg show was cut to 15-min., now has 5-min. news sponsored by Phillips-Jones Corp. (Van Heusen shirts), 5-min. Bill Stern's sports by Kruger Beer, 5-min. weather report by Consolidated Edison . . . Ruppert Brewing Co.'s *Candid Camera* shifts from WJZ-TV to WCBS-TV, April 1, Tue. 10:30-11, *My Friend Irma* shifting to Fri. 8:30-9 . . . Buildup toward more timebuying to plug current movies is seen in WJZ-TV's *What's Playing?* Mon.-thru-Thu. 6:45-6:55 p.m.; carried are "preview" clips of new films, with stars appearing live as commentators . . . Unusual TV advertiser is Universal Concrete Pipe Co., Columbus, O. (sewer pipe & blocks), sponsoring 15-min. newscasts twice weekly at 10 p.m. on WSM-TV, Nashville . . . Among other advertisers reported using or preparing to use TV: Monogram Sales Inc. (Gardgum Chlorophyll chewing gum), thru Brown Radio Productions Inc., Nashville; Dick Knox Productions (ceramic dinnerware & artware), thru Walter McCreery, Beverly Hills; De Pree Co. (Nullo Deodorant tablets); thru Dancer-Fitzgerald-Sample, Chicago; S. E. Mighton Co. (Doggie Dinner dog food), thru Schoenfeld, Huber & Green, Chicago; Lewis Howe Co. (Tums), thru Dancer-Fitzgerald-Sample, N. Y.; Bandini Fertilizers Co. (plant foods & fertilizers), thru Mayers Co., Los Angeles; American Institute of Laundering (trade assn.), thru Willsted & Shacter, N. Y.; Eclipse Sleep Products Inc. (springs & bedding), thru E. T. Howard Co., N. Y.

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CBS is planning huge "TV City" on outskirts of New York, says *Variety's* George Rosen in March 26 issue. "It's known that CBS has already completed a preliminary blueprint of a TV City adjacent to New York, probably in Westchester County, [with] large-acreage tract under long-term lease," Rosen states. Article makes these other points: William Pereira & Charles Luckman, West Coast architects who designed CBS's now-building \$12,000,000 Los Angeles TV City, are opening New York office. CBS-TV has 17 theatres and studios scattered throughout New York City (NBC-TV has same number, but many of them are in Radio City). "Network's trucking bill alone for carting of scenery and equipment to various theatres costs \$40,000 a month." Rosen speculates that Howard Meighan, recently replaced as head of CBS Radio by Adrian Murphy, has been put in charge of new project. He also reports that CBS president Frank Stanton once approached RCA with proposal to team up in building "one big TV City".

Gen. Eisenhower was filmed and tape-recorded this week, reading 7-min. report on progress of western Europe's military building—and at week-end the news editors of TV networks were studying his words closely for political implications. Film is for release at midnight, Tue., April 1, will be given first priority depending on what he says. *America's Town Meeting* on ABC-TV has invited the General to appear on show to answer questions put to him by representative citizens.

IN 5 YEARS—\$5¼ BILLION WORTH OF TVs: New table of statistics from RTMA, revamping TV-radio output and factory-value figures, reveals that during that 5-year postwar period the American industry turned out 17,002,169 TV sets valued at the factory at \$3,166,986,300, and 75,117,262 radios valued at factory at \$2,175,936,597.

Assuming all were sold, that would mean public paid \$5,257,197,258 for TV receivers, \$3,612,054,751 for radios -- based on usual industry formula of retail figure at 166% of factory cost.

Five-year count doesn't include 1946 output, first production year after the wartime freeze when some 5070 TV sets were made (at estimated factory value of \$1,250,000) and 15,995,000 radios (estimated factory value \$434,244,000). Nor in case of TVs does it include estimated 8000 prewar sets, value unknown.

Neither RTMA figures nor our retail projection accounts for TV replacement tubes and parts, antennas, accessories, cost of installations -- which, even allowing for waves of distress selling that often forced prices down, undoubtedly add a few billion to the public's TV bill. Our recent calculation of \$6.5 billion over-counter business since TV came into being (Vol. 8:3) is still very good guess.

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RTMA is issuing new statistical tables in 29-p. booklet, which also reveals such interesting trade trends as these:

TV table models accounted for 7,772,976 units of 5-year total, consoles & consolettes, 7,800,359, radio-phono combinations 1,428,834. Table models represented 65% of unit production in 1947, falling to 42% in 1951; consoles & consolettes went up from 21% to 52% in same period, phono combinations went down from 14% to 6%. Exports accounted for 56,075 units in 1951.

