

**THE AUTHORITATIVE**  
NEWS SERVICE FOR MANAGEMENT  
OF THE VISUAL BROADCASTING AND  
ELECTRONICS ARTS AND INDUSTRIES

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# Television Digest

with **ELECTRONICS REPORTS**

PUBLISHED WEEKLY BY RADIO NEWS BUREAU • WYATT BLDG. • WASHINGTON 5, D.C. • TELEPHONE STERLING 3-1755 • VOL. 12: No. 22

**SUMMARY-INDEX OF THE WEEK'S NEWS — June 2, 1956**

**GROWTH OF PHILIPS** in TV-radio-electronics, world-wide as well as in Europe, indicated in financial report and from first-hand observations (pp. 1, 12 & 14).

**NEW RECEIVER MARKET** to be opened by uhf translators may be substantial. Adler foresees sales of 1,000,000 sets that can tune Ch. 70-83 (p. 2).

**SENATE QUESTIONNAIRE** to networks emphasizes program control issue. Film group urges FCC to cut option time, limit network service to stations (pp. 2 & 5).

**ALLOCATIONS ALTERNATES** weighed by FCC, with decision believed near. Pioneer stations form "maximum service" assn. at New Orleans meeting (p. 3).

**NBC ENTERS MOVIE** production field through 50% ownership of Mankiewicz' Figaro Inc., getting TV rights to his theatrical films and production know-how (p. 6).

**DAYTONA BEACH VHF** begins test patterns, making it 474th station on air as Anderson (S. C.) uhf decides to start up again. Notes on upcoming stations (p. 7).

**SPOTLIGHT ON RCA CONVENTION**, 1300 distributors & field reps from 17 countries to see new models, hear sales plans. Admiral-Raytheon deal finalized (p. 10).

**MAGNAVOX SAYS HI-FI** radio-phono sales offsetting slump in TV market; 9-mo. figures indicate record 1956 fiscal year in both sales and earnings (p. 14).

**WEST GERMANY'S TV** trade booming, with Siemens & Halske a major factor. Firm compares with Westinghouse, did \$483,300,000 business last year (p. 15).

**NORFOLK'S Ch. 10** goes to WAVY as FCC reverses examiner. Court insists Commission grant hearing on protest in sale of WMFJ, Daytona Beach (p. 7).

**COLOR DEBATE IN BRITAIN** is "compatibility" vs. "export" —405-line vs. 625-line—with recommendation due soon from TV Advisory Committee (p. 9).

**JANUARY-APRIL NETWORK TV** billings 17.9% ahead of same 1955 period, but PIB figures show all 3 networks down slightly from March (p. 16).

**PHILIPS PROVES YOU CAN'T BEAT THE DUTCH:** After an extensive South American tour a few years ago, we reported (Vol. 10:12): "Just as the German Volkswagon is cutting deeply into U.S. domination of the automotive industry of South America, so the Dutch company Philips -- and, to a lesser extent, Siemens and Telefunken of Germany -- are giving our American TV-radio-electronics manufacturers and importers an increasingly tough run for their money down there."

We quoted the distributor of an important U.S. brand-name radio as remarking, wryly, in response to our inquiry about competition: "Well, there's Philips, and then there's Philips, and of course Philips." And even a General Motors distributor who was present added, "Oh, yes, and don't forget Philips of Eindhoven, Holland!"

Returning from a 13-country European and Middle Eastern tour, we could write virtually the same answer to why American TV-radio brand names are so conspicuously obscure, if not entirely absent, in so many foreign countries. The simple fact is that the canny Dutch have moved in where Americans fear to tread -- undismayed by economic and political barriers, well-heeled with capital and know-how, forced into world markets (though quite happily) by tradition and by a minuscule home market.

The American manufacturer, perhaps short-sightedly, has stuck with his lush domestic market, and even the world-trading British have found the pickings better at home than abroad. With a few exceptions (Philco, RCA, GE, Admiral, Pilot) the American TV-radio manufacturers have paid only passing attention to the foreign potential, albeit radio has long been a continuingly staple product and TV is burgeoning forth steadily in many other countries of the world.

The complete story of fabulous Philips, which probably turns out an aggregate of more radios in its plants around the world than any other company anywhere, and which is by way of becoming dominant in the TV export field too, would take reams to recount. Its growing importance is something not too many American business men know about, though it's probably second only to RCA in the world consumer electronics goods picture. Our reviews of its latest annual report (pp. 12 & 14), coupled with some first-hand observations, may give you some idea of its scope and magnitude.

**UHF TRANSLATORS TO UNCOVER NEW SET MARKET?** There may be a sleeper in the new uhf translator service authorized by FCC last week (Vol. 12:21) -- presaging a rather tidy market for uhf sets and converters.

Many have considered the FCC move largely an action to get Commission off an awkward hook. On the one hand, it was forced to do something about illegal vhf boosters. On the other, the illegal operators had powerful champions in Congress. Thus, the uhf translators were a compromise to give vhf boosters a legitimate home.

Now it begins to look as if some real service -- and receiver markets -- may be in prospect. Last week, Ben Adler, whose Adler Communications Labs, New Rochelle, N.Y., has long experimented with translators, said he had 50 orders for transmitters at \$2750 each. This week, we checked on progress and he tells us his entire projected first run of 100 has been sold. He expects to have 10 pre-production models out in field in a month, will get reports on those before finishing run.

But the potential receiver market is even more intriguing, in Adler's opinion, though he doesn't make sets. He estimates translators will produce market for 1,000,000 sets -- all of them required to tune the virtually unused Ch. 70-83 band. "Most uhf sets and tuners today," he adds, "aren't very good in that range. However, several tuner and converter makers have come up with good units." Most of the sets will include uhf from the start, he says, because many of the hamlets to be served by translators have no TV at all now.

Adler has no doubts about translators' ability to do the job. He notes, for example, that experimental Ch. 16 translator in Manson, Wash., with transmitter 3 miles from town, puts 40 millivolts into Manson, actually overloading some sets. Though translator service will be at top of uhf band, Adler is satisfied adequate signal will be delivered -- if height is substantial, as it will be in most cases.

One of Washington State Congressmen who has been worked up about problem of illegal vhf boosters is Walt Horan (R), and he seems satisfied with FCC's solution. This week, he filmed & taped interview with Col. Wm. Campbell, engineering asst. to FCC Comr. Lee, for distribution among Washington stations. Interview describes the new service and Commission's hopes for it, as reported by us last week.

**NETWORKS GET PREVIEW OF SENATE GRILLING:** Network control of programs is due to be hottest issue in June 12-15 quizzing of network presidents by Senate Commerce Committee -- judging from preview questionnaire received by the networks this week.

While networks were complaining to Sen. Magnuson that they couldn't possibly come up with all answers to the 26-part questionnaire in time for hearing, TV film syndicators were pressing their fight to trim networks' power. New Assn. of TV Film Distributors this week asked FCC network study committee to cut back option time, limit number of hours stations may devote to network programs and examine "certain network activities in acquiring programs." And NTA's Ely Landau -- an active defender of the networks -- slapped back hard at NBC's statement to Commerce Committee which pictures film interests as conspirators out to destroy networks (Vol. 12:21).

Senate questionnaire to networks asked in detail about control of programs, pressure on sponsors & affiliates, option time, "must-buy" lists, etc. -- requiring such a mass of data that networks were forced to cry "uncle" to Chairman Magnuson. He sent them wire May 29, advising them to scrape together all the information they could, and to submit further details after their appearance in Washington, if necessary. Committee investigators, he said, will visit them in New York June 5-6 to discuss the information required. Then Sen. Magnuson added:

"The questionnaire [should] serve to alert you to areas which are of interest to the Committee so you can be prepared to discuss these matters with as much accuracy as possible in the time available for your appearance."

Significant questions asked by Senate Committee are detailed on p. 5.

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"The industry is inviting govt. regulation as a public utility," Assn. of TV Film Distributors told FCC's network study group, "unless the present chain broadcasting rules are amended to throw TV open to free competition." The group, compris-



ing 4 of the syndicators attacked last week by NBC (Official Films, Screen Gems, TPA & Ziv), didn't go as far as KTTV's Dick Moore in their proposals, even taking pains to say they don't favor complete abolition of network option time or divorce-ment of networks from program production.

"Principal cause of present difficulties," said ATFD, "is a shortage of facilities, which enables 17 of the nation's largest corporations to monopolize 50% of the network programming and time offered to the American people, while the 2 major networks take up 93% of peak hour programming in all but a handful of U.S. cities."

Network defender Ely Landau, whose NTA is not member of ATFD, and who recently circulated letter urging syndicators to rally to networks' defense (Vol. 12:19), this week penned vitriolic letter to NBC pres. Robert Sarnoff expressing "strongest possible indignation at your unwarranted attack on film syndicators."

One of biggest feature film distributors to TV, NTA called NBC statement "a smokescreen to divert the onslaught onto an unrelated target [and] deliberately obscure the real points at issue." It strongly defended TV films and feature picture programming, pointing to NBC's reliance on films in its program format. As to NBC's claim it lost millions on TV before it made any profit, Landau said "the head of the family, RCA, was earning huge sums by making TV sets and electronic equipment and collecting royalties on patents from other TV manufacturers" at the same time.

"There is nothing wrong with the network structure," said Landau, "but there is something wrong when the workings of the system are complicated by a shortage of networks which in turn is caused by a shortage of stations, placing the presently constituted networks in an overwhelmingly dominant bargaining position."

He urged united effort by all forces in TV to press for solution of uhf problem -- "for deintermixture where deintermixture is the only answer." Only in this way, he added, can the base of broadcasting be broadened, and competition increased.

**VHF-UHF DECISION NEARS; BIG STATIONS ORGANIZE:** A lot of people are predicting FCC final action on allocations next week -- but we can find no one who is sure what it will be. Meanwhile, representatives of most of the oldest and best-established stations met in New Orleans this week, formed organization for purpose of assuring the "maximum TV service," opening membership to maximum-power stations -- vhf & uhf.

Commission meets again June 4 to weigh these foremost possibilities:

- (1) Open exploration of feasibility of moving all stations to uhf in 7-10 years. This might cover only Zone I, or east of the Mississippi, or east of the 96th meridian, or all U.S. -- you name it.
- (2) "Some" deintermixture -- perhaps first inviting petitions from interested parties on a market-by-market basis.
- (3) Abandon allocation table and let applicants file where they choose -- as long as they meet engineering standards, which might be relaxed somewhat.
- (4) Keep allocation table but cut mileages to permit vhf squeeze-ins.

One or a combination of foregoing is considered possible. Right now, most predictions are centered on a procedure providing for a look-see at long-range move to uhf. This might also involve asking non-TV claimants to vhf for comments.

\* \* \* \*

The New Orleans meeting June 1 attracted operators of some 65 stations, and operators of 37 more sent written word of their interest. Group voted to establish "The Assn. of Maximum Service Telecasters" with this stated objective:

"To assist appropriate govt. authorities and the industry in assuring the maximum TV service for the people of the U.S. and to follow the intent of Congress in the Communications Act."

Temporary officers: Jack Harris, KPRC-TV, Houston, chairman; Charles Crutchfield, WBTV, Charlotte, vice chairman; Harold Gross, WJIM-TV, Lansing, secy.-treas. They're also directors, along with: P.A. Sugg, WKY-TV, Oklahoma City; Harold Hough, WBAP-TV, Ft. Worth; Howard Lane, KOIN-TV, Portland; Jack DeWitt, WSM-TV, Nashville. Two more directors are to be elected later.

Eligibility is open to "any station rendering maximum service at the maximum

ERP permitted by the FCC" and operating "in the best interest" of the people in their service areas -- "both urban and rural." Though organizers stressed that membership is open to both vhf & uhf, the fact is that only 4 uhf stations have as yet achieved maximum power of 1000 kw specified by FCC rules.

Neither engineering nor legal firms have been retained yet -- though there has been participation at various stages by Howard Head, of A.D. Ring & Associates (engineering) and Reed Rollo, of Kirkland, Fleming, Green, Martin & Ellis (legal). Board meets in Washington June 21.

It's always been clear that objective of group was to prevent chopping down of their service areas. It doesn't necessarily mean they'll urge retention of the Sixth Report and present allocation to the letter. Many have hopes of acquiring additional stations via directional antennas, reduced-power drop-ins, etc.

**Personal Notes:** Fred S. Houwink, WMAL-TV, Washington, elected chairman of ABC-TV Affiliates Advisory Committee; Harry LeBrun, WLWA, Atlanta, vice chairman; Joe Hladky, KCRG-TV, Cedar Rapids, secy.; Joe Drilling, KJEO, Fresno, treas. . . Ben Strouse, since 1942 exec. v.p. of WWDC, Washington, succeeds his father-in-law, Baltimore adman Joseph Katz, as pres.; Strouse also owns about 1/3 of off-air WFMZ-TV, Allentown, Pa. (Ch. 67), which still holds CP . . . Randy Brent, CBS-TV asst. traffic mgr., named to new post of administrative mgr. of sports programs, reporting to sports director Wm. MacPhail . . . Raymond A. Gilvard named program mgr. of WPRO-TV, Providence, replacing Fred Shavor, returning to Albany, N. Y. as program mgr. of WTRI (Ch. 35), planning to resume by July 1 . . . David Booher moved from radio to sales mgr. of WMBR-TV, Jacksonville, with Sid Beighley becoming local-national sales mgr. of WMBR, Ken McClure promotion mgr. of WMBR-TV . . . John P. Hart, pres. & 10% owner of upcoming WBIR-TV, Knoxville (Ch. 10), due in July, will be gen. mgr., with R. S. Quinn local sales mgr.; Neal W. Branch, from radio WBIR, will be program director; J. Rex Horton, also WBIR, chief engineer . . . Ian K. Harrower named program-production mgr., WWJ-TV, Detroit, reporting to operations mgr. James Schiavone . . . Wallace Dunlap, gen. mgr. of off-air WTAO-TV, Cambridge-Boston (Ch. 56), which has petitioned FCC for use of Ch. 13 there, also named gen. mgr. of parent Middlesex Bestg. Corp., supervising WTAO & WXHR-FM . . . Barry Shear resigns as exec. producer-director, WABD, N. Y., to join NBC-TV . . . Edward M. Tink, promoted to chief engineer, WLAC-TV, Nashville . . . Duff Browne resigns as Chapel Hill director for WUNC-TV (Ch. 4) to become gen. mgr. of radio WYES, New Orleans . . . John E. Scanlon, ex-research director of Keystone Bestg. System, named TV-radio research supervisor, NBC Spot Sales . . . Marvin Schlaffer, ex-Emil Mogul Co., named NTA sales service coordinator . . . Hugh Stanley Hole, former exec. TV-radio producer for Maxon on Gillette account & onetime TV supervisor for Chrysler (*Shower of Stars, Climax*), named v.p. of Van Praag Productions, in charge of new Hollywood office . . . Robert H. Van Roo promoted to promotion & publicity mgr., WXIX, Milwaukee, replacing Wm. H. Ryan, now promotion mgr. of KPIX, San Francisco . . . Willard Fraker has been promoted to station mgr. of WJHP-TV, Jacksonville, reporting to gen. mgr. T. S. Gilchrist Jr. . . . Robert F. Blake promoted to new post of director of exploitation, CBS-TV press dept., Hollywood.

Jack Van Volkenburg, CBS-TV pres., and Don McGannon, Westinghouse stations pres., on panel of June 12 session of Advertising Federation of America convention at Bellevue-Stratford, Philadelphia (June 10-13) discussing "How Will Media Meet the Changing Trends in Marketing?"

**ADVERTISING AGENCIES:** David Hale Halpern, ex-Biow v.p. and past pres. of Radio & TV Executives Society, joins Joseph Katz Co. as v.p. & member of exec. committee . . . Robert Cole, Kenyon & Eckhardt v.p., named director of its new international div., which opened first office in Mexico City June 1 . . . Robert A. Penfield, ex-adv. mgr., Sylvania electronic tube div., joins McCann-Erickson as account executive on Westinghouse tube div. account . . . Herbert J. Leder, ex-TV-radio production director of Benton & Bowles, named mgr. of Weiss & Geller's new service office at 460 Park Ave., N. Y. . . . Wm. E. Chambers Jr., ex-Benton & Bowles, joins McCann-Erickson as v.p. & group head in its Marschalk & Pratt div. . . . Lou Epton, ex-WREX-TV, Rockford, Ill., named TV-radio director, Sheldon M. Heiman Adv., Chicago . . . Stanley Warren, onetime TV-radio publicity-promotion director of Benton & Bowles, joins Kenyon & Eckhardt as exploitation specialist in promotion dept. . . . S. Champion Titus promoted to v.p., Buffalo office of BBDO.

Fred A. Seaton, of the Nebraska publishing-broadcasting family which owns the *Hastings Tribune*, 52.7% owner of KHAS-TV, Hastings (Ch. 5), was nominated this week as Secy. of Interior, succeeding Douglas McKay, of Oregon. At 46, Seaton has been U. S. Senator from his state, lately has served in the White House as deputy asst. to President Eisenhower, for whose nomination and election he worked in 1952. Seaton family also owns radio stations KHAS, Hastings; KGGF, Coffeyville, Kan.; KMAN, Manhattan, Kan., and publishes *Coffeyville (Kan.) Journal, Manhattan (Kan.) Mercury-Chronicle, Alliance (Neb.) Times-Herald, Winfield (Kan.) Courier, Lead (S. D.) Call, Deadwood (S. D.) Pioneer-Times, Sheridan (Wyo.) Press*; and the magazine *Western Farm Life* (Denver).