Noteworthy in radio field was fact that auto production rose from 3,459,061 in 1947 (17% of total radios) to 4,542,920 in 1951 (36%). Home sets dropped from 14,082,662 (70%) to 6,751,452 (53%). Exports of radios totaled 231,802 in 1951.

MORE LEADERS ADOPT 'INBOARD PRICING': Admiral and Motorola have followed example of RCA in quoting one-package prices for their TV sets -- new retail lists, starting next week, to include Federal excise tax, 90-day parts warranty, one-year tube warranty. This so-called "inboard pricing" is designed not only to allay customer confusion but to give dealers somewhat better discounts.

Hoffman Radio was first to break ice week ago (Vol. 8:12), and it's known other manufacturers, big and little, are reappraising their price structures with same probable objective. Of the Big 4, only Philco hasn't adopted idea as yet -- but it won't be surprising if most of industry does so by summer.

Admiral freely credits NARDA for bringing about its change of heart. NARDA president Mort Farr has spearheaded retailers' persistent complaints against extras -- the hidden costs tacked on after customer is lured into store by low advertised price. An idea of how much is hidden is given in rough calculation that RCA's \$230 table model embraces \$14.11 tax, about \$12 worth of warranty, or about \$26 in all.

Customer resentment was felt so strongly by retailers that they put heat on manufacturers. Motorola spokesman said, "We have come to the reluctant conclusion that RCA was right in the first place." RCA had held to one-price idea from start.

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In adjusting their list prices (see Topics & Trends), Admiral & Motorola took pains to say they weren't cutting prices, were merely lumping tax & warranty with base price -- though there may be slight differentials in some models. Both decried current price-cutting, saying it's nothing more than "dumping" by a few manufacturers caught with too much inventory.

Majors don't seem too concerned over currently sluggish market. They say

they're confident that the political campaigns, along with new network cities due July 1 (Vol. 8:12), will hypo business. Estimate was that January was very poor, February a bit better, March better than both, with sales curve now trending upward.

New models will be coming out from here on in, also signaling price changes and bringing new gimmicks. Big selling talk, once freeze is lifted and it's known where uhf channels will go, will be adaptability of sets to uhf.

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Magnavox and Sylvania posted reduced prices this week (see Topics & Trends) in wake of GE, Emerson and Muntz cuts announced last week (Vol. 8:12). But others don't seem bothered much, and insist the basic price trend is not downward. No one thinks there will be distress condition this year such as that which plunged trade into some 6 months of doldrums starting about this time last year.

Meck's \$99.95 receiver (see Topics & Trends) was talk of trade -- but rival set makers were skeptical, said they wanted to see the set first before judgment. Comments ranged from "it can't be done" to "there will probably be only few come-on sets nailed to the floor." Meck's other factory-to-customer prices were down so low, too, that disposition was to regard him mainly as rival of Muntz.

John Meck himself was center of some good-natured joshing with colleagues, about "gutless wonder," when he was in Washington Thursday for an NPA industry advisory committee meeting.

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TV production continues at even pace -- year's 12th week, ended March 21, bringing output of 100,410 sets (1484 private label), about same as the week before. Factory inventory fell to 227,320 from 232,483 the preceding week (Vol. 8:12).

Radio output went down to 183,886 units (71,570 private label) from 193,379 preceding week. Factory inventory was 294,885, up from 287,899. Week's radios were 65,646 home receivers, 27,396 portables, 35,211 clock, 65,663 auto.

Topics & Trends of TV Trade: John Meck plunged into manufacturer-to-customer merchandising this week when Meck Television Inc., new subsidiary of Scott Radio Laboratories Inc., opened 21 retail outlets of own in 17 communities. Simultaneously, he advertised a 20-in. table model, called "Mirror Tone," at \$99.95 plus tax (\$9.90) and optional warranty (\$19.80). Also offered was 20-in. console at \$150 and 21-in. at \$180, plus tax and optional warranty.

Opening of stores is being backed up with \$500,000 newspaper advertising campaign, to be augmented later by TV-radio advertising. Meck said he expects to sell more than 50,000 sets in company-owned stores alone during rest of 1952. His remaining biggest private-label customers are Allied Purchasing Corp. and Sears Roebuck.

New Meck stores are largely former House of Television outlets, for which Meck has been a supplier. Four stores are in New York City—one each in Manhattan, Brooklyn, Bronx, Jackson Heights. Two are in Washington. Others are in Newark, Philadelphia, Baltimore, Cincinnati, Toledo, Louisville; and 9 in Michigan—one each in Detroit, Dearborn, Hamtramck, Grosse Pointe Woods, Lincoln Park, Pontiac, Grand Rapids, Kalamazoo, Lansing.

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Admiral's repriced line, including tax and warranty in one list price, goes into effect April 1. Sets list \$20-\$50 higher, and higher discounts will go to distributors-dealers, though cost to customer remains about the same. These are new prices on current sets (amount in parentheses being old price): 17-in. ebony plastic table \$210 (\$190), plastic mahogany \$220 (\$200), wood mahogany \$250 (\$230), blonde \$260 (\$240); 17-in. open console in walnut \$260 (\$290), mahogany \$270 (\$300), blonde \$290 (\$310); 17-in. console with radio and half-doors in walnut \$340 (\$300), mahogany \$350 (\$310), blonde \$370 (\$330); 17-in. combination consoles in walnut \$430 (\$380), mahogany \$450 (\$400), blonde \$470 (\$420); 20-in. ebony

plastic table \$260 (\$240), mahogany plastic \$270 (\$250), walnut \$300 (\$280), mahogany \$310 (\$290), blonde \$320 (\$300); 20-in. open console in walnut \$340 (\$300), mahogany \$340 (\$310), blonde \$370 (\$330); 21-in. table with AM and base in mahogany \$380 (\$350), blonde \$390 (\$360); 21-in. open console with AM in walnut \$440 (\$400), mahogany \$450 (\$410); 21-in. combinations in walnut \$550 (\$500), mahogany \$570 (\$520), blonde \$590 (\$540).

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Magnavox on March 24 instituted what it calls "continuous price guarantee" in lieu of old periodic guarantee for dealers. Henceforth, prices on all its TV-radio products will be guaranteed against reduction for 90 days from date of shipment. Move was said by president Frank Freimann to be designed to eliminate price uncertainties, since "90-day turnover of dealer inventory is a reasonable expectancy."

Magnavox also announced April 5-19 "clearance sale" cutting TVs \$20-\$75. Price of 17-in. mahogany & oak table will be \$230 (down from \$250 & \$260); open console in mahogany & blonde \$250 (was \$280 to \$290); mahogany open console \$280 (was \$298); mahogany & oak combination \$445 (was \$498 & \$520). The 20-in. open mahogany & blonde console goes to \$298 (from \$360 & \$370); with doors to \$375 (from \$395); Savoy model \$420 (from \$450); combination \$550 (from \$595). Radio-phono receivers are cut \$20-\$40.

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Motorola's new "inboard" prices (see p. 8) apply to 7 new models, 4 carryovers, its repricing said to be computed to comply with OPS regulations. Old 20-in. mahogany (also blonde) leatherette table models go up from \$250 to \$260, now embracing tax, 90-day parts warranty, year's tube warranty. Mahogany 20-in. table stays at \$280, blonde \$300. New models are 17-in. ebony plastic table \$200, mahogany plastic \$220, mahogany \$240, mahogany console \$280; 20-in. walnut console \$300, mahog. \$320, blonde \$340.

Trade Miscellany: Sightmaster Corp. extends into electrical relay field, is still making a few TV sets but mainly reconverting old ones to large size tubes on contract . . . Philharmonic Radio's president Bernard Lippin reports adding 36,000 sq. ft. to present 78,000 New Brunswick (N. J.) factory; firm makes private-label TVs primarily . . . Sylvania's new tube plant at Newton, Mass. will be ready in 60 days; one at Woburn, Mass. will be completed this summer . . . Standard Arcturus Corp., which recently sold its Arcturus Electronics Corp., CR tube manufacturer, to Hycon Mfg. Co., Pasadena, Cal. (Vol. 8:10), has also disposed of balance of its receiving tube business, and now manufactures only selenium rectifiers . . . Andrea expanding to additional markets with TV line, adding Mitchell Aron, ex-Hazeltine, to engineering staff and S. Ronald Hacker to product design . . . Industria Electronica S.A., Monterey, Mexico, radio & parts manufacturer, reported by Commerce Dept. as preparing to make TV sets.