CBS pres. Frank Stanton picked by White House to represent TV-radio among the 34 prominent Americans invited to June 12 conference there to discuss program for "better people-to-people contacts and partnerships throughout the world"; also invited to represent their industry groups were Theodore S. Repplier, pres. of Advertising Council; Sigurd S. Larmon, pres.-chairman, Young & Rubicam; Paul C. Smith, Crowell-Collier; Y. Frank Freeman, chairman, MPAA; Charles E. Wilson, ex-pres., General Electric; George Murphy, actor.

Note to subscribers: If you're going abroad, and want *Television Digest* to follow you, simply advise us—and we'll air mail it to you wherever you wish, with our compliments. Our experience is that it's seldom more than 48 or 72 hours away from our Saturday afternoon mailings (allow 5-6 days for Orient). We'll also be glad to send you a copy of our Jan. 7 Special Report: *Handy Directory of TV Stations in Foreign Countries.*



**Network Accounts:** Time & Life Magazines to be alt. sponsor (with Amoco & Hamm Beer) of Ed Murrow's *Person to Person* on CBS-TV next fall, Fri. 10:30-11 p.m., thru Young & Rubicam . . . Corn Products Refining Co. to sponsor Martha Rountree's new *Press Conference* on NBC-TV starting July 4, Wed. 8-8:30 p.m., thru C. L. Miller Co., N. Y. . . . Jergens Lotion and Viceroy each buys 20 min. of new *Steve Allen Show* on NBC-TV this summer, Sun. 8-9 p.m., thru Robert W. Orr & Assoc. and Ted Bates . . . International Shoe Co. (Red Goose shoes) to sponsor 3 "Red Goose Kiddie Spectaculars" on ABC-TV Aug. 25, Oct. 6 & Dec. 8, Sat. 11 a.m.-12:30 p.m., thru D'Arcy, St. Louis; shows will be slanted for children, with first program originating from St. Louis Zoo . . . L & M Cigarettes to be alt. sponsor (with Frigidiare) of *Do You Trust Your Wife?* on CBS-TV starting June 5, Tue. 10:30-11 p.m., thru Dancer-Fitzgerald-Sample . . . Bristol-Myers to replace CBS-Columbia as partic. sponsor of *Arthur Godfrey and His Friends* on CBS-TV starting in fall, Wed. 8-9 p.m. . . . Borden buys 3 additional 15-min. segments, Procter & Gamble 2 additional segments of *Queen for a Day* on NBC-TV starting in July, when show expands to Mon.-thru-Fri. 4-4:45 p.m., thru Young & Rubicam and Compton Adv. . . . Gillette to sponsor Belmont Stakes race on CBS-TV June 16, Sat. 5:15 p.m., thru Maxon.

Rate increases: WNAC-TV, Boston, June 1 raised base hour from \$2200 to \$2600, min. \$500 to \$550. WKZO-TV, Kalamazoo, July 1 raises hour from \$1000 to \$1100, min. \$200 to \$220. KTRK-TV, Houston, has raised hour from \$700 to \$850, min. \$140 to \$170. KCRA-TV, Sacramento, June 1, raised hour from \$650 to \$750, min. \$130 to \$150. Klor, Portland, Ore. June 1 added Class AA hour (7:30-9:30 p.m. Mon.-Fri.) at \$700, min. at \$150, Class A hour remaining \$600. KXLY-TV, Spokane, June 1 added Class AA hour (7-10 p.m. daily) at \$600, min. \$130, Class A hour remaining \$525. WITV, Fort Lauderdale-Miami, has raised hour from \$400 to \$500, 20 sec. \$80 to \$100. WEEK-TV, Peoria, has added Class AA hour (7-10 p.m. daily) at \$475, min. at \$95, Class A hour remaining \$400. KTHV, Little Rock, June 1 raised hour from \$400 to \$450, 20 sec. \$80 to \$90. KTVR, Denver, has raised hour from \$350 to \$400, min. \$75 to \$80. KTIV, Sioux City, Ia. has raised hour from \$300 to \$350, min. \$60 to \$75. WCPO-TV, Cincinnati, has eliminated hourly rates and added Class AA half-hour (7:30-10:30 p.m. daily) at \$535, min. at \$200, Class A half-hour remaining \$510. Spot Increases: WEWS, Cleveland, has added Class AA min. only (8-10:30 p.m. Mon.-Sat. & 6-11 p.m. Sun.) at \$400, Class A min. going from \$325 to \$350. KTNT-TV, Tacoma, has raised base min. from \$180 to \$205.

Carnation Milk Co., singled out as "a typical leading advertiser," allocates 56% of its ad budget to TV, with network getting 60% of the TV appropriation, said TvB pres. Oliver Treyz in special presentation to N. Y. agencies. In 1946, said Treyz, Carnation invested 61% of its budget in radio, 21% in newspapers, 18% in magazines. By 1951, TV accounted for 28% of its budget, passing newspapers and magazines.

Seventh Day Adventists' *Voice of Prophecy* is 4th paid religious program signed on NBC radio network, starting June 3, Sun. 9:30-10 a.m.; it's also carried on ABC & MBS. NBC now also carries Billy Graham on paid basis, and on July 1 adds 2 more sponsored Sun. programs—Evangelical Foundation Inc.'s *Bible Study Hour* at 8:30 a.m.; Lutheran Layman's League at 1:30 p.m.

Claimed as largest partic. schedule ever ordered by an advertiser on a single radio network is Warner-Hudnut Inc.'s 50-a-week spots on NBC's *Weekday* and *Monitor* for its Quik Home Permanents, thru Kenyon & Eckhardt.

**NETWORKS** were given advance warning of some of the questions to be asked by counsel Kenneth Cox when their presidents appear before Senate Commerce Committee June 12-15 (see p. 2). They're tough questions, requiring lots of digging through files. Essence of some of the typical ones, arranged by category:

**Program control**—What percentage of the programs broadcast by your TV network during 1955 was produced by (a) your company, (b) stations owned by or affiliated with you, (c) advertising agencies, (d) independent film producers, (e) independent packagers of live shows, (f) film producers in which you have some interest, direct or indirect? During 1955, did you ever buy outright, or purchase part interest in, a program produced outside your organization and then broadcast it over the network? Give details, and specify type of consideration (cash, services, property) you paid for your interest.

Were there any cases where independently produced programs were submitted to you for broadcast over your network and where you offered to take a participating interest in the project, but this offer was rejected? When an advertiser desires to buy network time, does he receive greater preference if he selects an available program in which the network has an interest than if he prefers to use an available independently controlled program? Have there been any instances during 1954-56 in which you did not grant an advertiser's request for time to broadcast an independently controlled program and subsequently sold time to the same advertiser for a program in which the network had an interest?

**Affiliation policies and "must-buys"**—Do you refuse to permit an advertiser to have a program broadcast over a station that is not affiliated with you? List all stations with which affiliation agreements have been terminated or permitted to expire in 1953-55, and give reasons for termination in each case. What role do you play, if any, in determining the network rate charged an advertiser for a station?

**Option time and related issues**—When you request a station to clear time for a program, what means, if any, do you provide for an affiliate to view in advance a script or film print or in some other way to form an opinion as to the value and quality of the program? During 1955, describe each case in which an affiliated station refused to clear time for a network program or otherwise exercised the right to reject programs which the station is required to reserve by FCC regulations. During 1953-55, have you ever attempted to clear a program with a station affiliated with another network, for broadcast during a time period which the station had placed under option to such other network?

**Other**—Does your network make a profit from the operations of its spot sales organization? List all cases in which 2 or more of your affiliates have 100-millivolt contours which overlap substantially, and estimate the number of sets in such overlap.

ABC Radio, still experimenting with program patterns, recasts its Sun. night programming starting July 1, presenting various types of news shows 6-7:30 p.m., country music 7:30-10 p.m.

H-R Representatives Inc. moves rep offices June 15 to new and larger quarters at 155 Montgomery St., San Francisco (new phone number Yukon 2-5837) and July 1 in Equitable Bldg., Hollywood (Hollywood 2-6453).

Katz Agency's San Francisco offices move to enlarged quarters in Russ Bldg.; phone number is Douglas 2-7628.

**Telecasting Notes:** The female of the species may be dominant as announcers on European TV—and some handsome gals they do have too, especially in Italy—but they do things differently here. Maybe it's a tradition carried over from radio, maybe we're missing a bet over here—but women announcers are the exception rather than the rule on American TV . . . Male vs. female announcers (or "presenters") for TV commercials is challenging subject of Schwerin Research Corp. study, outlined in company's May *Bulletin* (available from Schwerin at 1775 Broadway, N. Y.). Conclusions: "(1) Don't automatically assume that a man (or a woman) is invariably the right choice for a given type of product; look deeper first into the specific situation. (2) Select the presenter on the basis of the kind of over-all appeal and the major copy points you intend to put over. (3) Once the presenter is chosen, determine whether there are elements in the commercial that can be strengthened by giving him or her support from a secondary presenter or model of the opposite sex" . . . **Longer programs**—that sums up next season's clearest programming trend, now that network schedules are being finalized. Among new 90-min. evening shows now scheduled: CBS-TV's *Playhouse 90* (live & filmed dramas); NBC-TV's new Fri. night spectaculars; ABC-TV's Sun. evening *Omnibus* (switched from CBS-TV Sun. afternoon spot); NBC-TV's *Hallmark Hall of Fame* (at least 6 Sun. evenings, switched from Sun. afternoon and replacing *Sunday Spectacular*) . . . New 60-min. evening shows on tap for next season: ABC-TV's *Wire Service* (filmed dramas) and its new Mon. evening Lawrence Welk show; CBS-TV's Herb Shriner variety show on Tue.; CBS-TV's *Jackie Gleason Show* (which reverts to 60-min. live after

one season as half-hour show). Of this season's 60 & 90-min. shows, vast majority (about 18) will return next season—some with revised formats . . . More repeats: "The Twisted Cross," NBC-TV's documentary about Adolf Hitler, will be repeated June 12, 8-9 p.m. NBC-TV's *Circle Theatre*, alt. Tues., 9:30-10:30, will devote its summer series to kinescopes of 5 best plays presented on series . . . Biggest repeat of all: Steve Allen's *Tonight* goes kinescope Mon. & Tues. beginning June 18 with film-clip *The Best of Tonight*, to give Allen more time to prepare for his new summer show beginning June 24 Sun. 8-9 p.m. . . . TV producer Alex Segal, whose production of "Bloomer Girl" May 28 was his first TV musical—and one of best-received spectaculars—signs contract for 1956-7 season with Showcase Productions to produce at least 5 *Producers' Showcase* spectaculars next season . . . Another TV musical innovation from ABC-TV, which capitalizes heavily on country music (thru its shows originating in Springfield, Mo.) and on plain corny music (Lawrence Welk): Now it's polkas, which ABC says is the new craze. Beginning July 13, Fri. 10-10:30, ABC-TV will offer *It's Polka Time* live from Chicago . . . Movie version of *See It Now* being made by CBS & Edward R. Murrow for United Artists release next fall. "The Louis Armstrong Story," 90-min. "jazz documentary" with commentary by Murrow will be culled from 15 hours of footage shot for Murrow's CBS-TV *See It Now*, only 27 minutes of material having been used on TV . . . Irving Briskin, studio mgr. of Columbia Pictures and head of its TV subsidiary Screen Gems' production in Hollywood, is released from his contract to form independent TV film unit but will continue in supervisory capacity for Screen Gems.

**NBC'S ENTRY** into the theatrical movie production business through acquisition of 50% of Joseph L. Mankiewicz' independent production firm—as reported by *Television Digest* last Nov. (Vol. 11:46)—was announced this week by pres. Robert W. Sarnoff, who gave few details. In purchasing half of Figaro Inc., Hollywood, Sarnoff says NBC will get: (1) Consulting services of Mankiewicz and his staff for TV productions. (2) "Favored position" in connection with telecasting of all motion pictures produced by Figaro. Mankiewicz recently completed new arrangement with United Artists whereby Figaro will make 9 pictures for release in next 4 years.

New officers of Figaro are: Mankiewicz, pres.; RCA-NBC v.p. Emanuel Sacks, exec. v.p.; Robert Lantz, v.p.; NBC-TV network services v.p. Earl Rettig, treas.; N. Y. attorney Richard Reiss, secy. New board of directors, headed by Mankiewicz, includes Sacks, Rettig & Lantz, Wm. Morris Agency exec. v.p. Bert Allenberg, NBC's Kagran Corp. pres. Alan Livingston, N. Y. attorney Abraham L. Bienstock and NBC talent & program contract administration v.p. James E. Denning.

A leading Hollywood creator, Mankiewicz directed and wrote screen version of "Guys & Dolls," won 2 Academy Awards in 1949 and 2 in 1950 for writing & directing "Letter to 3 Wives" and "All About Eve." His Figaro Inc. produced the 1954 Humphrey Bogart-Ava Gardner hit "Barefoot Contessa." Figaro is currently preparing 2 feature films—"The Quiet American," written and directed by Mankiewicz from Graham Green's novel, and "Good Old Charley Faye," adaptation of play presented last Feb. on NBC-TV's *Kraft Theatre*.

Proposal for single talent union in live and filmed TV has been rejected by Screen Actors Guild, according to AFTRA, which reportedly had asked SAG for "full and complete merger with no reservations." The 2 unions will meet again in New York this month in attempt to reach agreement on jurisdiction over video tape commercials.

Separate House TV-radio-recording facility was approved by House May 29, when it voted appropriation of \$90,000 to pay personnel of new studio to replace joint Senate-House recording facility operated by Robert Coar, now under fire on charges he operated own business from the facility. Bill as passed by House provides that no employe of new House studio can be engaged in any similar business, except by special Congressional permission. Mrs. Helen B. Coar, former studio director of the joint facility, was fired by the House last month from her \$6000-a-year job (Vol. 12:18). Coar is employe of Senate. In debate on bill, Sen. Dingell (D-Mich.) read from reports of General Accounting Office and documents filed by Democratic and Republican parties under requirements of Corrupt Practices Act, which he said showed Coar and his staff received \$12,500 in 1954 for outside work. Springing to Coar's defense, Reps. Horan (R-Wash.), Bow (R-Ohio) and Phillips (R-Cal.) praised the Coars for "fine service" and for their TV-radio know-how, pointed out that they started the facility using their own equipment and that others on legislative payroll also have outside activities.

Informational spectaculars are planned by NBC & CBS next season—both on Sun. afternoons, slotted for 60 min., with an occasional 90-min. "special." NBC's new series is filmed *Telescope*, in color, 4-5 p.m., alt. Sun. beginning Sept. 23, featuring such topics as "Doctor: 1956" (medical developments), "Maurice Chevalier's Paris," "The National Spectacle: Politics '56," "H Hour: A Science Spectacular," "This Planet Earth." CBS slots Edward R. Murrow's *See It Now* in 5-6 p.m. period, first Sun. in each month.

Big new expansion of CBS-TV's Hollywood Television City, as announced this week by pres. J. L. Van Volkenburg, will be started soon—addition of 2 new color-equipped studios, 8 rehearsal halls, 9-story office building for administrative and other personnel. New construction was made necessary, he said, by increased west coast program organizations and longer and more elaborate shows.



**D**AYTONA BEACH sleeper WESH-TV (Ch. 2) is aiming for June 11 programming start, having aired first test patterns May 29. CP has been involved in litigation, Theodore Granik & Wm. H. Cook charging that WESH-TV principal W. Wright Esch violated agreement to sell them AM station WMFJ along with TV grant. This week, Court of Appeals reversed FCC's approval of WMFJ sale to others, said Commission must hear Granik-Cook protest (see below). Commission hasn't yet acted on their protest of sale of TV grant to John H. Perry newspaper family (Vol. 12:18). Perry family also owns *Jacksonville Journal*, licensee of WJHP-TV (Ch. 36) & WJHP in addition to string of Fla. & Ky. newspapers and radio stations. WESH-TV is first station in Daytona Beach, which gets CBS-TV programs via WDBO-TV, Orlando (Ch. 6), 51 mi. away, as well as some reception from Jacksonville, 86 mi., which has WMBR-TV (Ch. 4) and uhf WJHP-TV. T. S. Gilchrist Jr. is gen. mgr. of WESH-TV and WJHP-TV; Walter Strouse, ex-WMFJ, station mgr.; Wm. Hall, also ex-WMFJ, program director; Al Peck, ex-RCA, Camden, chief engineer. Base hour is \$200. Rep is Petry.

Note: On-air boxscore now stands at 474 (98 uhf), with WAIM-TV, Anderson, S. C. (Ch. 40) resuming operation May 29 after going dark one day. It left air May 27, as it stated it would when WSPA-TV, Spartanburg, S. C. (Ch. 7) began operation (Vol. 12:17-18). WAIM-TV gen. mgr. Glenn P. Warnock wired FCC that station resumed "in response to tremendous public demand and upon reasonable assurances [of] availability of additional program material within a few days . . ."

\* \* \* \*

In our continuing survey of upcoming stations, these are latest reports from principals:

WKNO-TV, Memphis (Ch. 10, educational) expects to be on air before July 1, reports managing director H. M. Martin, former chief of Naval Air Technical Training, Millington, Tenn. GE 10-kw transmitter, obtained with help of WMCT donations, has been installed in transmitter house at Macon & Charles Bryan Rds. and 6-bay RCA antenna is to be installed on 600-ft. Andrews tower. Studios will be at 268 Jefferson St., in building donated by Memphis Board of Education.