Merchandising Notes: NARDA is making available (at \$10 for 500, \$30 for 2000) little booklet titled *Facts on Television Service* for dealer distribution to customers. It's written by president Mort Farr, has space on back page for store's imprint . . . Admiral's 1,250,000-candle-power sign in Times Square, New York, 50x50-ft., using more than 10,000 lamps, 9920 ft. of neon tubing, 1500 separate circuits, 2,000,000 ft. of wiring, is to be turned on and dedicated with big fanfare at 8:30 p.m., April 1 . . . Only 2 of 20 local dept. and furniture stores surveyed by *New York Herald Tribune* for February showed TV-radio gains over same 1951 months—one up 155%, other up 3%, all others showing decreases of 4-71%; for all, TV inventories were down 42%, radio-phono down 36% . . . RCA Victor expands further into appliances April 15 when it begins shipping an electric dehumidifier at \$139.50 list.

Sylvania price reductions range from \$10 to \$70. Changes in 17-in. follow (old prices in parentheses): table \$230 (\$250), de luxe model \$260 (\$270), open console \$290 (\$300), open console with Halolight \$350 (\$370), blonde \$360 (\$380), console with doors and Halolight \$390 (\$410), blonde \$400 (\$420). Changes in 20-in.: table \$270 (\$300), open console \$330 (\$360), table with Halolight \$350 (\$370), open console with Halolight \$400 (\$470), blonde \$420 (\$490), console with Halolight and doors \$430 (\$500). Added to line were 17-in. blonde tables at \$240 & \$280, console \$300; 20-in. blonde console \$340. Warranty is included but excise tax is separate.

Trade Personals: Walter J. Currie, ex-Crosley export div., now NPA deputy asst. administrator for civilian requirements, succeeds Lewis Allen Weiss March 31 as asst. administrator for civilian requirements . . . W. E. Henges elected president of Graybar, A. H. Nicoll becoming chairman . . . Reginald Brophy, managing director, Canadian Radio Mfg. Corp., Toronto, onetime NBC executive, succeeds Maxwell W. MacKenzie May 1 as deputy minister of defense production in Ottawa . . . Harry A. Browe, Chicago branch mgr. since 1948, named to newly created job of sales mgr., Admiral radio div., under sales v.p. W. C. Johnson . . . W. J. Jiles named national credit mgr., Crosley Distributing Corp. . . . John C. McDevitt, Crosley zone mgr. in Charlotte, named asst. sales mgr. of Crosley radio sales section under E. W. Gaugan . . . M. G. DuBrow has resigned as Sparton TV-radio district rep for southern California to join Story & Clark, Chicago; LeRoy Miller succeeds him . . . David H. Kutner, ex-Zenith Distributing Co., Chicago, recently Campbell-Ewald director of merchandising, named adv.-public relations director, Borge-Warner's Norge div. . . . Kenneth E. Jones, Chicago field engineer, promoted to director of service, Motorola-New York Inc. . . . Richard H. Kingston promoted to chief sales engineer, Stromberg-Carlson sound div.

Mobilization Notes: Third-quarter allotments of controlled materials for production of TVs, radios and phonos have been set at these levels (in percentage of rate of use during first-half 1950 base period):

Steel, 55% (vs. 50% in second quarter); brass mill products, 35% (vs. 30%); copper wire, 40% (vs. 35%); copper foundry, 20% (vs. 12.5%); aluminum, 45% (30%).

Representatives of TV-radio industry, meeting with NPA March 27, indicated that these allotments would assure adequate materials for this period when production normally is boosted to meet heavy seasonal demand. Manufacturers said current allocations and deliveries of materials for TV-radio have been ample.

Shortage of senior engineers, draftsmen, technical writers and other highly skilled technicians was manufacturers' chief worry. Some manufacturers said they have given up trying to compete with West Coast aircraft firms for senior engineers and other technicians, and instead are training and upgrading technicians in their present work force. Others are subcontracting drafting to outside firms.

Long lead times on some military components was another complaint, but the manufacturers agreed that no military equipment had been held up because of these delays or the manpower shortage.

Leon Golder, of NPA Electronics Div., presided. Industry representatives attending were Jack Marks, Fada; John Meck, Scott; William H. Moore, Packard-Bell; Joe Friedman, Trav-Ler; Robert Wallace, Zenith. Color TV order M-90 was not discussed.

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Accused of violating NPA regulations in filling 7 defense contracts during first half of 1951, Tobe Deutschmann Corp., Norwood, Mass. electronic parts manufacturer, has been summoned to Boston hearing in mid-April before NPA hearing examiner Ernest J. Brown. NPA charges firm used defense priority ratings to acquire 337,449 lbs. of steel sheet when it needed only 87,655 lbs. to meet Army prime contracts. Citation charges 14 violations of NPA Regulation 2, alleges president Tobe Deutschmann and purchasing agent Henry P. Shopneck illegally acquired 249,000 lbs. of steel sheet, illegally disposed of 232,000 lbs. NPA is asking hearing commissioner to bar firm from receiving any further priorities and from acquiring or using materials under NPA's control.

Military electronics deliveries in January were 5 times greater than same 1951 months, said Munitions Board chairman John D. Small in reply March 27 to recent charges in Congress and press that procurement has bogged down. Ammunition deliveries, he said, were 6 times as great in January 1952 as January 1951, tanks up 2.7 times, weapons up 2 times.

Supply of selenium won't improve much in 1952, said selenium producers to NPA at meeting this week. Kawecki Chemical Co., Boyertown, Pa., reported it has developed process to reclaim selenium from used and discarded rectifiers, yielding 81% high-grade selenium. NPA officials estimated that some 500,000 lbs. of the rare material can be saved annually from manufacturers' scrap this way.

Donald G. Fink, editor of *Electronics Magazine*, joins Philco June 1 as co-director of research (with William E. Bradley) under research v.p. David B. Smith. Fink's duties will be primarily administrative, Bradley's technical. Appointment presages expansion in research by Philco, perhaps very sizable one. Fink joined *Electronics* in 1934 as editorial assistant, coming directly from year's graduate work at MIT. He has been editor since 1946, has served on innumerable industry and govt. committees and panels, particularly in TV, loran and radar. He and Smith grew up together in industry since their freshman days at MIT. Successor to Fink at *Electronics* is not yet indicated.

Financial & Trade Notes: Profits of TV-radio companies in 1951 dropped 34.4% below 1950 level, according to *Wall Street Journal's* annual compilation of full-year earnings reports by 808 firms in 38 different industries. The 5 firms in TV-radio category made profits totaling \$58,189,171 in 1951 vs. \$88,773,274 in 1950. TV-radio manufacturers showed third greatest profit decline in tabulation, highest being aircraft manufacturers with drop of 66.8%, autos & equipment 37.7%. Overall average decline of the 808 firms was 12.3%. Electrical equipment (18 firms) showed decline of 20%, movies (5 firms) registered drop of 0.5%.

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Raytheon net profit was \$408,000 (19¢ a share on 2,170,942 shares outstanding) on sales of \$28,698,000 for quarter ended Feb. 29, and \$1,125,000 (44¢) on sales of \$74,046,000 for 9-month period. Preceding year's comparable quarter showed \$519,000 (27¢) profit on sales of \$23,000,000, and 9 months \$1,797,000 (94¢ on 1,736,753 shares) on sales of \$64,055,000. Current backlog of orders exceeds \$170,000,000, states president C. F. Adams Jr.

Muter Co. and wholly owned subsidiaries, Rola and Jensen, had gross sales of \$12,387,390 in 1951, compared with \$14,389,725 in 1950 (Vol. 7:15). Consolidated net income was \$595,423 (91¢ on each of 651,200 shares) after Federal taxes of \$648,000 vs. \$1,034,200 (\$1.59) after Federal taxes of \$1,000,000 in 1950.

Wells-Gardner 1951 sales were \$12,758,749, net income \$451,447 and consolidated earned surplus \$2,599,494, after Federal income taxes of \$285,000. Sales in 1950 were \$17,825,098, net income \$954,235, surplus \$2,394,228, taxes \$954,235.

Sprague Electric Co. sales rose to \$38,491,215 in 1951, net earnings being \$2,720,334 (\$5.44 per share) after \$5,780,200 Federal taxes. This compares with 1950 sales of \$28,614,860, profit of \$3,345,404 (\$6.84) after \$3,380,500 tax.

General Precision Equipment Corp. and subsidiaries report 1951 profits of \$596,546 (99¢ a share) on sales of \$29,872,429 vs. 1950 profits of \$871,899 (\$1.45) on \$27,072,360 sales.