**R**EVERSING EXAMINER Charles Frederick, FCC gave Norfolk's Ch. 10 to WAVY, Portsmouth (Carl Burkland, gen. mgr.), denying Beachview Broadcasting Corp., in final decision issued this week. Commission's choice of WAVY was based on broadcast record, superiority in civic participation and varied background of principals. It also found Beachview principal Irving Kipnes "irresponsible." In addition, it disagreed with examiner's conclusion that WAVY's trustee arrangement "is contrary to the public interest." Vote was close: Comrs. Hyde, Doerfer & Bartley for WAVY; McConnaughey & Webster for Beachview; Lee not participating, Mack abstaining.

Commission granted one uncontested CP, Ch. 9, Flagstaff, Ariz., to Flagstaff Telecasting Co., owned by Dallas realtor O. L. Nelms.

Court of Appeals decision this week on protest against sale of radio WMFJ, Daytona Beach (see above), showed just how adamant court is about giving everyone full due process. Theodore Granik & Wm. H. Cook had option to buy station plus Ch. 2 TV grant from W. Wright Esch

WHYY-TV, Philadelphia (Ch. 35, educational), planning Oct. 1 start, has received \$100,000 from city govt. to help pay 1956 operating costs and for construction and lease of quarters at 1622 Chestnut St., formerly occupied by WCAU-TV & WCAU. Board of Education has also pledged \$100,000 toward 1956 operating costs. W. Lawrence LePage, WHYY chairman, reports Philadelphians have been watching in-school programming of Board of Education's radio-TV div. and city schools already have 350 TVs. Committees of parents, educators, club leaders & businessmen are reported boosting uhf converter sales. WHYY-TV expects to have 40-hour broadcast week, according to station mgr. Richard Burdick.

KAVE-TV, Carlsbad, N. M. (Ch. 6), putting finishing touches on studio-transmitter building to house DuMont 5-kw transmitter due in June, hasn't set specific target, but hopes to start later this month, reports gen. & commercial mgr. John H. Battison, whose wife heads group which acquired CP and radio KAVE for \$150,000 (Vol. 11:39). RCA 3-bay antenna was due first week in June when it was to be installed on 301-ft. Liberty tower. Jack Rathbun, ex-KSON, San Diego, and WDAK-TV, Columbus, Ga., will be operations mgr., with Bill Carnahan, ex-WABT and WBIQ, both Birmingham, chief engineer. It's signed with CBS under Extended Market Plan. Base hour will be \$150. Rep will be Branham.

WAIQ, Andalusia, Ala. (Ch. 2, educational) Alabama Educational Television Commission's oft delayed 3rd outlet, now has 35-kw GE transmitter and 4-bay antenna, plans July 1 test patterns, July 15 programming, reports gen. mgr. R. D. Hurlbert. Transmitter is scheduled to be wired and ready by June 15 and antenna now is being installed on 500-ft. tower from Tower Structures Inc. Other Alabama educational outlets are WTIQ, Munford (Ch. 7) and WBIQ, Birmingham.

WTVW, Evansville, Ind. (Ch. 7) expects to start Aug. 15 with test patterns, Sept. 1 with programs, writes pres.-gen. mgr. Rex Schepp. DuMont 50-kw transmitter has been ordered for Aug. 1 delivery, 12-bay RCA antenna for Aug. 21. Base for 500-ft. Ideco tower has been completed. Base hourly rate will be \$600. Rep will be Hollingbery.

WIPR-TV, San Juan, P. R. (Ch. 6, educational), planning start by year's end, expects to have transmitter-studio building ready in 4 months, reports R. Delgado Marquez, gen. mgr. of TV-radio for Puerto Rico Dept. of Education. Equipment contracts are to be awarded shortly and 400-ft. Blaw-Knox tower has been ordered.

and his associates. Esch sold WMFJ and TV grant to different groups and Commission approved sales without hearing. Granik & Cook protested the AM transfer; FCC dismissed protest, ruling they had no standing to protest. Granik & Cook also protested TV-CP sale; this awaits Commission action.

Ruling unanimously in the AM case this week, Judges Prettyman, Fahy & Washington said the Granik-Cook contract with Esch definitely gave them right to a hearing, protest, etc. "Good faith and fair dealing bear upon the public interest," decision stated. "And appellants are the persons to present the facts to the Commission. Thus through their private interest they represent a factor affecting the public interest, even though their private interest considered alone is not for Commission determination."

Call letters: KULA-TV, Honolulu (Ch. 4), whose sale to Crowell-Collier pends FCC approval, rescinds its scheduled Aug. 1 call-letter change (to KTCA, for current owner Television Corp. of America), retaining KULA-TV call. McLendon Investment Corp. changes call of its upcoming Ch. 13 station in El Paso from KOKE to KILT.

Hamilton Shea's purchase of WSWA-TV, Harrisonburg, Va. (Ch. 3) with radio WSWA in equal part with Transcontinent TV Corp. (Vol. 12:15) was approved by FCC this week. Their Tudor Enterprises is actually paying \$560,000 for properties, the \$800,000 earlier reported embracing adjustments for liabilities. Seller Frederick L. Allman retains his Virginia radios WJMA, Orange & WREL, Lexington. Shea recently resigned as NBC v.p. in charge of WRCA-TV & WRCA, N. Y. Transcontinent comprises group of Buffalo businessmen, several of whom also have interests in WGR-TV, Buffalo (Ch. 2), and is headed by Paul A. Schoellkopf Jr. and David C. Moore. It recently bought WHAM-TV, Rochester (Ch. 5) with WHAM for approximately \$5,000,000 from Stromberg-Carlson (Vol. 12:14). Combined balance sheet of WSWA-TV & WSWA as of Feb. 29 shows \$384,362 total assets, including \$320,426 in plant. Liabilities include \$51,015 notes payable to stockholders, \$26,000 capital stock, \$123,419 surplus.

Harry Maizlish's KFVB, Hollywood (5-kw on 980 kc, independent) was sold this week to Crowell-Collier Publishing Co. under option whereby it can either pay \$2,225,000 cash or \$2,350,000 over 6½ years at 4½% with \$500,000 down. It's Crowell-Collier's 6th radio station purchase, in addition to the 3 TVs purchased from Consolidated TV (Bitner) and the KULA-TV purchase in Honolulu (Vol. 12:17, 21). Maizlish is a 35% principal in application pending for purchase of radio KPAL, Palm Springs, Cal. (250 watts, 1450 kc), purchased by his group for \$66,000, but his deal with Crowell-Collier also keeps him on as a consultant for 7 years for aggregate of \$250,000. Deal for KFVB, which was founded in 1925 by Samuel L. Warner, of Warner Bros. Pictures, and sold to its veteran manager Maizlish in 1950, was negotiated by Arthur B. Hogan, pres. of Albert Zugsmith Corp., Hollywood broker. Maizlish was represented by Howard Seitz, of the N. Y.-Washington law firm of Paul, Weiss, Rifkind, Wharton & Garrison. Crowell-Collier's counsel is Paul A. O'Bryan, of Dow, Lohnes & Albertson.

Kenyon Brown, veteran Texas broadcaster who sold his TV interest in Wichita Falls but retained radio KWFT there (Vol. 12:2) and who with Bing Crosby recently purchased KFEQ-TV & KFEQ, St. Joseph, Mo. (Vol. 11:52), this week purchased radio KLYN, Pampa, Tex. (1-kw, 940 kc, CBS) for \$20,000 from R. G. Hughes, who also owns KHUZ, Borger, Tex. Brown also leases building and site for 5 years at \$500 monthly. Pampa outlet remains on CBS, retains Joe Ramay as mgr., John Heetland as sales mgr.

Radio sales approved by FCC this week: KITO, San Bernardino, Cal. for \$150,000 by H. G. (Bud) Wall and mgr. Jack Flanigan to Continental Telecasting Corp., affiliated with Albert Zugsmith interests (Vol. 12:20). W DAR, Savannah, Ga. (250-watts, 1400 kc) for \$55,000 by H. Blair Minick to Coastal Bcstg. Inc., headed by Donald K. Jones, contingent on his disposal of .33% he has held as v.p. of WSAV-TV, Savannah.

KOSA-TV, Odessa, Tex. (Ch. 7) will be wholly owned by radio KOSA, Cecil Mills having agreed to sell his 50% interest for \$20,000, according to application filed with FCC. Cecil Trigg owns 80% of KOSA, with Brooks L. Harman & Wm. B. Stowe each owning 10%.

All phases of audio control for TV-radio broadcasting are explained in non-technical language in new *Audio Control Handbook* by Robert S. Oringel, broadcast engineer, Voice of America (Hastings House, 160 pp., \$6.50).

Signs of the TV Times: *Television Age* (Sol Paul) going bi-weekly from Sept. 3; *Sponsor* (Norman Glenn), now bi-weekly, circularizing its readership to ask what they think about its plans to go weekly.

The 14-mi. "G-Line" employed for Helena, Mont. community TV system (Vol. 12:7-8) has been "remarkably successful," consulting engineer Archer S. Taylor and Bruce Hamilton, mgr.-chief engineer of the system, told recent technical conference in Salt Lake City. Built for \$12,000, it carries Ch. 13 signal of KGVO-TV, Missoula, converted to Ch. 4; cost compares with \$40-\$50,000 for K-14 cable. Engineers stated that G-Line suffered very little interference from outside sources, at same time gave off very low radiation. Conclusion: "Although the G-Line has proved to be very successful in this installation, and most economical for such a long line, it is faced with problems of maintenance throughout some rather rugged terrain in severe weather. The only weather condition which affected the operation was the accumulation of wet snow to a diameter of about 1-in., which completely eliminated transmission until it had blown or melted off the line. Microwave equipment could do the job equally well, at about the same cost for a single channel, with much simpler maintenance. However, for shorter hauls, or for multiple channel use, it would appear that the G-Line would be most satisfactory."

Hong Kong wired TV system—originating own live, film & slide material—has been tested by Rediffusion Inc., is due to go into regular operation this fall. Rediffusion has been feeding two audio programs—English & Chinese—to 54,000 loud speakers in Hong Kong, is adding a second Chinese program. Big, well-heeled Rediffusion operates extensive wired systems, mostly audio, in England, Canada and elsewhere, in addition to radio stations in Bermuda and British West Indies. It's also a participant in Associated-Rediffusion Ltd., ITA Mon.-thru-Fri. commercial program contractor for London.

Liberalized grants of microwaves to owners of community TV systems was indicated by FCC's issuance of CP this week to Arizona Microwave System Co. Grantee is wholly owned by I. W. Brayer, who operates CATV system in Douglas, Ariz., which is to be served by the microwave. At one time, Commission frowned on common ownership of microwave and CATV system to be served by it. Liberalization is based on Commission's satisfaction that microwave owner will supply service to other CATV systems on non-discriminatory basis.

More spectrum space for industrial radio service was urged by GE communication equipment product planning & marketing research mgr. Robert L. Casselberry in May 25 address to Industrial Communication Assn. convention in Miami. Noting that "a tremendous quantity of the total available frequency spectrum has been allocated for services other than industrial," he urged that industrial radio users present their views to FCC in a "constant and consistent manner."

Jurisdiction of Cal. Public Utilities Commission over community antenna systems will be reviewed by state's Supreme Court, which is expected to hear argument in Sept. PUC had ruled that systems were public utility, was challenged by Martinez CATV system and National Community TV Assn. which finally convinced Supreme Court that case involved "substantial question of law." Court granted petition for review May 29.

A 26-ft. parabolic antenna mounted on two 100-ft. towers has been installed by Jerrold Electronics for its Ventnor, N. J. community antenna system. The 3500-lb. antenna was built at site, fabricated of plywood, mounted on steel frame and covered with wire mesh. System picks up 4 channels: WCAU-TV, WFIL-TV & WRCV-TV, Philadelphia; WPFH, Wilmington.

CBS has ordered eight 35mm film projectors from General Precision Lab, 6 to be shipped to Hollywood, 2 to N. Y., for delivery June through Aug.



**Color Trends & Briefs:** "Compatibility" and "export" are key words in Britain's current debate over which color system to adopt. During our recent stay in Britain, we were told that recommendations on standards are likely to be made soon by top-level govt.-industry TV Advisory Committee, and Govt. is virtually certain to endorse TAC suggestions.

There seems little doubt that a system like ours—the standards formulated by NTSC—will be approved. Sequential systems are out of the picture. The big question is whether to make system compatible with Britain's 405-line monochrome or go to 625-line system employed by most of Europe. In favor of 405-line is compatibility, cost and bandwidth conservation (3-mc video vs. 625-line's 5-mc). On side of 625-line system is argument that same production lines could serve domestic and export markets. Debate gets closer when engineers talk about resolution, brightness & flicker. A leading 625-line proponent is Pye Ltd., which recently demonstrated Britain's first big-screen color projection—6x8 ft.

At recent demonstrations of 405-line NTSC-type system—for benefit of the same international CCIR group that inspected U. S. color (Vol. 12:10)—14 British-made sets were demonstrated, most of them showing excellent pictures. Most employed RCA 21-in. or 15-in. shadow-mask tubes. A few were projections, didn't compare with direct-view sets.

Actually, Britain is in no hurry with color. Set costs would be completely out of sight for its economy and there's still the job of bringing multiple monochrome signals to an as-yet only 37% saturated populace. Furthermore, the British frankly admit they're willing to wait and profit by our costly developmental work and our mistakes. For example, they've watched our shift from 15-in. to 21-in. tubes, then improvements in the 21-in. And some of those who have seen Philco's "Apple" set told us they believe it has very great potential.

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Concentrated drive in Wilmington, Del. last 2 weeks by Raymond Rosen & Co., Philadelphia RCA distributor, produced more color set sales, prospects and demonstrations than in previous 4½ months, according to Rosen pres. Thomas Joyce. He reports that RCA Service Co.'s 15 men were enlisted, each making average of 9 regular service calls daily, carrying buttons reading: "Ask me about RCA color TV." Results: 16% of customers said they're interested in home color demonstration now; 34% want fall demonstrations; 36% "no immediate interest"; 14% in too low economic bracket to be interested. Summarizing Rosen's color results to date, Joyce says company achieved greater volume in color during fiscal year ended April 30 than it did in air conditioners.

"Symposium" on packaging for color TV is big feature in May 20 *Sales Management Magazine*, with articles contributed by following design firms: Lippincott & Margulies Inc.; Frank Gianninoto & Assoc.; Jim Nash Industrial Designers; Egmont Arens; Koodin-Lapow Assoc.

"Color TV Training Manual" (266 p., \$6.95) by C. P. Oliphant & Verne M. Ray, has been published by Howard W. Sams & Co., Indianapolis. It has 3 main sections—principles, circuits, servicing—and includes 500 illustrations, 126 of them in color.

Color home study course, 11 lessons, is being offered servicemen by RCA tube div., Harrison, N. J. It comprises 9 lessons by RCA Institutes, 2 by RCA servicing expert John R. Meagher.

Its 4 local shows of June 5, totaling 2 hours, will be colorcast by WTVJ, Miami, to aid RCA in demonstrations of new color line during June 3-6 convention of distributors and field men in Miami Beach.

## Network Color Schedules (June 5-17, 1956)

June 5—NBC: *Milton Berle Show*, 8-9 p.m. CBS: *Bob Crosby Show*, 3:30-4 p.m.

June 7—NBC: *Matinee Theatre*, 3-4 p.m.

June 8—NBC: *Matinee Theatre*, 3-4 p.m. CBS: *Bob Crosby Show*, 3:30-4 p.m.

June 9—NBC: *Max Liebman Presents*, "Holiday," 9-10:30 p.m. CBS: *Gene Autry Show*, 7-7:30 p.m.

June 11—NBC: *Matinee Theatre*, 3-4 p.m.

June 12—NBC: *Matinee Theatre*, 3-4 p.m. CBS: *Bob Crosby Show*, 3:30-4 p.m.

June 13—NBC: *Matinee Theatre*, 3-4 p.m.; *Kraft Television Theatre*, 9-10 p.m.

June 15—CBS: *Bob Crosby Show*, 3:30-4 p.m.

June 16—CBS: *Gene Autry Show*, 7-7:30 p.m.

June 17—NBC: *Zoo Parade*, 5-5:30 p.m.; *The Sunday Spectacular*, 7:30-9 p.m.

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More glass in color tubes is objective of continuing research at Corning Glass Works. Spokesman states: "Color TV, with its requirements for various kinds of masks, screens and grids, seems an especially promising field. There are, however, a number of problems still to be solved in the basic glass process. The only successful products in this program to date are extremely fine-mesh screens for military and radar equipment. A few prototypes of full-size shadow mask for color tubes of standard 3-gun design have been made and shown to customers. Small samples of other style screens have been shown to all major tube manufacturers to illustrate the versatility of glass in this form. Corning does not discount the possibility of a successful glass screen for any type color TV picture tube. In fact, it considers this a probable result of its present basic work."

Evaluating color in its monthly newsletter, Grey Adv. Agency states: "Because of color TV, the trend to color will be speeded up in products which it has barely touched hereto. We can also expect color TV to trigger a new burst of research activity into the psychological influence of color in motivating human behavior. Don't be surprised, too, if color TV gives a powerful impetus to color advertising in print media, both magazines and newspapers. So, if color has been in the background of your thinking, look around you now and go into action before you feel the hot breath of competition."

Color film series, each episode based on one of the Ten Commandments, is planned by next season by NBC's Jess Oppenheimer—to be produced by his Burlingame Productions, Hollywood. The ex-producer of *I Love Lucy* plans to illustrate "moral values in modern dress," says he'll seek original stories from such writers as Ernest Hemingway, William Faulker, J. P. Marquand.

Attacking AT&T anti-trust consent decree (Vol. 12:4) as "one of the worst anti-trust dispositions I have ever seen" and "worse than nothing at all," House Judiciary Committee Chairman Celler (D-N. Y.) May 28 told Private Communications Assn. in New York that "the Attorney General has given AT&T singularly preferential treatment." In address following closely the lines of recent speech by Rep. Roosevelt (D-Cal.) from floor of House (Vol. 12:16), Celler pledged to bring facts of decree "to the attention of the public." He previously had indicated that his committee would investigate the settlement.

McGraw-Hill Book Co.'s text-film dept. (Albert J. Rosenberg, gen. mgr.) designated by Robert Saudek, exec. producer of *Omnibus*, as sales agent and distributor of the Ford Foundation-backed CBS show's films to educational and civic organizations; first to be released are "The Constitution" and "Lincoln" series.

TV-film actor Joe E. Brown gets honorary degree from Iowa Wesleyan College June 4.

**RCA PROMISES SOMETHING 'REVOLUTIONARY':** Eyes of whole industry are focused on RCA's Miami Beach convention (June 3-6) where more than 1300 distributors and field reps, including men from 16 foreign countries, meet with the top brass to appraise its new black-&-white and color models and to hear details of a merchandising program which an enthusiastic RCA spokesman asserts will "revolutionize and shake up the TV industry." That the TV trade needs some strong medicine, is evident from statistics showing retail sales down 10% from first 5 months of 1955.

RCA has revealed nothing in advance of extremely important convention -- in fact, has gone to extraordinary lengths to make sure that no premature information leaks out, clamping down tightly on comment by its people, high and low.

Price of new color sets has been one of hottest topics of conjecture in trade for months, and common expectation is that new line will start at \$495, or maybe even lower. At \$495, low-end color would be \$200 under RCA's current lowest-priced model. Importance that industry attaches to RCA's color plans is manifest in this comment from one major set maker:

"We're planning to start our color prices at \$595 in our new line. If RCA comes up with a \$495 price, however, we will be forced to split the difference and price ours at \$545. We won't make a penny at that price, but by the same token we can't go so far out of line with RCA as to lose our competitive position."

RCA will also probably show 14-in. black-&-white portable. Its 8½-in. 22-lb. portable, retailing at \$125, is reportedly moving well. An RCA official commented: "Our experience with portables thus far is all to the good. We like the salability of them, a good margin is assured the distributors and dealers, and you can safely say that we'll be in the portable market in full force."

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Admiral's purchase of Raytheon TV-radio div. (Vol. 12:21) was finalized this week. Though no price was announced, Admiral said it was an outright sale, financed with own capital and involving no stock transfer. Acquired were the 225,000-sq. ft. plant on Dickens Ave. and 208,000-sq. ft. plant on North Ave., both in Chicago, an inventory of finished TV-radio receivers, and all plant equipment. Raytheon's TV-radio operations will be continued as the Belmont div. of Admiral.

"No changes are contemplated in the present organization," said Admiral pres. Ross D. Siragusa. "It is our intention to expand this manufacturing operation and to move into the high-fidelity phonograph field as well." Admiral statement made no mention of Henry Argento, Raytheon TV-radio v.p.-gen. mgr., but a Raytheon release said he will "join Admiral Corporation in a similar capacity." Raytheon TV-radio div. employs about 750; some executive changes can be expected.

Raytheon's private label business, which includes Montgomery Ward, Western Auto & Gamble-Skogmo as prime customers, will be absorbed and expanded under Admiral plans. Siragusa is currently negotiating with those customers and others with view to increasing their orders for private-label sets.

Admiral is currently producing 1500 of its 10⅞-in. portables per day, with June 8 tentatively selected as introduction date in first 6 markets. "Portable TV business is saving the day" in currently depressed market, in Siragusa's opinion. He has stated that by August Admiral will have capacity to make 5000 portables daily.

Brief highlights of other major trade developments this week:

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**Those "Agonizing Reappraisals":** Among companies "reexamining" their positions in TV (Vol. 12:20-21), CBS-Columbia probably will decide its future by July 1 when Long Island City plant shuts down for vacation. E. K. Foster, Bendix Radio v.p. in charge of TV-radio plant in Baltimore, replying to persistent rumors his company is



going to quit the field, said: "As of now, we are in the business and intend to remain." And Avco chairman Victor Emanuel denied all reports that the Crosley-Bendix divs. are for sale, asserting: "There is no basis for rumors that Avco is in any merger negotiations, has entered any agreement, or intends to sell these divisions."

**Economic Slip Showing:** It's nothing to get alarmed about, economists insist -- but there's little doubt that TV sets are only one of nation's economic soft spots. Several basic industries are also experiencing sales declines this year, though the national economic indexes released by Govt. continue to reflect over-all prosperity.

Authoritative United Business Service, in editorial titled "How Dangerous Are the 'Soft Spots'?", gave this summary of current economic picture: "In a free and dynamic economy it is seldom that all the business indicators point in the same direction. Even in prosperous periods there will be 'soft spots.' At present time, when total output and employment continue at high levels, autos, farm equipment, textiles, appliances and some other industries are in a downward trend. The automobile industry is the leading current example. Last year was one of rapid expansion -- too rapid, it now appears...This industry is now in a period of readjustment."

But what does readjustment mean, for the businessman?

Josephthal & Co., big investment house, comments: "A business readjustment does not necessarily spell a recession, or an all-embracing downward spiral. 'Readjustment,' today, may mean a broad plateau, such as has been experienced in past months. This because something new has been added to the equation in the form of a managed economy -- more intensive research to create new markets, a stable working force at a time when other segments of our population are growing by leaps & bounds ...Divergence may well be the price of our new normalcy; our productive facilities probably could not supply an economy in which every industry is in the same gear."

National Assn. of Purchasing Agents, as close to economic pulsebeats as any single group, was canvassed at its convention last week by the New York Times, which came up with these composite forecasts: Seasonal slackening in business in third quarter, followed by pickup in fourth; for year as a whole, 1956 should be "good", though not as spectacular as 1955's record performance"; shortages of various types of steel and other items throughout summer and probably beyond; prices of many kinds of materials, including steel, are headed higher amid inflationary buildup.

**Production:** TV output totaled 117,767 week ended May 25, compared to 115,373 preceding week and 119,352 week ended May 11. It was year's 21st week and brought production for year to date to about 2,772,000, as against 3,250,000 in same period year ago. Radio production totaled 283,306 (76,723 auto) week ended May 25, compared to 255,193 preceding week and 271,632 week ended May 11. Radio output for 21 weeks totaled 5,650,000, compared to 5,525,000 in corresponding period of 1955.

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DISTRIBUTOR NOTES: Motorola appoints Grabell Lyons Inc., 740 Windsor St., Hartford, Conn. (Mo Grabell, pres.), replacing Post & Lester Co. . . Hoffman Electronics appoints J. W. Phillips Distributing Co., Seattle . . DuMont appoints J. S. George Supply Co., 112 North St., Burlington, Vt. (J. S. George, pres.) . . Raymond Rosen & Co., Philadelphia (RCA) appoints Sal Greco, ex-GE Supply Co., as adv. mgr. . . Mainline Distributors Inc., Toledo (RCA) appoints Jack Bassett Ft. Wayne sales mgr. . . Lincoln Sales Corp., Baltimore (Bendix Radio) names Donald Mowen western Md. regional mgr.

NARDA plans all-day meeting June 17 in Chicago's Merchandise Mart, on eve of summer furniture marts, to be featured by panel on basic industry problems. Participating will be Leonard F. Cramer, Magnavox TV-radio v.p.; Jack Sparks, gen. sales mgr. of Whirlpool-Seegeer; Thoben Elrod, pres. of Thoben Elrod Co., Crosley-Bendix Atlanta distributor; Marvin Joyner, pres. of Modern Distributors Inc., Motorola Oklahoma City outlet; dealers George Johnston of Minneapolis and Harold Witham, Bakersfield, Cal.

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"The personal portable opens up an entirely new aspect of TV. The extremely small, lightweight sets may become virtually an 'impulse purchase' type of merchandise. The consumer will be able to put the set under his arm and carry it home. In time, the smaller sets should be available in supermarkets, gasoline stations, specialty stores and in the many different types of outlets which handle small radios."—Financial analyst Edgar N. Greenebaum Jr. to Investment Analysts Society of Chicago May 31.

Automation's effect on TV-radio industry will be subject of meeting of IUE's TV-radio-parts conference board at Philadelphia's Bellevue-Stratford Hotel, June 21-23. Daniel Arnold, conference board chairman, stated that automation had come faster than anticipated in last 12 months and urged each local to submit recommendations on dealing with problem.

Excise tax collections on TV-radio-phonos totaled \$126,189,000 in 9 months ended March 31, compared to \$103,846,000 in corresponding period of preceding fiscal year, reports Internal Revenue Service. Collections in 3 months ended March 31 totaled \$50,073,000, as against \$49,090,000 in same 1955 period.

**Trade Personals:** Henry E. Bowes, gen. mgr. of Philco home radio div., named v.p.-gen. mgr. of TV div., succeeding James M. Skinner Jr., newly elected Philco pres., and reporting to Reese B. Lloyd, operations v.p. of TV & radio divs.; John L. Utz, sales mgr. of TV div., named to new post of gen. mgr. of portable TV receivers, succeeded by Gibson Kennedy, merchandising mgr.; James J. Shallow succeeds Bowes as gen. mgr. of home radio div., with Rayford E. Nugent promoted to succeed Shallow as gen. mgr. of accessory div. . . . Earl M. Wood named manufacturing mgr. of RCA's tube plants in Lancaster, Pa. & Marion, Ind., succeeded as Lancaster plant mgr. by Sydney White Jr., mgr. of power, pickup & phototube manufacturing at Lancaster; Edward E. Spitzer, mgr. of power tube engineering at Lancaster, promoted to engineering mgr. of Lancaster & Marion plants . . . C. J. Gentry, from factory-owned Chicago branch, appointed national car radio specialist, Motorola Inc. . . . John J. Anderson named mgr. of Westinghouse major appliance div., Mansfield, O., succeeding R. J. Sargent, now gen. mgr. of marketing & distribution for consumer products; S. J. Stephenson, mgr. of refrigerator-freezer dept., succeeds Anderson as mgr. of portable appliance div. . . . Julian M. Sammet, ex-pres. of big Boston Stores, Milwaukee, and v.p. of Federated Dept. Stores, appointed mgr. of customer relations, GE housewares & radio receiver div., headquartering in N. Y. . . . Thomas H. Ford, onetime product engineering mgr. of RCA air conditioning div., most recently product mgr. of Whirlpool-Seeger air conditioners, appointed to new post of asst. to U. V. Muscio, v.p. of Fedders-Quigan . . . Joseph H. Moss, ex-DuMont & Hoffman, resigns as Kenyon & Eckhardt exec. on RCA & Whirlpool-Seeger accounts to become pres. of C & M Industries Inc., 141 E. 44th St., N. Y., plastics & electronics merchandising firm . . . Lawrence LeKashman resigns as sales v.p. of Electro-Voice Inc. to become sales v.p. of David Bogen Co., Olympic subsidiary . . . Donald J. Perry promoted to Motorola regional

mgr. for Ariz.-So. Cal. territory, succeeding K. Warren Snider, now radio product planning mgr. . . . W. L. Schroder, ex-Servel, named Magnavox asst. comptroller . . . Don L. Daughters, ex-asst. director of RCA operations in Santiago, Chile, now sales director of RCA Brazil under Perry Hadley . . . Norman Paige, ex-Bozell & Jacobs and ABC, named asst. public relations director, Zenith Radio . . . Lou Klayman, mgr. of Mercury Records N. Y. distribution branch, promoted to eastern sales mgr., succeeding Joe Martin, now concentrating on special market sales . . . Sava Sherr, ex-pres. of Stanley Industries Inc. (aircraft parts), appointed chief mechanical engineer, International Resistance Co.

Comdr. C. G. (Rip) Mayer, in charge of RCA's Zurich labs, appointed managing director of RCA Great Britain Ltd., name having just been changed from RCA Photophone Ltd. He succeeds P. A. Turnor. Also announced by RCA International Div. v.p. & operations mgr. Albert Waters is appointment of Pietro Vaccari as managing director of RCA Italiana S. p. A., Rome. P. J. (Pat) Casella, from RCA Canada, temporarily assigned to Rome after resignation of G. A. Biondi, has returned to his Montreal headquarters, goes back to Rome for several months to help Signor Vaccari get oriented.

James B. Conkling, pres. of Columbia Records since Feb. 1951, resigns "for personal and business reasons to relocate in California, where he will establish independent production activities." Goddard Lieberman, exec. v.p. of Columbia Records since 1949, is promoted to succeed him. CBS pres. Frank Stanton, in reviewing progress of record div. in Conkling's 5-year regime, said its sales last year increased 60% over 1950.

Dan D. Halpin, ex-RCA TV sales mgr., ex-gen. sales mgr. of DuMont & Westinghouse TV receiver divs., joins Young & Rubicam, N. Y., as merchandising exec. on GE's TV account.

**N** V. PHILIPS' Gloeilampenfabrieken, the corporate mouthful that is Philips of Holland, known throughout the world simply as Philips, jumped its sales to \$595,300,000 last year from \$505,483,000 the year before and boosted net profits after taxes to \$38,676,000 from \$31,140,000, according to its 1955 annual report. One of the Big 3 of Dutch industry—others being Royal Dutch Shell and Unilever—its operations extend to 89 countries.

Its common stock is traded over-the-counter here, and its subsidiary holdings in other countries are considerable. One of its major stockholders is reputed to be former Queen Wilhelmina, whose business acumen is highly respected in many money capitals and who once had big realty holdings in the U.S., including, it is said, Washington's big Westchester Apartments.

While American electronic firms, and to a large extent British and German, have concentrated on meeting the demands of their own ripe TV-radio set & tube markets, Philips depends mostly on export; if it doesn't export directly from its giant plants at Eindhoven and elsewhere in the Netherlands (Holland payroll, around 40,000), Philips will be found owning, holding control of or having substantial interests in hundreds of local concerns all over the world. Mostly they're under the Philips name—but there are some substantial entities under other names—like Mallard, England (tubes); Valvo, Germany (tubes); North American Philips Co. (Norelco products, notably radios and electric shavers).

In TV-radio, Philips doesn't cut much ice in the U. S., its efforts to introduce projection TV having proved one of its few big flops. But its annual report, which does not list its foreign subsidiaries (though it contains illustrations of its glass works in Alexandria, offices & warehouses in Lima, main office in Istanbul, model of factory & offices to be built in Mexico City), notes that it has a "United States Trust" and that shares of these unnamed companies will be transferred soon to a separate Trust to be known as "Philips' United States Trust"; also, that these U. S. companies had a total net worth of \$32,046,514 as of last Dec. 31 as against \$27,913,194 on Dec. 31, 1954.

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Radio was a major product even before the German occupation, and Philips' executives admitted to us that it still exceeds the value of TV trade—though the latter is climbing fast. The world is Philips' oyster, and its excellent radios are such staple items that it's a fair guess Philips as a whole makes and sells more radios than any other single company in the world—not even excepting GE, Philco or RCA.

But TV is coming along fast and its potential is enormous. Why shouldn't it be—with less than 1% saturation as yet in Austria, Switzerland, Denmark & Sweden; only about 2% in Holland, Italy & Belgium; around 3% in France, and not much more as yet in fast-coming Germany; indeed, only about 40% in the British Isles (figures from Philips).

Actually, it isn't fair to compare Philips with any other single company either in the U. S. or elsewhere, for its products are so diverse as to defy such cataloging and neither its annual report nor other company literature



gives any hint as to their relative value in the company's trade and balance sheet. But it's no great secret that radio and TV are among the most cherished earners in a vast list of consumer, industrial and military products.

At Eindhoven, at least, Philips itself makes every component that goes into its TV-radio sets—cabinets, chassis, tubes, components, even the corrugated board for packaging. It makes its own glass bulbs for CR as well as receiving tubes, and draws its own wires and filaments.

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Philips actually began, as its name might indicate, as a manufacturer of incandescent lamps and associated products. In that field, and in fluorescent lighting, it's a dominant factor in a powerful European cartel. Indicating practical economy as well as the promotion-mindedness of its shrewd managers, its life-testing laboratory for big & little lamps and tubes is the glass tower of its tallest Eindhoven building—providing a dazzling beacon over the flat Holland terrain as well as a constant conversation piece for natives and tourists alike.

From lamps, it was a short jump to electronic tubes, radios, transmitters, TV sets, radar—even X-ray apparatus, microscopes and various other medical equipment. Philips also is a prime factor in the field of ferrites and synthetic resins, and its pharmaceutical-chemical product lines are always expanding. It makes phonographs, of course, and phonograph records (American tieup: Columbia Records)—and it even makes welding apparatus and diamond tools. Most bear the Philips brand.

It's the dominant industry in Eindhoven, of course, and its factories are going such full blast on 2 & 3 shifts that some 3000 extra workers, mostly girls, have to be transported by company buses each day from nearby Belgian towns. Eindhoven (pop., about 135,000, located about 50 mi. southeast of Rotterdam) is where the late Dr. Philips started a tiny factory after the turn of the century; it's where the managerial brains reside and work (chairman P. F. S. Oteen is a son-in-law, vice chairman F. J. Philips a son) and where most of its great scientific skills are centered. It's a favorable labor market, strikes being virtually unknown. (The girls on the TV-radio assembly lines, incidentally, earn the equivalent of about \$5 a week for work that earns British factory girls about \$15 and ours from \$65 up—though this really is an oversimplification, for the disparity in real income and in living & buying standards isn't that great.)