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CBS officer-director salaries, bonuses and stockholdings, as reported in this week's proxy statement for annual meeting April 16: Wm. S. Paley, chairman, \$100,000 salary (beneficially owns 99,010 shares of Class A out of 1,268,700 outstanding, 254,700 Class B of 1,069,196 outstanding); Frank Stanton, president, \$100,000 salary, \$51,597 bonus (810 A, 3025 B); Joseph H. Ream, executive v.p., \$65,000 & \$17,475 (100 A, 100 B); Edward R. Murrow, director, \$132,144 (200 B); Bruce A. Coffin, president of Hytron, \$26,922 & \$25,000 (16,583 A, 17,540 B); Lloyd H. Coffin, chairman of Hytron, \$26,922 & \$25,000 (16,608 A, 16,758 B); David H. Cogan, president of CBS-Columbia, \$26,922 & \$25,000 (5004 A, 4804 B); James B. Conkling, president of Columbia Records, \$45,833 & \$10,000 (none). Other directors' holdings: Class A—Prescott S. Bush, 210 A & 300 B; J. A. W. Iglehart, 3400 A & 1300 B; Samuel Paley, 6800 A & 15,000 B; Dorsey Richardson, 10 A. Class B—Frederick L. Chapman, 35 A & 35 B; Ralph L. Colin, 1000 A; Leon Levy, 14,100 A & 40,900 B.

In testimony in FCC's Paramount hearing this week, CBS exhibit disclosed Mr. Stanton as owner 32.5% of stock of Audio-Electronics Inc., Cincinnati, and 26% of Planned Music Inc., Columbus, O., both distributors by wire of recorded music.

ABC proxy statement for April 8 meeting lists Robert E. Kintner, president, at \$75,000 a year; C. Nicholas Priaulx, v.p.-treasurer, \$27,499; Paul Whiteman, v.p., \$119,190; Mark Woods, who resigned as vice chairman last June, \$50,000 (and payment over next 6 years of \$87,500).

Stromberg-Carlson reports that its broadcasting (WHAM & WHAM-TV, Rochester) gross and net income reached new highs in 1951. Says annual report: "WHAM held its sales up to about the same volume as 1950 and was even able to show an increase in [local] sales. WHAM-TV also continued its rapid growth." Consolidated statement showed 1951 sales of \$33,632,495 (including broadcasting operations), net earnings of \$685,777 (\$1.66 on each of 331,119 shares) after taxes of \$1,266,559. This compares with 1950 year's sales of \$39,192,917, earnings of \$974,731 (\$2.53) after \$1,253,939 taxes. President Robert C. Tait told stockholders "the decrease in both gross income and net earnings was entirely the result of the reduced sales and lower prices of TV sets." Stromberg's 3 other divisions (broadcasting, sound equipment, telephone) enjoyed best year in history. Mr. Tait called 1951 "bad year [for TV] because of industry-wide conditions that demoralized the market," but added that TV market is now "somewhat improved."

For selling \$300,000 worth of stock to public (600,000 shares at 50¢ each) based on assets of Monarch Radio & Television Corp., 61 Crescent St., Brooklyn, and Pix Stores Inc., Charles Greenhaus was charged this week by N. Y. attorney general Nathaniel Goldstein with fraudulent stock transactions and temporarily enjoined from selling securities. Greenhaus won fame 20 years ago as "The Boy Wizard of Wall Street" and has served several prison sentences for fraud. Accused with him were 9 others, including George J. Martin, Wall St. security dealer. Actual assets of companies, it was claimed, were worth only \$28,000, besides which defendants issued to themselves 200,000 shares without cost. Defendants were given until April 9 to show cause why injunction should not be made permanent.

Official Films Inc., formed under aegis of Isaac D. Levy, ex-CBS director (Vol. 7:29, 42), has authorized issuance of 188,914 additional shares of common stock, is offering these first to present stockholders (1 for each 7 now owned) at \$1.50 per share until April 10. Money is to be used for working capital. During last 6 months of 1951, net sales, rentals and royalties of films amounted to \$321,611, loss on all operations \$205,888. For year ended June 30, 1951 net sales and rentals totaled \$885,621, net loss \$80,385.

Unsettled conditions in appliance fields and Govt.'s decision to stretch out defense program given as reasons by Avco president Victor Emanuel for decline in sales during quarter ended Feb. 29 to \$65,505,420, down 24% from \$86,380,616 for same 1951 period. Consolidated net income for the 3 months was \$1,888,293 (20¢ on 8,886,862 common shares) vs. \$3,590,976 (40¢ on 8,638,176 shares) same quarter of year before.

Phileo will ask stockholders at June 6 annual meeting to authorize board to borrow up to \$25,000,000 for capital purposes. Management is not soliciting proxies and states it has no immediate plans to use this authority, but wants it to obviate delays in calling meetings on 60-day notice as required by state law.

Cornell-Dubilier has filed SEC registration covering \$4,000,000 of 20-year sinking fund debentures, to be underwritten by syndicate headed by Kidder, Peabody & Co.