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Philips is highly respected not only by its competitors but in world financial circles. Pre-war, it was a rising young giant; in its first full post-war year, after it had pulled itself up by the figurative bootstraps from a bitter German occupation, it showed the symptoms of the growth it was to enjoy. Its 1947 total sales came to about \$130,000,000, on which it earned a 4.2% profit after taxes. The next year, it sold some \$170,000,000 worth of products, earned 1.8%.

Its growth thenceforth was steady and sure: 1949, \$218,400,000 sales and 1.9% net profit on sales after taxes; 1950, \$258,400,000 & 4.9%; 1951, \$326,800,000 & 5.1%; 1952, \$364,200,000 & 4.6%; 1953, \$421,300,000 & 5.5%; 1954, \$505,483,000 & 6.2%; 1955, \$595,300,000 & 6.5%. On an index basis, you get some idea of the Philips sales growth in comparison with big U. S. entities when, taking 1951 as 100, Philips comes up with a 1955 index figure of 182 vs. the \$1 billion RCA's 176, the \$3.1 billion GE's 133, the \$1.4 billion Westinghouse's 116.

The far-flung nature of its operations is indicated by the fact that its 1955 total payroll around the world was 143,000 as against RCA's 70,000. It's interesting to note that the average wage per employe of Philips last year was

\$1390 as against \$5248 for RCA. The sales productivity per average employe at Philips was \$4162 vs. RCA's \$15,075. Philips' total assets in 1955 were \$720,000,000.

Philips' exports from the Netherlands last year rose by 13% over those of 1954, says the 1955 report, and are expected to go up this year by approximately the same percentage. But the Netherlands' figures taken alone can be illusory because of the vast foreign holdings. This is an international company in every sense of the word—and these observations in a report issued last fall by Guaranty Trust Co. are still apropos:

"The proportionately greater growth of [Philips'] overseas sales, as compared with European continent, reflects the company's geographical diversification policy, but it brings company into more direct competition with major American and other companies serving the same markets. Just what the future holds in store in this respect is hard to evaluate, although company's very broad experience in international trade over many years should equip it well. Operating throughout the world as it does, Philips is subject to all the political and economic uncertainties posed by the dozens of countries where it produces or sells. Company is subject to trade barriers, currency restrictions and the whims of many governments. International peace and free trade would represent ideal conditions for company operations, but prospects for these are subject to rapid change, as is well known. Generally speaking, rising incomes and the improving standards of living throughout the free world, together with some lessening of trade barriers and improving convertibility of currencies, have improved prospects for company in last year or so."

**ELECTRONICS PERSONALS:** Theodore A. Smith, v.p.-gen. mgr. of RCA defense electronic products, elected exec. v.p. for defense electronics; Arthur A. Malcarney, gen. mgr. of commercial electronic products, elected a v.p. . . . Walter W. Finke, v.p. & gen. mgr., elected pres. of Data-matic Corp., jointly owned by Raytheon and Minneapolis-Honeywell; he succeeds John J. Wilson, who continues as a director . . . Frank Norton named technical director of Ramo-Wooldridge Corp.'s new electronic instrumentation div., Denver . . . Arthur V. Loughren, pres. of IRE, who resigned recently as Hazeltine v.p.-research director, will be guest of honor at June 11 meeting of Washington IRE in Hotel Statler.

Armed Forces Communications & Electronics Assn. elected new president Col. Percy G. Black, USA ret., Automatic Electric Co., at Boston convention last week end, succeeding IRE secy. George W. Bailey. Reelected v.p.'s were Rear Adm. Henry C. Bruton, Director of Naval Communications; Maj. Gen. James D. O'Connell, Army Chief Signal Officer; Brig. Gen. A. L. Pachynski, Air Force Director of Communications-Electronics; W. W. Watts, RCA. Newly elected v.p. was Washington attorney Frank W. Wozencraft. Washington attorney Ralph C. Walker was elected gen. counsel. Elected directors were Theodore S. Gary, General Telephone; F. R. Kappel, Western Electric; Brig. Gen. J. Harry LaBrum, Philadelphia attorney; Brig. Gen. David Sarnoff, RCA; Maj. Gen. Francis L. Ankenbrandt, director of communications-electronics, Joint Chiefs of Staff; Joseph E. Heinrich, AT&T; Rear Adm. Charles F. Horne, USN ret., Convair; Capt. David Hull, USN ret., Raytheon; Maj. Gen. Francis M. Lanahan, USA ret., Federal Electric.

Top-level Air Force communications-electronics promotions: Maj. Gen. Gordon A. Blake, director of communications-electronics, June 2 becomes asst. deputy Air Force chief of staff for operations; Brig. Gen. A. L. Pachynski succeeds him as communications-electronics director; Col. Bernard M. Wootton replaces Pachynski as deputy director of communications-electronics.

**Topics & Trends of TV Trade:** Magnavox is one company that's apparently unworried about current TV-radio recession, its v.p. Gerard M. Ungaro telling *Wall Street Journal* that fiscal year ending June 30 will show record sales and earnings; that excellent market prevails for its hi-fi radio-phono combinations, tending to cushion falling off in TV sales; that, though present industry-wide slump may last 2-3 months more, he expects Magnavox's fiscal 1957 to be even better than 1956 record-breaking year.

Magnavox recently acquired Sparton and Sentinel (Vol. 12:2, 8), reported 9 month sales, to March 31, were \$52,063,296, up 23% from \$42,383,971 in same period of preceding fiscal year and comparing with \$55,071,765 for full year ended June 30, 1955. Earnings in 9-mo. period rose to \$2,639,283, or \$213,196 above the figure for the entire 1955 fiscal year.

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Automobile TV installations are possible now, using specially designed inverters shown at last week's Parts Distributors Show in Chicago by American TV & Radio Co., St. Paul. On display was model designed for use with RCA 8½-in. portable, which plugs into car's cigarette lighter and lists at \$42.50. Other units, made for Admiral 10½-in. portable and GE 9 & 14-in. sets, will retail at \$84.95 and can be mounted under dash or in car's trunk. ATR gen. mgr. Albert A. Goffstein says RCA plans to demonstrate inverter at its distributor convention in Miami Beach Auditorium, June 3-6.

National Video Corp., one of largest independent tube makers, takes issue with our statement of last week that only RCA and Thomas Electronics are producing tubes smaller than 14-in. Writes sales mgr. Harold Cole: "Please be advised that we are currently in production on considerable quantities of 10¾-in. rectangular tubes and also on 8-in. tubes."

Philco will produce portable TVs at its Sandusky, O. radio plant starting Aug. 1, company spokesman saying "we just don't have enough room in our Philadelphia facility to accommodate the increased demand." Philco introduced 14 & 17-in. portables several weeks ago (Vol. 12:17), still hasn't priced them.

Sylvania added 3 new 14-in. tubes to its line this week to capitalize on fast-growing portable market. Two of tubes (14QP4 & 14QP4A) have 70-degree deflection, 96-sq. in. screen area, measure 16 5/32-in. in length; third tube (14SP4) is aluminized, with 1 7/16-in. neck diameter, 104-sq. in. screen area, measures 14 3/16-in.

RETMA's annual convention June 12-14 at Chicago's Edgewater Beach Hotel will elect officers and vote on by-law amendments designed to simplify dues structure. All 5 divisions will meet June 13, with banquet scheduled final evening, when 1956 Medal of Honor will be presented to Motorola pres. Paul V. Galvin.

GE will promote servicing of its TVs & appliances in special national ad campaign this summer and fall, according to field service mgr. J. R. Davis. Said he: "Today's customer will be influenced in her buying decision by knowing that GE's superior product service organization stands behind her purchase."

Philco plans tie-in promotion with General Mills starting in mid-Aug., offering weekly appliance prizes for correct answers to Presidential quiz enclosed in each bag of flour, with winner of \$25,000 grand prize to be announced on Philco's election night coverage on ABC-TV.

Harry Resnick, pres. of Channel Master Corp., chosen for "Page One Achievement Award" of Kingston (N. Y.) Newspaper Guild, author of article on "TV Around the World" in *N. Y. Herald-Tribune's* TV-radio magazine.

**Electronics Reports:** "Professional electronics," as the Philips 1955 annual report (see pp. 1 & 12) describes the non-consumer and non-military phases of the industry, now has more than 1,000,000 persons all over the world concerned with research, development and production—and the free world's output of professional electronic equipment for civilian use amounted to an estimated \$1.12 billion last year, or 5 times the 1947 value. Production for military use represents a still larger sum, says the electronic tubes chapter of the report, which notes that the development of sales of electronic tubes is a good index to the growth of the industry. Philips' own world sales are undisclosed, but they're reported 19% ahead of 1954 which, compared with 1950 taken as 100, represents an index of 243.

"The share of professional electronics, which in former years was small in comparison with the total of the industry, has now assumed impressive proportions and shows every sign of even greater expansion in the future," says the report. "The new means that have been added to the resources of the electronics industry during the last decade, especially the ferrites, the semi-conductors and the printed wiring and circuit techniques, will appreciably widen the scope of professional electronics in particular."

Examples cited are electronification of telephone exchanges, industrial & administrative automation, military equipment, computers, controls and checks for nuclear reactors, medical applications, aeronautical measuring and control appliances. "It may be said," the report adds, "that whereas hitherto the emphasis was on applications for wireless communications, those for communication by wire, and those in industry, are now claiming a progressively increasing share in the total activity of the electronics industry."

In transistors as well as tubes, the report indicates Philips is making strides. It has expanded its center for semi-conductors in Nijmegen, opened in 1954; has entirely replaced its "Rimlock" series of radio tubes with the improved "Noval"; has a complete range of high-fidelity tubes now ready for use, and is expanding use of battery-fed tubes with low filament-current consumption; is making envelopes for 21-in. picture tubes at its own molded-glass factory in Eindhoven; has introduced the metal-backing process of its projection tubes to several direct-viewing tubes; now makes a transmitting tube for uhf, a radar tube of high power, tubes for beam transmitters; is employing small gas-filled tubes, such as trigger tubes, thyratrons, stabilizer tubes and photocells on a wider scale.

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Zenith Radio adopted unusual expedient of advertising in London newspapers last week for physicists, chemists & metallurgists—impelling the secy. of Assn. of University Teachers to warn the British people that U. S. salaries for scientific workers, averaging \$5000 to \$12,000 a year, threaten to drain off young British scientists who start at about \$2800 in industry, \$1960 at teaching.

Raytheon will occupy first completed building in new Hooksett Industrial Park, near Manchester, N. H., according to Suncock Charitable Foundation, owner of the development. Raytheon's new 53,000-sq. ft. plant, to be occupied later this year, will initially employ about 200 in manufacture of commercial electronic and electrical gear.

Texas Instruments Inc., Dallas, a leader in transistor field, has acquired William I. Mann Co., Monrovia, Cal., through exchange of 21,000 shares of its common stock for all outstanding stock of Mann (precision optics).

GE will move its communication equipment section from Syracuse & Utica areas to new 300,000-sq. ft. plant near Gainesville, Fla., due to employ 1700 when placed in full operation in about 2 years.



**Financial & Trade Notes:** West Germany's TV-radio-electronics industry is booming, too—and one of its major factors is Siemens & Halske, which is more nearly a counterpart of Westinghouse than of any other American company or even of Philips of Holland. Actually, its 155,000 payroll exceeds that of Philips (see p. 12) and its rising sales curve is quite impressive. Siemens-Schuckert Co., a 100% subsidiary, does most of its volume, specializing in heavy equipment, while the parent company is identified mainly with communications equipment and appliances. Around 22% of the company's trade is foreign, and its domestic TV-radio are considerable items, for Germany had to build radio from scratch after the war (FM) while its TV industry is coming along fast.

Trade talk in Europe is that West Germany's domestic TV set sales in 1957 may run up to 1,000,000. Presently, there are only about 500,000 sets in use. The big producers in German TV, besides Siemens, are Telefunken, Philips, Grundig and Straub, main factors in a market that is trending upward from an early 1956 monthly output of between 30,000 & 40,000 units.

Siemens & Halske's 1955 report discloses sales of \$483,300,000 which, using 1951 as base, gives an index of 205; this is up from \$373,800,000 in 1954 (158); \$314,300,000 in 1953 (133); \$278,100,000 in 1952 (118); \$235,700,000 in 1951 (100). Profits after taxes, with index, were \$7,600,000 in 1955 (155); \$5,300,000 in 1954 (108); \$5,200,000 in 1953 (106); \$4,900,000 in 1952 (100). The relatively low earnings are explained by fact that they're after substantial tax-deductible writeoffs and reserves other than depreciation. The German tax system permits retention of large cash funds out of earnings for expansion. Company's order backlog last Sept. 30 was \$627,000,000.

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McIntosh Laboratory Inc., Binghamton, N. Y., manufacturer of custom high fidelity components for sound systems, headed by Washington consulting engineer Frank H. McIntosh, reports 1955 sales of \$779,553, up 44% from the \$540,415 of 1954. Net income after taxes was \$51,207, up 114% from \$27,279 last year. Net after deduction of taxes and preferred dividends was equal to \$4.14 per share on the 12,281 common stock outstanding, as compared with \$2.67 on the 8956 shares outstanding at end of 1954. Firm put some of its common and preferred (24,000 shares authorized, 576 outstanding) on market last year; it paid 6% on preferred but did not pay common dividend in order to retain working capital. Earned surplus was \$52,252 at end of 1955 vs. \$1596 at end of 1954.

**Movie profits drop:** Warner Bros. and subsidiaries' net profit was \$1,863,768 (75¢ a share) for 6 months ended Feb. 25, down from \$2,081,000 (84¢) year ago; including special credit of \$3,000,000 for contingent reserve no longer required, profit would have been \$4,863,786. Film rentals & sales for 6-mo. period were \$37,587,622, up from \$35,079,989. Columbia Pictures for 40 weeks ended March 31 earned \$1,855,000 (\$1.57) vs. \$3,655,000 (\$3.25) year earlier.

In report on CBS, Pershing & Co., N. Y. points out that its stock is widely held by outstanding investment trusts—Incorporated Investors owning 188,000 shares, Mass. Investors Trust 81,600, State St. Investment Corp. 20,400.

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**Dividends:** Penn-Texas Corp., which recently absorbed Hallicrafters, has declared 2½% stock dividend payable June 30 to stockholders of record June 8; Admiral, 25¢ June 30 to holders June 15; Arvin, 50¢ June 30 to holders June 11; Standard Radio Ltd "A," 15¢ July 2 to holders June 8; RCA, 25¢ July 23 to holders June 15.

Nuclear Corp. of America Inc., whose pres. Sam Norris reported to stockholders recently that it will exceed \$2,000,000 sales in 1956 and should reach \$4,000,000 in 1957 and \$6,000,000 in 1958, has elected to its board James V. Cosman, ex-N. J. broadcaster, now v.p. of Nuclear subsidiary Central Electronics Manufacturers, and David M. Goodman, ex-TelAutograph Corp., Magnavox and Hughes Aircraft. The 11-man board now also includes Wm. J. Barkley, ex-Collins Radio exec. v.p., now pres. of Granite State Broadcasting Co., Manchester, N. H. Nuclear Corp. originally was Nuclear Consultants Inc. It merged into Reo Holding Co. in Oct. 1955, is now listed on American Stock Exchange ("first listed company dealing principally in the commercial applications of atomic energy and related advanced electronics") and has headquarters in Empire State Bldg. Its treasurer is James Wallen, ex-treas. of MBS and of Federal Telephone & Radio Co. (IT&T). In March it acquired the Cosman firm (electron tubes and components) for 400,000 Class A shares; in April added Research Chemicals Inc., Burbank, Cal. (rare earths), for 22,222 shares; in April also added Isotopes Specialties Co., Burbank, Cal., for 47,991 shares. Of its 547,502 shares of common stock and 1,714,852 shares of Class A, TelAutograph Corp. is beneficial owner of 56,700 & 336,000 shares, respectively (approximately 17% of voting stock); Mr. & Mrs. Cosman own 212,618 shares of Class A; Norris holds options to acquire 50,000 shares at \$2.10, Barkley 5000 at \$2.15, among other option outstanding. Assets at end of 1955 were \$2,083,506.

Daystrom Inc., which recently acquired Weston Electrical Instrument Corp., among other companies, reports sales for fiscal year ending March 31 declined to \$63,192,498 from \$73,816,645—but net income improved to \$1,784,181 (\$2.01 per share on 886,687 shares) from \$1,716,216 (\$2.61 on 658,761 shares) after taking into account special credit of \$143,218 and non-recurring costs relating to Weston merger. Pres. Thomas Roy Jones said sales of company, now mainly in electrical & electronics fields, should exceed \$70,000,000 in this fiscal year.

Dynamics Corp. of America, which recently absorbed subsidiary Reeves-Ely pfd. in stock exchange, grossed \$41,894,958 in 1955, earned \$2,012,071 vs. \$36,440,014 & \$2,010,447 in 1954. Standard Electronics div. TV-AM station equipment sales, pres. David T. Bonner reports, did not reach hoped-for levels but "we believe our continued research and development work in this field will result in future satisfactory sales volume."

Airborne Instruments Laboratory earned \$568,265 (\$2.87 per share) on sales of \$9,255,950 in 1955, compared to \$270,000 (\$1.44) on record sales of \$10,387,000 in 1954. It was explained that 1955 profit included non-recurring income resulting from contract renegotiation & recovery of prior-year depreciation costs. Contracts on hand as of March 31 had face value of \$21,445,400, representing \$7,100,000 backlog.

Whirlpool-Seeger earned \$3,762,062 (62¢ per share on 5,810,550 common shares outstanding) after taxes of \$4,092,337 on sales of \$95,068,150 in first quarter of 1956. No comparison was made with first-quarter 1955 earnings and sales of Whirlpool Corp. and Seeger Corp., which merged last Sept. 15. RCA and Sears, Roebuck each owns about 20% of Whirlpool-Seeger.

Guild Films Inc. was listed on the American Stock Exchange for trading from May 31. For quarter to Feb. 29, Guild Films reports net income of \$35,656 (3¢ per share), no comparisons available.

American Electronics Inc., Los Angeles manufacturer of electronic & aircraft components (Philip W. Zonne, chairman) now traded on American Stock Exchange.

## Network Television Billings

April 1956 and January-April 1956

(For March report see *Television Digest*, Vol. 12:19)

**A**PRIL BILLINGS of all 3 TV networks dipped slightly under March (Vol. 12:19)—but they ran 19.2% ahead of April 1955 to bring 4-month total to \$155,642,508 as against \$132,001,408 for same 1955 period. Publishers Information Bureau's monthly report, released May 31, thus shows the network business running 17.9% ahead of last year. The complete PIB April report:

NETWORK TELEVISION						
	April 1956	April 1955	% Change	Jan.-April 1956	Jan.-April 1955	% Change
CBS	\$17,654,210	\$15,426,214	+14.4	\$70,288,002	\$61,988,977	+13.4
NBC	15,136,596	13,285,933	+13.9	59,632,400	52,980,362	+12.6
ABC	6,173,922	3,527,558	+75.0	25,722,106	14,619,874	+75.9
DuMont†	—	462,335	—	—	2,412,195	—
<b>Total</b>	<b>\$38,964,728</b>	<b>\$32,702,040</b>	<b>+19.2</b>	<b>\$155,642,508</b>	<b>\$132,001,408</b>	<b>+17.9</b>

### 1956 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
Jan.	\$ 6,382,046	\$17,820,455	\$14,695,116	\$ 38,897,617
Feb.	6,418,210	16,928,361	13,845,000	37,191,571
March	6,747,928	17,884,976*	15,955,688	40,588,592*
April	6,173,922	17,654,210	15,136,596	38,964,728
<b>Total</b>	<b>\$25,722,106</b>	<b>\$70,288,002</b>	<b>\$59,632,400</b>	<b>\$155,642,508</b>

\*Revised as of May 31, 1956.

† Effective Sept. 15, 1955, DuMont changed from a national network to a local operation.

Note: These figures do not represent actual revenues to the networks, which do not divulge their actual net dollar incomes. They're compiled by Publishers' Information Bureau on basis of one-time network rates, or before frequency or cash discounts, so in terms of dollars actually paid may be inflated by as much as 25%. However, they're generally accepted in the trade as an index.

Bill to require TV stations to give free time to leading presidential candidates picked up some support this week from "liberal Democrats" in Senate. Introduced May 29 by Senators Humphrey (D-Minn.), Mansfield (D-Mont.) & Sparkman (D-Ala.), bill was permitted to "lie on the desk" until Feb. 5 to permit other senators to join in sponsoring it. By week's end, Sens. Morse (D-Ore.) & Murray (D-Mont.) had added their names. The bill, S-3962, is identical to HR-11150, introduced in House by Chairman Priest (D-Tenn.) of Commerce Committee (Vol. 12:19), and would waive equal-time rules for minor party candidates, but require networks and stations to give each major presidential candidate 30 min. weekly in Sept., one hour weekly in Oct., one hour in Nov., preceding presidential election. In floor speech May 31, Humphrey justified the free-time requirement thus: "The American people have made a gift of the exclusive use of certain channels to the licensees involved. [The] American people may, if they wish, attach to such a lucrative gift certain conditions important to the public welfare. The condition of free time for the discussion of public issues is a reasonable one. Indeed it has now become more than that; I think it has become essential."

Biggest uhf conversion campaign ever attempted is in the works at NBC for its new WBUF-TV, Buffalo (Ch. 17). Though details are still being worked out, real effort won't begin until station starts full schedule of NBC-TV programs Aug. 15 and occupies new plant shortly thereafter. As part of plan, network will bring station to full 1-megawatt power as soon as RCA can install equipment.

Three applications this week: For Williston, N. D., Ch. 8, by Meyer Bestg. Co., owner of KFYR-TV, Bismarek, and grantee of KMOT, Minot; for Oxford, O., educational Ch. 14, by Miami U; for Mayaguez, P. R., educational Ch. 3, by Dept. of Education.

Power increases: WINT, Waterloo-Ft. Wayne, Ind. (Ch. 15) May 20 to 442-kw ERP (directional); WTVO, Rockford, Ill. (Ch. 39) May 25 to 195-kw.

Armed Forces TV Service now operates 17 TV stations at remote bases for American servicemen and their families. Most unusual is complete Ch. 4 station, equipped for live & film programming, on aircraft carrier *USS Bandoeng Strait*, which has been operating since March as a pilot project to test effectiveness of TV as an entertainment medium for sailors aboard ship. AFTS chief Lt. Col. M. E. Williamson reports TV has been extremely well received by those stationed aboard carrier. Armed Forces stations went on air this month at Ft. Amador, Canal Zone; Eniwetok, Marshall Islands; Fort Greeley, Alaska. All recent stations—including one on aircraft carrier—use Dage equipment and radiate about 100 watts. Other stations planned: Kodiak, Alaska, June 1; Adak, Alaska, June 25; Goose Bay, Labrador, July 4; Stephenville, Newfoundland, Aug. 1; closed-circuit installation at port of Whittier, Alaska, about Sept. 1. All stations rely mainly on kines furnished by networks, sponsors, agencies—plus syndicated films—for bulk of programming. Revised and up-to-date list of all AFTS stations, with essential information, will be a feature of our upcoming *Fall-Winter TV Factbook*.

WNHC-TV, New Haven (Ch. 8) with radio WNHC reveal total assets of \$1,979,858, fixed assets amounting to \$845,049, in April 30 combined balance sheet filed this week with FCC with application for their transfer to Triangle Publications (Walter Annenberg) for \$5,400,000 cash (Vol. 12:21). Liabilities include earned surplus of \$1,586,934. Capital stock of 1050 shares at \$25 (\$26,250), is 41.6% owned by gen. mgr. Aldo DeDominicis.

Noted "horse-racing case," which brought denial of license renewal to radio WWBZ, Vineland, N. J. (Vol. 11:49) was appealed to courts this week. At same time, station asked FCC to reopen record on grounds that it hadn't been able to inspect and counteract certain information filed with FCC. This referred to letter from Justice Dept. quoting unnamed sources which alleged that station was "run by bookmakers and gangsters."

Crowell-Collier Publishing Co. reports that 95% of common shareholders of Consolidated TV & Radio Broadcasters Inc. (Bitner group) have agreed to sell per recent amended offer (Vol. 12:21); Bitners are selling their 42½% at \$19.50 on time basis (8 years), others selling for \$20 cash less 50¢ bank handling.

High tower proposal by Crosley's WLWA, Atlanta (Ch. 11), was unanimously rejected this week by Washington Airspace Panel on grounds it would constitute a serious hazard in controlling air traffic at Atlanta's 3 airports. WLWA had proposed 1326-ft. tower at new location, replacing its present 586-ft. structure.

Another bill to legalize vhf boosters which currently are unlicensed was introduced this week by Rep. Gracie Pfof (D-Ida.). Her HR-11493 is identical to HR-11165 & HR-10944 introduced by Reps. Wharton (R-N. Y.) & Don Magnuson (D-Wash.).

First study of France's "Tele-Clubs"—TV viewing groups in rural communities—was published this week by UNESCO, based on cooperative UNESCO-Television Francaise adult TV education research project. Entitled *Television & Rural Adult Education* (UNESCO, 276 pp., \$3.50), illustrated report is available in U. S. from Columbia University Press, 2960 Broadway, N. Y.

TV is coming to Barcelona, Spain—DuMont having shipped camera chain and associated equipment to govt.-controlled Radio Nacional de Espana for experimental station in that city. Spain's only other TV station—also experimental—is operated by the U of Madrid.

Big 10 regional telecasts were awarded this week to NBC-TV, which also has NCAA national football schedule.



JUN 11 1956

**THE AUTHORITATIVE**  
NEWS SERVICE FOR MANAGEMENT  
OF THE VISUAL BROADCASTING AND  
ELECTRONICS ARTS AND INDUSTRIES

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# Television Digest

with **ELECTRONICS REPORTS**

PUBLISHED WEEKLY BY RADIO NEWS BUREAU • WYATT BLDG. • WASHINGTON 5, D.C. • TELEPHONE STERLING 3-1755 • VOL. 12: No. 23

## SUMMARY-INDEX OF THE WEEK'S NEWS — June 9, 1956

**COLOR SET AT \$495** offered by RCA, hoping "under-\$500" appeal will crack consumer resistance. Most other manufacturers continue cautious (pp. 1, 10 & 13).

**SHAPE OF ALLOCATIONS** decision outlined, as FCC meets for probable final vote June 12. Court of Appeals sustains FCC's allocations authority (p. 2).

**TV CODE REVIEW BOARD** threatens several stations with expulsion, warns subscribers to remove "pitch" ads, votes to admit film producers (p. 3).

**POINT OF SALE** has moved from the sales counter (now self-service) to the living room (while folks are at leisure)—CBS-TV pres. Jack Van Volkenburg (p. 3).

**CBS ANSWERS CHARGES** in 224-p. textbook on "Network Practices," mailed to Senators in advance of Pres. Stanton's testimony June 12 (pp. 4 & 5).

**"TV FESTIVAL WEEK"**—featuring re-runs of year's best on TV—suggested as TV Academy public relations project, substitute for Emmy awards (p. 7).

**FILM FIRM BUYS STATIONS**—Guild Films acquiring Wisconsin TV-radio outlets for more than \$600,000, first such venture by TV film producer-syndicator (p. 7).

**RECORD TV INVENTORIES**, emergence of under-\$500 color cloud black-&-white outlook. GE aims for 18% of TV market. Emerson introducing 'Tinkertoy' set (p. 11).

**GE CUTS TRANSISTOR PRICES** for second time in month, raising possibility of 20% reduction in transistorized portable radios next year (p. 14).

**PHILIPS' U. S. HOLDINGS** represent net worth of more than \$32,000,000. List of its subsidiaries indicates wide range of operations and sales (p. 15).

**NEW VHF STARTER** in Columbus, Miss., as uhf quits in Ashtabula, O. Albany area uhf WTRI resumes June 15; uhf WGMT, Adams, Mass., postpones resumption (p. 9).

**UHF IN BROWNWOOD, TEX.**, Milwaukee educational vhf, granted by FCC. Examiner favors WVMI for Biloxi, Miss. Ch. 13 in "second initial decision" (p. 9).

**EUROPEAN BROADCASTING** officials impressed by U. S. color demonstrations, now face difficult question of compatible vs. unified system for Europe (p. 10).

**PAY TV QUIESCENT** at FCC and Congress, forcing proponents to explore closed-circuit and foreign possibilities. Public polled by Look Magazine (p. 16).

**'MAGIC' IN \$495 PRICE FOR COLOR SETS?** With RCA cracking the color-TV "price barrier" by introducing \$495 set this week, \$200 under previous low, we'll finally see whether there's "magic" in the under-\$500 price that will also crack consumer resistance.

Since new price was commonly expected, industry wasn't startled. Attitude may still be summed up thus: "We'll wait and see. If public buys, you can be sure we'll jump in and get our share." And at least one shrewd manufacturer is concerned lest new price produce drop in black-&-white sales without bringing sufficient color sales and profit to compensate for it. We've spot-checked industry leaders, and summary of their responses is reported on p. 13.

RCA announced the \$495 price as it introduced 10-set color line, along with 25-set monochrome series (see p. 14), at distributors convention in Miami Beach. The color line ranges up to \$850; previous spread was \$695-\$995. (For description of color line, see p. 10.)

Enthusiasm of distributors was considerable, and they reportedly bought color "quite heavily." Robert A. Seidel, consumer products exec. v.p., gave them a vigorous pitch, reiterating that RCA alone plans to make "upwards of 200,000" this year. "We are convinced," he said, "that this new merchandise opens the door to the public's realization that color, pioneered and developed by RCA, has arrived."

RCA's Chicago distributor is worth singling out for reaction, because of fact NBC's WNBQ there is first "all-color" station and color promotion has been focused on city. Here's comment of Ned Corbett, v.p.-gen. mgr. of RCA Victor Distributing Corp.: "There's no question but that the price has been a major deterrent to color sales so far, and this goes a long way toward correcting that situation. The consensus of the boys in Miami Beach was that \$500 was the barrier. You can bet we're going to sell many, many times the number we sold in the past."

Because of previous announcements on color programming plans of NBC, color-

casting figured lightly in convention. On hand, but making no speeches, were NBC pres. Robert W. Sarnoff and owned-stations v.p. Charles Denny. NBC has said it will double color schedule to 80 hours monthly this fall.

CBS also plans an increase. CBS-TV pres. Jack Van Volkenburg tells us he expects about 40% increase this fall, virtually all live, most from the west coast. CBS has been doing about 2½ hours a week this season.

The tenacity and drive of RCA in its determination to put color across is a remarkable phenomenon. For several years now, RCA has taken successive steps, one-by-one, seeking the level at which color would become so attractive to both public and industry that its success would be assured.

RCA principals have frequently considered efforts of other manufacturers too lukewarm. For example, Marie Torre's column in June 8 N.Y. Herald Tribune carries interview with Robert Sarnoff in which he states:

"If anything has been 'holding up' color, I'd say it was the failure of all elements of the set manufacturing and broadcasting industries to rally behind the big color push." Nevertheless, he added, color is progressing in "orderly fashion."

**FCC's CURRENT ALLOCATIONS APPROACH:** No allocations decision was voted by FCC this week, Comr. Webster being absent. With all 7 members on hand June 12, a final vote is expected. Currently, here's Commission's thinking, which may or may not change by time final vote is taken:

(1) Invite petitions requesting vhf drop-ins, permitting cuts in co-channel spacings (but not adjacent-channel), on case-to-case basis.

(2) Invite petitions for deintermixture, to be considered on case-to-case basis, with burden on petitioners to convince Commission that their proposals will increase service without producing unserved "white areas."

(3) Start exploration (not rule-making) of move to uhf over all or part of U.S., inviting ideas of everyone interested -- including industrial radio services seeking more vhf spectrum.

(4) Increase uhf power ceiling from 1 to 5 megawatts.

(5) End current rule-making proceeding.

(6) Continue making vhf grants.

\* \* \* \*

It's premature to attempt analysis of foregoing until Commission acts, but there are obviously some powerful questions raised -- such as just how far FCC will go in cutting mileages to permit vhf drop-ins.

It looks very much like a 6-1 vote at the moment, Comr. Hyde being sole dissenter. He's constantly asserted that majority's good intentions toward uhf weren't matched by its actions; that uhf's chances were materially weakened last Nov. 10 when FCC declined to deintermix or to hold up vhf in affected areas.

FCC's authority to make the Nov. 10 decision, and decisions like it, was upheld this week by unanimous decision of all 9 judges of Court of Appeals. Case involved appeals by uhf stations in Corpus Christi, Madison & Evansville, which had tried to get deintermixture adopted in their areas but were turned down. Written by Judge Washington, decision stated:

"We think that the Commission's decision to adhere to the 1952 allocation for the time being, as reflected in its refusal to institute a 'freeze' on construction permits for vhf stations to prevent competition with existing uhf stations, is well within its statutory authority: its decision was based on its finding that the vhf stations would bring additional TV service to a significant number of people. True, there would be loss to the public if vhf competition should destroy existing uhf stations before the current rule-making proceeding decides the ultimate fate of uhf TV. But whether one factor should outweigh the other is precisely the sort of question which Congress, by employing the broad language of Sec. 303, wished to commit to the discretion of an expert administrative agency, not the courts. It is for the Commission, not the courts, to pass on the wisdom of the channel allocation scheme." Court hasn't issued decision on drop-in of Ch. 10 in Albany (Vail Mills), leading some attorneys to expect dissents, whichever way decision goes.



**STRONG MEDICINE FOR THE TV HUCKSTERS:** NARTB's TV code review board means business in its determination to put TV's house in order. Smarting under recent criticism of "parlor hucksterism," "shills" and other equally unflattering terms (Vol. 12:11-12), telecasting industry's self-policing board of 6 practical station operators, headed by G. Richard Shafto, WIS-TV, Columbia, S.C., this week:

(1) Warned several stations their code membership is in jeopardy unless they take immediate action to remedy "certain operating policies inconsistent with the industry's self-regulatory document." These unidentified stations constitute small group of what Edward H. Bronson, NARTB director of TV code affairs, called "worst offenders." They are being advised to hew to line on pain, presumably, of public exposure and expulsion. They are asked to confer personally with Bronson.

(2) Issued ultimatum to all code subscribers to remove any remaining "pitch" advertising from their program schedules at end of current "contractual" agreements. Board's ruling on "pitch" advertising stated that "sponsored programs...consisting substantially of continuous demonstration or sales presentation violate not only the time standards established in the code, but the broad philosophy of improvement implicit in the voluntary code operation."

(3) Ruled that "piggy-back" announcements -- i.e., 2 commercials combined into one -- were to be considered separate spot announcements if products featured are unrelated or advertised as separate messages. Thus, though only 1-min. long, the commercials would be charged as 2 separate messages under code's provisions regarding maximum scheduling of back-to-back announcements.

(4) Approved amendment to admit TV film producers as affiliate subscribers to code, thereby enhancing prospect of a single TV program code governing both live and film programming. Alliance of TV Film Producers Inc., representing some 75% of all films shown on TV, indicated several weeks ago it would welcome such opportunity (Vol. 12:19). Action must be approved by TV board at June 20 meeting in Washington but ratification is regarded as certain.