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Swiss-made Eidophor theatre-TV projection unit has been installed in 20th Century-Fox's home office theatre in New York, and is undergoing tests and adjustments. Film company's technical director Earl Sponable called results "pretty promising," said plans for immediate future await arrival next week of president Spyros Skouras, now on West Coast.

Biggest complaints about TV Code—at least the most vocal—are coming from advertisers and agencies, many of which find suggested time limits on commercials intolerable and discriminatory. Don Nathanson, advertising director of Toni Co., addressing Chicago TV Council, complained that national advertisers with expensive programs in Class A time are limited to 3 minutes of commercials per half hour, while local announcement and shoppers' programs may have as many as 6. Benjamin J. Green, TV-radio director of Arthur Meyerhoff & Co., Chicago, is quoted in *Advertising Age* as saying code is unworkable for many advertisers and that many TV stations are "refusing to cut their own throats," and are not adhering to what he called "ridiculous standards." He said that if local retailers are forced to conform to the suggested time limits, "they would have to give up TV entirely." Meanwhile, NARTB signed up 89th code subscriber.

U of Pennsylvania's battle against NCAA's TV control plan flared up again this week when athletic director Fran Murray said Penn won't participate if his legal advisers term it illegal. At January's NCAA convention (Vol. 8:2), Murray's position was that any agreement imposing restrictions on individual colleges is illegal. Penn led lengthy fight against TV controls last year (Vol. 7:5, 21, 23-24), and its possible defection might upset NCAA's elaborate plans for 1952 TV program, still in formative stage. Murray contends: (1) Televising all games would demonstrate to public good side of intercollegiate sports, offsetting recent criticism. (2) Controlled TV hasn't achieved its stated aim of protecting small colleges. Said Murray: "They've got to come to it—in a year or 2 or 3. It's the greatest medium we have for telling our story to the public. Why don't they understand that now?"

Defeat of Johnson-Case Bill to ban TV-radio liquor commercials (Vol. 8:3-6) came March 26 when Senate Interstate & Foreign Commerce Committee voted it down by same bare margin (7-6) that licked similar Langer Bill in 1950. Commenting on this week's action, NARTB president Harold Fellows, who spearheaded industry opposition to bill, reiterated that measure was unnecessary because of TV Code, that it discriminated against TV-radio, that it would have encouraged legislation against other products. Still pending in House is Rankin Bill (H.R. 5889), to prohibit commercials on all alcoholic beverages, including beer and wine. House Interstate & Foreign Commerce Committee hasn't set date for hearing on it.

"Hard core of big stations" will form backbone of AM "when the too numerous 'weak sisters' are finally weeded out," as more and more money is shifted to TV. So predicted Crosley Broadcasting's chairman James Shouse, commenting in March 14 *Tide Magazine* on occasion of 30th anniversary of WLW, Cincinnati. He pointed to WLW's loss of urban audience and "rather alarming decline," for 2 years, from \$4,500,000 sales in 1945. This trend was reversed by intensified rural programming and promotion, so that gross this year, Shouse estimated, will run over \$5,000,000.

Those resolutions to investigate "offensive and undesirable books and radio and TV programs" (Vol. 8:8-9, 12) bore fruit this week when House Rules Committee favorably reported H. Res. 520, introduced by Rep. Gathings (D-Ark.). It's expected House will pass resolution shortly, set up 15-man committee comprising 3 members from House at large, plus 4 each from Interstate & Foreign Commerce, Judiciary and Post Office & Civil Service committees. It's presumed Gathings will be chairman.

FCC Chairman Walker, a Presbyterian elder, is subject of highly laudatory biographical sketch to appear in forthcoming edition of *Presbyterian Life*.

Count of TV Sets-in-Use by Cities

As of March 1, 1952

Estimates are sets within .1 Mv/m contours (60 mi.), excluding overlaps, as established by NBC Research.