**POINT-OF-SALE IS NOW THE LIVING ROOM:** Some keenly apperceptive observations on the techno-economic revolution that TV is helping bring about in American life were prepared for an Advertising Federation of America convention panel by CBS-TV president John L. Van Volkenburg -- and they point up certain current trends so succinctly that we feel they're worth briefing for our readers concerned with marketing. They also emphasize the enormous responsibility that rests with telecasters as well as marketeers so far as the movement of trade goods is concerned.

Example of "automation" in today's selling process, as seen by Van Volkenburg, is the increasing conversion of retail outlets to self-service. On economic side, we have the tremendous increase in average family's purchasing power. As for TV's role:

"Today television is the primary sales clerk of American business -- the most direct, accurate and fastest link of information and persuasion between the producer and the consumer. Through its combined dimension of sight, sound and motion it is uniquely equipped to demonstrate the performance and value of the products and services of American business..."

Thus automation has changed the market place and the increase in disposable income has made nearly everybody a customer for what formerly were "luxury" items, like automobiles and appliances. There's also more leisure time -- "much of which has gone into the extended exposure of the public to the advertiser's message." Last Jan., according to Van Volkenburg, "the average American family spent 6 hours a day watching TV while the average throughout the year now runs about 35 hours a week."

Then there's the matter of time-lag. "Economists have long recognized the substantial time-lag which formerly operated in diffusing the knowledge and use of the newest techniques, products and styles of American industry. It was a filtering process, often taking as long as several years to sift down from the top income groups to those below and from urban centers to the rest of the country.

"Today TV has wiped out this lag. It has democratized this knowledge, spreading it instantaneously to all segments of the people regardless of where they live or how much they earn. Each day it immeasurably widens the American market and in so doing opens to the conquest of American business vast and untapped territories."

**CBS COMPILES TEXTBOOK FOR SENATORS:** CBS answered charges against networks this week in a carefully compiled, highly readable 224-p. primer on "Network Practices" -- and sent page proofs to each member of Senate Commerce Committee, as background to pres. Frank Stanton's testimony before Committee scheduled for Tue., June 12.

"Criticisms which have been leveled against the networks and their practices, and proposals which have been advanced for change, can be properly weighed only in the context of the entire structure of the business," says introduction to the CBS memorandum. "So interlocking are the relationships that often what appears to be one small change can injure and perhaps even destroy the entire structure."

In covering letter to Senators, Stanton said: "The subject of networking is very complex. Not only is it unique as a business, but the full up-to-date story has never been in a single document. Because I believe an understanding of how networks operate is fundamental to the current hearings, we have attempted to put the network picture in clear focus by means of a memorandum...It will supply the factual data and underlying concepts for my general statement."

The CBS memorandum, like NBC's recent "Statement of Facts" to the Committee (Vol. 12:21), is an eloquent exposition of the networks' role as early investors in TV's future, as suppliers of complete and balanced program schedules and as providers of large circulation for advertisers at low cost-per-thousand. As a textbook on network functions, operations and economics (from the network viewpoint, of course), it is valuable and interesting reading -- and CBS undoubtedly will give it wide circulation after the hearings.

Refutation of principal charges against networks, and arguments against proposed changes in network ways of doing business, occupy concluding portion of the CBS document. Main points are digested in story below.

Revised but still tentative schedule of upcoming Senate Commerce Committee TV hearings, in Room G-16, Capitol: June 11, 3 p.m., director Everett C. Parker of Officer of Communications, Congregational Christian Churches; attorney Leonard Marks for FM Broadcasters. June 12, 10 a.m., CBS pres. Frank Stanton. June 14, 10 a.m., NBC pres. Robert Sarnoff. June 15, 10 a.m., ABC pres. Robert Kintner. CBS affiliates will be heard June 18, ABC June 19, NBC June 20 -- all beginning at 10 a.m.

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**D**EFENSE OF NETWORK practices and policies occupies 58 pages of CBS's 224-p. memorandum distributed this week to Senate Commerce Committee members (see above). These are highlights of principal points made in document:

**Network control of program production:** During typical week ended April 7, 1956, said CBS, 50.2% of CBS's programming hours were occupied by shows produced entirely by 38 outside producers, 22.7% were produced by CBS, 27.1% by 8 companies or individuals in association with CBS. For 1955, \$61,000,000 was paid for programs produced wholly by outside sources, \$27,000,000 for CBS-produced programs, \$7,000,000 for programs produced by others in association with CBS. Network gave figures to show CBS is buying more outside programs than it did in 1954.

**Monopoly charges:** "Few facts in the TV industry are clearer than the intense competition which exists between and among the networks." A network must be big to exist, says the memorandum—but mere size does not connote monopoly. It cites growth of ABC as proof that CBS & NBC don't constitute network monopoly. CBS-TV network and its 4 owned stations received only 3.2% of national advertising dollar and 20% of TV advertising dollar, it says. And it reminds Senators that "CBS, alone, invested \$53,100,000 in TV networking before 1953 when it first made profits in its network operations."

**Smaller markets:** Hotly disputing charge that networks channel disproportionate share of TV revenues into stations in large markets and ignore small markets, CBS says only 31.8% of TV broadcasting industry's revenues in 1953 went to TV stations in the 12 largest markets which

served 51.7% of all TV families. "It is networks which tend to counteract the normal disproportionate flow of revenues to large markets and to divert a share, which would otherwise not be available, to stations in the smaller markets. Standing alone, because of their relatively small circulation and higher cost-per-thousand, the stations in the smaller markets tend to be ignored by the advertiser."

**Option time:** CBS affiliates have "wide discretion" to reject network programs, even in option time. But "without some reasonable assurance of general clearance by stations, the effectiveness of the over-all, day-in, day-out, week-in and week-out network schedule would be eroded." If such erosion should occur on large scale, "the blow to networking, with all that networking means in the way of major programs which must be carried live, would be fatal." Option time hasn't stifled independent non-network program sources and advertising revenues, CBS argues, pointing to vast increase in TV film product available to huge increment in national spot and local TV advertising simultaneous with growth of networks.

**"Must-buy" station lists:** "The policy of the basic required group is no more than a conformance to the normal demand of national network advertisers, and it is no different from any other minimum order policy which a supplier adopts where the nature of his product, the requirements of his customers and the economics of distribution justifies it." It's no more improper, says CBS, than the requirement that an advertiser in a national magazine such as *Life* must buy its entire circulation.

**Share-the-networks:** Proposal that network affiliations be shared by vhf stations in 1 & 2-station markets, as suggested by ABC, is rejected as abandoning the basic



concept of licensee responsibility and destroying station's freedom to select its own programs and to determine those persons with whom it would deal.

**Licensing of networks:** This proposal by Sen. Bricker, says CBS, would inevitably "inject the Federal Govt. into areas which have long been forbidden to it: areas of business judgment, of program content, of determining with whom suppliers may and may not deal; all involving the most intimate details of the business relationships between networks & stations and networks & advertisers—even to fixing of rates." CBS concludes: "Nothing in the nature of TV broadcasting or of current practices warrants, or even permits, so radical a departure from existing concepts and so dangerous a philosophy of governmental intervention."

\* \* \* \*

CBS-TV's weekly operating costs total about \$700,000, says network in memorandum to Senators. Full-time TV employes total 2412, with per diem personnel, talent and supporting corporate personnel swelling total to 5493. Among its 47 operating units, program dept. employs 38 supervisory personnel and 91 additional employes, exclusive of creative personnel assigned directly to individual programs; research dept. comprises 22; sales dept., 71; engineering dept., 42; operations dept., more than 2400 (staff & per diem).

As to physical facilities, network now has 29 TV studios—22 in N. Y., 5 in Hollywood, 2 in Chicago—with 148 live & film cameras. It has invested \$28,000,000 in TV program production facilities in N. Y. & Hollywood—more than \$3,000,000 on N. Y. color studios, \$1,000,000 on Hollywood, with another \$1,000,000 recently authorized for color in Hollywood. "CBS is now considering an investment of up to \$25,000,000 in additional plant facilities over the next few years." TV network's annual bill for AT&T facilities is at the rate of \$13,500,000.

As for uhf, CBS memorandum makes this statement of policy toward uhf affiliation: "CBS-TV is not concerned with whether a station is uhf or vhf, except insofar as it determines size of the audience which will be added to that already served by the network, and the effect upon the network's over-all cost-per-thousand. During 1955 a total of 53 uhf stations broadcast CBS-TV commercial programs, for which they received \$2,334,481 as their share of the revenues."

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**Bricker vs. Stanton:** Sidelight to bitter dispute between Ohio Senator and CBS pres. over network practices, as reported by *Columbus Dispatch*, is that both are alumni of Ohio State U and both have been "recently mentioned, unofficially at least, for the presidency of the University in the current search for a successor of Dr. Howard L. Bevis, who is about to retire."

Sir Winston Churchill has been offered \$1,250,000 contract to broadcast politics under sponsorship of an American auto manufacturer, reports columnist Dorothy Kilgallen, who says the man trying to sign him up is Halsey Freiman.

Television Age reports that TV stations this year will contribute \$178,000,000 worth of time & talent this year to public service programs and messages; last year's total was placed at \$133,000,000.

Licensed TV sets in Great Britain totaled 5,739,593 March 31, increase of 1,236,827 in year. Radio-only licenses dropped 956,000 in same period to 9,476,730.

Power increases: WABD, New York (Ch. 5) June 4 to maximum 37.2-kw ERP; KGUL-TV, Galveston-Houston (Ch. 11) May 30 to 263-kw.

Lawrence Welk, the ABC orchestra maestro, awarded honorary degree of Doctor of Fine Arts by U of Portland.

**CBS FOUNDATION Inc.**, formed by executives of the network organization 2 years ago to make grants to privately-supported colleges & universities, has granted \$50,000 more to 16 institutions, which brings total grants to date to \$72,000. Grants are \$2000 each, made by 25 CBS executives "who have attained a certain level of importance" to repay in part the cost of education in excess of tuition they paid their alma maters. Unrestricted gifts have been put to such use as faculty salaries, scholarships, equipment & maintenance.

The CBS group, as Foundation pres. Ralph F. Colin puts it, frankly seeks "to draw others' attention to the fact that tuition payments fail to cover the cost of education in privately-supported colleges and universities and that some help must be given those institutions by corporations, foundations and others if privately-endowed education is to survive on its present large scale. This year's grants:

Amherst, by Robert Strunsky; Dartmouth, Raymond Bulter & Dudley Faust; Davidson, Wilbur Evans; Doane College, Gerhart D. Wiebe; Fordham, Merritt H. Coleman; Harvard, Milton Neaman; Richard S. Salant & Newell T. Schwin; MIT, Elwood W. Schafter; New York U, Norman C. Hadley, Merle S. Wick & Edward Wood Jr.; Princeton, James Aubrey, William C. Fittz Jr., Tom Gorman & Allyn Jay Marsh; St. Lawrence U, John H. Hauser; St. Louis U, Robert Hyland; Temple U, Harper Carraine; Notre Dame, Clay Adams; Pennsylvania, Dr. Leon Levy; Wittenberg College, Howard Kany; Yale, George Avakian & Louis Stone. Foundation board includes, besides Colin and Dr. Levy, Mrs. Millicent McIntosh, pres. of Barnard College; Edward R. Murrow; Dr. Frank Stanton.

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Canadian broadcasters seeking to end CBC's one-station policy giving it TV monopolies in Halifax, Montreal, Ottawa, Toronto, Winnipeg & Vancouver are deriving staunch support from political, academic & advertising interests as Royal Commission on Broadcasting tours the Dominion to hear pros & cons. Last week, in Vancouver, faculty group from U of British Columbia urged encouragement of privately-owned stations, while T. H. Goode, M.P., appeared before chairman R. M. Fowler's commission to argue that there should be more competition, notably in his own constituency of Burnaby, which is within the service area of CBC's Vancouver outlet; he even made the statement that Canadian advertisers are spending \$90,000 a month on Rogan Jones' KVOS-TV, Bellingham, Wash. (Ch. 12) because they can't buy time on CBC's CBUT, Vancouver (Ch. 2). In Toronto this week, Assn. of Canadian Advertisers, representing 169 firms which spend about \$40,000,000 a year on advertising, submitted 43-p. brief which demanded end to CBC's self-imposed monopoly in key centers which ACA stated "prevents normal competitive principles from operating." Strongly pro-commercial TV, it asserted that adless TV by CBC on national scale would cost taxpayers at least \$50,000,000 a year, pointed out that 900,000 Canadian homes close to U. S. border are getting competitive services from U. S. stations.

Three applications were filed with FCC for new TV stations this week, bringing total pending to 140 (26 uhf). Application for Ch. 40 in Baton Rouge, La. was filed by group equally owned by 3 broadcasters—Henry B. Clay, chairman of NARTB radio board, exec. v.p. of radio KWKH, Shreveport, La. and KTHV (Ch. 11) & KTHS, Little Rock, Ark., and 15% owner of KTRE-TV (Ch. 5) & KRTE, Lufkin, Tex.; Gilmore Nunn, owner & pres. of grantee WLAP-TV (Ch. 27) & WLAP, Lexington, Ky., and v.p. & 30% owner of grantee WBIR-TV (Ch. 10) & WBIR, Knoxville, Tenn.; Frank R. Smith, pres. & 16.7% owner of WCDA-TV, Albany (Ch. 41) & WCDB-TV, Hagaman, N. Y. (Ch. 29). Other applications were for San Angelo, Tex., Ch. 3, by Jane A. Roberts, who with her husband Cecil Roberts operates 5 midwestern AMs; for Casper, Wyo., Ch. 2, by Los Angeles TV film producer-distributor Harriscopes Inc. (Burt I. & Irving B. Harris, Don Paul Nathanson). [For details, see *TV Addenda 22-V* herewith.]

**Personal Notes:** Arthur Hull Hayes, pres. of CBS Radio, receives honorary LL.D. June 14 from his alma mater, U of Detroit . . . Royce L. (Verne) Pointer promoted to chief facilities engineer, ABC-TV, N. Y.; Herbert C. Florance promoted to supervisor of maintenance . . . Robert J. Heiss, on announcing staff of WTMJ-TV & WTMJ, Milwaukee, for 22 years, promoted to asst. mgr. of stations . . . Dr. R. L. Freeman, chief engineer of A. C. Nielsen Co., elected a v.p. & coordinator of field, inspection & engineering operations; C. H. Curry promoted to succeed him as chief engineer . . . Wallace Hutton resigns as NARTB promotion mgr. to join legal staff of FCC Office of Opinions & Review . . . Andre F. Rhoads, recently replaced by Bud Abbott, ex-WHAS-TV, as director of public relations for Radio Free Europe, Munich, named director of field operations for Crusade for Freedom, working out of N. Y. . . . Marvin L. Shapiro returns to WCAU-TV, Philadelphia, as national sales mgr. after one year with CBS-TV Spot Sales; E. Gordon Walls promoted to regional sales mgr. . . . Edward J. Meehan Jr., in charge of RCA's AM transmitter sales, joins WCAU, Philadelphia, as mgr. of its new Magnetic Muzak div., taking over Muzak franchise in Philadelphia area Aug. 7 . . . Jack Goodman, news director of KTVT & KDYL, Salt Lake City, wins annual award of U of Utah Men's Press Club for "most significant contribution" to school's journalism dept. . . . Harold F. Mathews promoted to mgr. of radio WDSU, New Orleans, in complete separation of TV-radio operations announced this week by exec. v.p. Robert D. Swezey, who supervises WDSU-TV . . . Jack Rossiter, ex-gen. mgr. of KBMT, Beaumont, named New England sales rep of Screen Gems, Boston . . . Ray Jacobs promoted to production mgr. of KJEO, Fresno, succeeding Jack Shepherd, now KRCA, Los Angeles . . . Arthur W. Arundel, from staff of Sen. Robertson (D-Va.), appointed mgr. of press information, CBS news & public affairs, Washington . . . Allan Finn, from TV press information, named mgr. of CBS Radio press information . . . Wm. Golden, CBS-TV creative director of sales promotion & adv., and Georg Olden, CBS-TV director of graphic arts, presented design awards by N. Y. Art Directors Club . . . Vic E. Baum named managing director of KCKT, Great Bend, Kan., succeeding Les Ware, resigned—FCC having this week approved Ware's purchase of radio KNIM, Maryville, Mo., for \$47,500 (Vol. 12:20) . . . Thomas W. Sarnoff, director of production & business affairs, NBC Pacific Div., elected a director of NBC's wholly-owned subsidiary Kagran Corp.

Manager of Democratic national convention in Chicago Aug. 13-17, will be J. Leonard Reinsch, 47-year-old TV-radio consultant to the committee who is exec. director of the Cox TV-radio stations: WSB-TV & WSB, Atlanta; WHIO-TV & WHIO, Dayton. He becomes asst. to chairman Paul Butler, replacing William Neale Roach, resigned. Reinsch formerly was White House TV-radio advisor and has also aided Adlai Stevenson. He has been prominent in broadcasting industry ever since he organized WHIO in 1934 for Gov. Cox, himself onetime Democratic nominee for President, and has served as pres. of Ohio Assn. of Bcstrs., on NARTB board, as one of drafters of TV code.

New Domestic Radio Facilities Div. has been formed within FCC's Common Carrier Bureau, effective July 1, to handle common carrier radio matters currently under Telephone & Telegraph Divs. Chief will be Arthur A. Gladstone, now chief of Services & Facilities Branch of Telephone Div.