SETS-IN-USE jumped to 16,535,100 as of March 1, or 405,800 more than Feb. 1 (Vol. 8:9), according to NBC Research's monthly report released this week. If rate of increase continues, it's probable that end of year will see 20,000,000-mark reached. March 1 report's largest increases include New York City, up 50,000 since Feb. 1, Los Angeles 25,000, Pittsburgh 23,000, Chicago 17,000, Philadelphia 16,000, Detroit 14,000, New Haven 14,000, Boston 12,000, Cleveland 12,000, St. Louis 10,000, Indianapolis-Bloomington 10,000. Following is March 1 count (consult individual stations for their estimates of number of families within respective service ranges):

Area	No. Stations	No. Sets	Area	No. Stations	No. Sets
<i>Interconnected Cities</i>			<i>Interconnected Cities—(Cont'd)</i>		
Ames (Des Moines).....	1	80,000	New York.....	7	2,890,000
Atlanta.....	3	161,000	Norfolk.....	1	107,000
Baltimore.....	3	373,000	Omaha.....	2	121,000
Binghamton.....	1	56,000	Philadelphia.....	3	1,022,000
Birmingham.....	2	95,300	Pittsburgh.....	1	385,000
Bloomington (see Indianapolis) 1(a)			Providence.....	1	205,000
Boston.....	2	874,000	Richmond.....	1	114,000
Buffalo.....	1(b)	259,000	Rochester.....	1	138,000
Charlotte.....	1	132,000	Salt Lake City.....	2	71,500
Chicago.....	4	1,110,000	San Diego.....	1	114,000
Cincinnati.....	3	315,000	San Francisco.....	3	349,000
Cleveland.....	3	595,000	Schenectady.....	1	203,000
Columbus.....	3	202,000	St. Louis.....	1	382,000
Davenport-Rock Island.....	2	96,000	Syracuse.....	2	160,000
Dayton.....	2	181,000	Toledo.....	1	166,000
Detroit.....	3(c)	634,000	Utica.....	1	68,000
Erie.....	1	62,500	Washington.....	4	344,000
Grand Rapids & Kalamazoo.....	1(d)	160,000	Wilmington.....	1	96,100
Greensboro.....	1	78,000	Total Interconnected.....	95	15,642,200
Huntington.....	1	72,300	<i>Non-Interconnected Cities</i>		
Indianapolis & Bloomington.....	1(a)	231,000	Albuquerque.....	1	13,500
Jacksonville.....	1	53,500	Brownsville (Matamoros, Mexico).....	1(e)	10,500
Johnstown.....	1	144,000	Dallas.....	2	158,000
Kalamazoo (see Grand Rapids) 1(d)			Fort Worth.....	1	128,000
Kansas City.....	1	196,000	Houston.....	1	84,000
Lancaster.....	1	140,000	New Orleans.....	1	85,400
Lansing.....	1	85,000	Oklahoma City.....	1	92,300
Los Angeles.....	7	1,125,000	Phoenix.....	1	39,200
Louisville.....	2	130,000	San Antonio.....	2	69,500
Memphis.....	1	123,000	Seattle.....	1	135,000
Milwaukee.....	1	321,000	Tulsa.....	1	77,500
Minneapolis-St. Paul.....	2	312,000	Total Non-Interconnected.....	14	892,900
Nashville.....	1	60,000	Total Interconnected and Non-Interconnected.....	109	16,535,100
New Haven.....	1	250,000			

- (a) Bloomington separately 148,000. Indianapolis separately 211,000.
- (b) Does not include estimated 47,000 sets in Canadian area reached by Buffalo station.
- (c) Does not include estimated 32,000 sets in Canadian area reached by Detroit stations.
- (d) Grand Rapids separately 129,000. Kalamazoo separately 136,000.
- (e) Estimate for Texas area. Estimated 2500 additional sets in Mexican area of Matamoros station.

Note: TV sets sold in Canada totaled 83,297 up to Jan. 31, 1952, according to Canadian RTMA (Vol. 8:10). Since Canada has no stations of its own and nearly all of these sets are in border areas, they add appreciably to audiences of stations in nearby U.S. cities. The CRTMA area count as of last Jan. 31: Windsor 31,854, Toronto-Hamilton 31,590, Niagara Peninsula 15,013, other areas 4732.

New-station applications for Chattanooga, Tenn. and Boise, Idaho this week brought total pending to 519, of which 36 are for uhf. Mountain City Television Inc., largely same principals as WAPO, Chattanooga, asks for Channel No. 3, and Boise's KIDO seeks No. 7. It's third application for Chattanooga, second for Boise. [For further details, see *TV Addenda 14-J* herewith; for tabulation of all pending applications, see *TV Factbook No. 14* and *Addenda* to date.] Note: Actor Ronald Colman was disclosed this week as chairman of new corporation, of which KDB manager Colin Selph is president, applying shortly for TV in Santa Barbara, Cal. Already applicants are KIST (Harry C. Butcher) and M. R. Schacker, of Los Angeles, both for Channel 4.