FCC chairman Geo. McConaughy, speaking June 15 to Md.-D. C. Broadcasters Assn. at Commander Hotel, Ocean City, Md., is expected to discuss allocations decision—if, as anticipated, it's released by then.

Quick approval of T. A. M. Craven as FCC commissioner seemed certain after 8-min. one-man hearing this week conducted by Senate communications subcommittee Chairman Pastore (D-R. I.), at which Craven was only witness. Senate Commerce Committee meets June 13, is expected to recommend Senate approval. At hearing, Pastore asked few questions, drawing from Craven these responses: (1) He will sever all connection with consulting engineering firm of Craven, Lohnes & Culver. He submitted to Pastore list of 45 cases pending before FCC in which his firm handled engineering, but pointed out that only 2 of these are "policy" cases and said he will disqualify himself from participating in any matters involving cases in which his firm played any part. (2) He has "open mind" on allocations, but said: "I realize something has to be done to rectify the existing situation." A Democrat, Comdr. Craven will replace independent Comr. E. M. Webster, whose term expires June 30. Webster hasn't announced plans, but in view of his intense interest in safety & special radio services it's expected he'll remain active in that field—possibly in a govt. or private consulting role.

Details of first daytime Conelrad test—due 4:10-4:25 p.m. EDT July 20—were sent by FCC to all stations last week. Reminder will be sent July 11. Drill requires all TV & FM stations to leave air, while only those AMs broadcasting on Conelrad's 640 & 1240 kc will remain on, transmitting specified announcements. All 4 previous nationwide drills have been after midnight, and hundreds of regional and state tests have been conducted. In Los Angeles last week, subcommittee of House Govt. Operations Committee (Rep. Holifield, D-Cal., chairman) heard representatives of So. Calif. Broadcasters Assn. testify that Conelrad is too slow in view of possibilities of missile attack and too vulnerable because of dependence on telephone lines.

International film exchanges for TV, to be set up in New York and Paris, will be subject of next meeting of about 40 experts from TV countries, to be held in Paris June 13-20 under auspices of UNESCO. Meetings called by Dr. Luther Evans, director-general of UNESCO, will forward plans for stimulating development of TV for promotion of international understanding first discussed at Tangier last Sept. American delegation comprises Frederick Long, program mgr., U. S. Information Agency; James Nelson, mgr. of programming for NBC-TV's new *Project 20*, representing networks; Maurice Mitchell, pres. of Encyclopaedia Britannica Films; Richard B. Hull, TV-radio director, Iowa State College.

Senate voted \$7,828,000 to run FCC for fiscal 1957, adopting Senate Commerce Committee's recommendations (Vol. 12:21). This figure includes \$141,000 for Commission's network study, and is \$28,000 more than sum approved by House—the difference being earmarked to establish new monitoring station near Douglas, Ariz. Because of differences between Senate & House versions, the bill (independent offices appropriations, HR-9739) now goes to Senate-House conference committee, but FCC appropriations (except possibly the \$28,000) are not in danger of being cut.

Note to subscribers: If you're going abroad, and want *Television Digest* to follow you, simply advise us—and we'll air mail it to you wherever you wish, with our compliments. Our experience is that it's seldom more than 48 or 72 hours away from our Saturday afternoon mailings (allow 5-6 days for Orient). We'll also be glad to send you a copy of our Jan. 7 Special Report: *Handy Directory of TV Stations in Foreign Countries*.



**Telecasting Notes:** "National TV Festival Week" as huge industry-wide public relations project, at least partially replacing Emmy awards—first proposed by USC assoc. professor of telecommunications Dr. Stuart Hyde (Vol. 12:21)—is further expounded by Dr. Hyde in May 28 *Sponsor*. He suggests first week in March—and says "real point of the week would be to re-do the best program of the year." For an entire week, each show would present its best of the preceding year. Another step in plan would involve "production and release on all available stations of a documentary report, perhaps as much as 3 hours' length, showing via kine a history of the year's great events—political, cultural, athletic—as shown to the nation during the year on TV." "Special awards" committee would be established by TV Academy to grant awards on one basis alone: "significant contribution to the advancement of the art and science of TV" . . . "Impractical," says TV producer Mark Goodson, chairman of special awards study committee of TV Academy, in rebuttal to Dr. Hyde's proposal, also printed in *Sponsor*. Obstacles are almost insurmountable, he says, reasoning that it would be far more practical to make improvements in Emmy award structures and procedures than to replace them with entirely new system and procedure . . . MGM board met this week, reportedly reached no agreement on how to dispose of 770-film backlog of post-1948 features. According to reports, these are among the alternatives: (1) \$50,000,000 offer for all rights from Lou Chesler's Ridgeway Corp. (2) \$35,000,000 limited-rights proposal by NTA. (3) Establishment of MGM subsidiary to handle release of own features to TV. (4) Sale of old color features to NBC for color TV programming on network-owned stations . . . Paramount is willing to sell its backlog of 700-plus features to TV for right price, pres. Barney Balaban indicated at stockholders meeting this week. He revealed negotiations are under way with Eliot Hyman (Associated Artists) to sell *Popeye* cartoon backlog for \$1,500,000. All other Paramount shorts are now in hands

of NTA . . . New high price for feature series: Eliot Hyman's Associated Artists Productions reportedly has priced 26 Warner Bros. features at \$150,000 each for single network run, and another block of 52 at \$75,000 . . . More viewers watching more features on TV: Pulse poll for *Television Age* reveals 88.8% of 1000 New York viewers had watched feature films on TV within month; 46% of the 888 feature viewers are watching more movies on TV than they did year ago; 41.8% watching same amount, 12.1% watching fewer . . . "TV interviews: Publicity Plum for Advertisers" titles article in June 1 *Printers' Ink* advising advertisers on best ways to get bids to appear on TV interview shows . . . Ratings for May, by Nielsen & ARB, show \$64,000 *Question* still No. 1, with *Lucy & Ed Sullivan* runners-up; \$64,000 *Challenge* is 6th in ARB ratings and Nielsen total audience ratings, 5th in Nielsen average audience ratings . . . Unique program series starting June 3 on Westinghouse's KPIX, San Francisco, will explain workings of San Francisco Stock Exchange in particular and basic theory of American economic system in general.

To stimulate public service and educational programming at its 4 TV and 5 radio stations, Westinghouse Broadcasting Co. will make "Lamp of Knowledge" awards annually to winning program managers—offering \$1000 college scholarships for a child of each of 2 top winners, plus one grant of \$500 and two of \$300 to members of winning TV program manager's staff, one of \$500 and one of \$300 to radio program manager's staff. Judges will be Don McGannon, WBC pres.; Richard Pack, v.p. for programming; Wm. Kaland, national program mgr. Major program projects cover American history, mental health, the teacher, America's need for more scientists & engineers.

Educational TV & Radio Center, Ann Arbor, operating under \$6,000,000 Ford Foundation grant for 1957-59, plans new \$200,000 building of own, due for Oct. 1 occupancy.

**F**IRST INDEPENDENT TV film producer to venture into field of station ownership is Guild Films Co. Inc., which on May 31 was listed for trading on American Stock Exchange and in which moving spirits are pres. Reuben R. Kaufman; George J. DeMartini, director, partner of Cohen, Simonson & Co., N. Y. stockbrokers; David Van Alstyne Jr., director, partner of Van Alstyne, Noel & Co., stockbrokers, chairman of Sonotone Corp. and a director of American Electronics Inc. and of Servomechanisms Inc.; John F. Stang, director, owner of Stang Tank Line and Nash agency, Menominee, Wis.

Guild Films, originally formed as a cooperative film producing & syndicating concern owned by its station subscribers, has purchased WMBV-TV, Marinette-Green Bay, Wis. (Ch. 11) with radio WMAM (570 kc, 250-D, 100-N, NBC) for \$287,500 cash plus assumption of more than \$350,000 obligations. Sellers are pres. Wm. E. Walker, 50% owner and a 2.2% stockholder in Guild Films; gen. mgr. Joseph D. Mackin (23.3%); 8 other stockholders, none more than 7%. Walker retains his minority interests in radios WBEV, Beaver Dam, Wis. & WRRR, Rockford, Ill., presumably also remains as a director of Guild Films.

FCC application and balance sheet indicate station, NBC affiliate, founded in Aug. 1954, has "experienced difficulty in establishing itself on sound economic basis" and has been "somewhat limited in its ability to carry or produce high quality film and local programming." Purchasers propose to increase film use and widen program scope.

March 31 balance sheet shows TV station had \$11,543 operating loss in first 3 months of 1956 while radio earned

\$6720. Total assets of TV are placed at \$535,099, liabilities \$179,515 notes due RCA, more than \$100,000 notes due stockholders, \$35,000 bank loan. Capital includes \$80,000 common stock, \$70,000 donated surplus, \$48,000 invested by radio WMAM in TV operation, AM outlet's surplus of \$37,000—purchasers acquiring the 800 outstanding shares for \$287,500 cash and assuming liability for \$109,000 notes to stockholders, \$50,000 due Walker, \$23,000 due Mackin, other smaller notes—plus the \$179,515 due RCA.

Guild Films in fiscal year ended last Nov. 30 grossed \$6,279,123, earned \$182,445, listed total assets of \$5,426,932, capital surplus of \$1,978,267, earned surplus of \$172,953. In quarter ended Feb. 29, it earned \$35,655 (3¢ a share). Reub Kaufman is 7.5% stockholder, Stang 3.2%, DeMartini 3%, Van Alstyne 1.6%, firms of latter two also owning 8500 & 15,628 shares respectively.

James J. Seward, CBS Radio administrative v.p., tax attorney C. Leo DeOrsey and others increase their holdings in Person to Person Inc., the Edward R. Murrow program company, as result of sale of the nearly 50% stock held by producers John A. Aaron & Jesse Zousmer. They stay with show another year but will also produce for other networks.

Ziv-TV claims its sale of *Cisco Kid* and *Mr. District Attorney* series to JOKR-TV, Tokyo, is "initial beachhead" by a U. S. production firm in Japanese TV which, reports Ziv international div. chief Ed Stern following recent trip, is flourishing with 250,000 sets-in-use now and 20,000 per month being added.

**Network Accounts:** Admiral buys 520 partic. on NBC-TV's *Today* and *Tonight* at cost of \$2,500,000—one of biggest orders ever placed by a single advertiser on the 2 shows, thru Russel M. Seeds, Chicago. Spots will start this summer, run for one year . . . General Foods to sponsor *Adventures of Hiram Holliday*, starring Wally Cox, on NBC-TV starting Oct. 3, Wed. 8-8:30 p.m., thru Young & Rubicam . . . Reynolds Metals to sponsor *Screen Gems' Circus Boy* on NBC-TV starting Sept. 23, Sat. 7:30-8 p.m., thru Buchanan & Co. and Clinton E. Frank . . . Mogen David Wine to sponsor *Treasure Hunt*, new giveaway program with prizes up to \$25,000, as replacement for *Dollar a Second* on ABC-TV starting Sept. 7, Fri. 9-9:30 p.m., thru Weiss & Geller, Chicago . . . Lever Bros. will be alt. sponsor (with Campbell Soup) of *On Trial* on NBC-TV starting in fall, Fri. 9-9:30 p.m., thru BBDO . . . General Cigar takes over full sponsorship of *National Bowling Champions* on NBC-TV Sun. 10:30-11 p.m., following Procter & Gamble's dropout as alt. sponsor, thru Young & Rubicam . . . Armour to be alt. sponsor (with Kleenex & Delsey Tissues) of Danny Thomas' *Make Room for Daddy* on ABC-TV starting in fall, Mon. 8-8:30 p.m., and bought 45 partic. on Arlene Francis' *Home* on NBC-TV starting in fall, thru N. W. Ayer, Chicago . . . Warner-Lambert (Richard Hudnut's Quick home permanents) and Lucky Strike to sponsor *Adventure Theatre*, series of films made in England, as summer replacement for *Your Hit Parade* on NBC-TV starting June 16, Sat. 10:30-11 p.m., thru Kenyon & Eckhardt and BBDO . . . Whitehall Pharmacal to be alt. sponsor (with Purex) of *Ford Theatre* reruns on NBC-TV this summer, Sat. 9:30-10 p.m., thru Ted Bates & Co. . . . Sperry & Hutchinson (S&H Green Trading Stamps) and Sunbeam each buys one-sixth of *Perry Como Show* on NBC-TV starting in fall, Sat. 8-9 p.m., Sullivan, Stauffer, Colwell & Bayles and Perrin-Paus Co. . . . Simoniz to sponsor 15 min. per week of *Johnny Carson Show* on CBS-TV starting in July, Mon.-thru-Fri., 2-2:30 p.m., thru Sullivan, Stauffer, Colwell & Bayles . . . Pharmaceuticals to sponsor new giveaway show, *Twenty-one*, starting in fall, network undetermined, thru Edward Kletter & Assoc. . . Campbell Soup buys 15 min. of *Howdy Doody* on NBC-TV for Nov. 17, Nov. 24 & Dec. 1 programs only, Sat. 10-10:30 a.m., thru Grey Adv.

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Advertising costs have risen 20% since 1950, says detailed 12-p. report in June 8 *Printers' Ink* which concludes that for every \$100 that national advertisers put into major media in 1950 they now have to invest \$120 to reach same audience, \$137 to maintain same schedules, \$186 to meet cost increases plus shifts in media schedules by competitors (principally into TV). This is the 1950-56 trend for 8 media, as revealed in indexes in the report:

	Cost	Audience	Cost per 1000
Magazines	+ 37%	+ 9%	+26%
Newspapers	+ 28	+ 6	+20
Network Radio	- 44	- 45	+ 2
Spot Radio	- 8	- 34	+21
Network TV	+174	+326	-36
Spot TV	+361	+326	+ 8
Outdoor	+ 32	+ 30	+ 2
Business Publications	+ 51	+ 18	+28

List of 100 leading spot TV advertisers for 6 months ended March 31, combining 2 quarterly reports which we digested and published separately (Vol. 12:15 & 19), is available from TvB.

Air Force names Ruthrauff & Ryan to handle its recruiting account for third straight year starting July 1.

**ADVERTISING AGENCIES:** Richard L. Eastland named mgr. of Campbell-Ewald's new Hollywood office at 1750 No. Vine, with TV-radio production staff continuing to headquarter in Tishman Bldg. under R. C. Francis, v.p. in charge of Pacific Coast operations . . . John A. Thomas, ex-media director & plans board member of C. J. LaRoche & Co., joins Benton & Bowles as v.p. & account supervisor . . . Doris A. Weininger, ex-MBS, named TV-radio mgr., Milton Riback Adv., N. Y. . . . James Christopher, partner in Hill & Christopher Adv., Los Angeles, elected pres. of So. Cal. Advertising Agencies Assn. . . . Alan Savage appointed TV-radio director, Cockfield-Brown Ltd., Ottawa.

Highest hourly rate in TV is new one posted as of June 1 for WRCA-TV, N. Y.—jumped from \$8400 to \$9200 for Class AAA time (10:30-11 p.m. daily, 6-7:30 p.m. Sun.); at same time Class AAA 20-sec. station breaks went up from \$2050 to \$2300. CBS flagship WCBS-TV upped to \$8000 Class AA hour last April 1, its 20-sec. becoming \$2000. Other station rate increases newly reported: KMTV, Omaha, has raised base hour from \$800 to \$900, min. \$200 to \$225. WMCT, Memphis, has raised hour from \$800 to \$900, min. \$160 to \$180. WREC-TV, Memphis, has raised hour from \$800 to \$900, min. \$160 to \$175. KFSD-TV, San Diego, has raised hour from \$800 to \$850, min. \$160 to \$170. KRNT-TV, Des Moines, has raised hour from \$650 to \$700, min. \$130 to \$160. WDBJ-TV, Roanoke, Aug. 1 raises base hour from \$450 to \$600, min. \$90 to \$140. WNEM-TV, Bay City-Saginaw, Mich. June 12 raises hour from \$500 to \$575, min. \$100 to \$115. KTVR, Denver, has raised hour from \$400 to \$500, min. \$80 to \$100. KVTV, Sioux City, Ia. has added Class AA hour (7-10 p.m. daily) at \$425, min. at \$100, Class A hour remaining \$350. WEHT, Henderson, Ky.-Evansville, Ind. Sept. 1 adds Class AA hour (7-10 p.m. Mon.-Sat. & 6-10 p.m. Sun.) at \$400, min. at \$80, Class A hour remaining \$300. WCTV, Thomasville, Ga.-Tallahassee, Fla. has raised hour from \$200 to \$250, min. \$40 to \$60. WTOK-TV, Meridian, Miss. has raised hour from \$200 to \$250, min. \$40 to \$50. WEAT-TV, W. Palm Beach, July 1 raises hour from \$200 to \$225, min. \$36 to \$45.

Colgate-Palmolive, having cancelled partic. on NBC-TV's *Howdy Doody*, *Feather Your Nest* & *Modern Romances*, returns to CBS Radio this fall after year's absence with purchase of 10 partic. on *Backstage Wife*, *Our Gal Sunday*, *Second Mrs. Burton*.

Florida Citrus Commission allots \$1,571,000 to TV out of \$3,050,000 ad budget in 1956-57 season, thru Benton & Bowles. Next highest allotment is to magazines & Sun. newspaper supplements, \$532,000.

Wesson Oil buys Vitapix-Hal Roach series *Blondie* for 65 major markets in Class A time periods starting in Oct., thru Fitzgerald Adv., New Orleans.

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John E. Pearson rep firm expands West Coast operations, moving both San Francisco and Los Angeles offices. B. P. (Tim) Timothy, ex-Free & Peters and Avery-Knodel, is in charge of new San Francisco office at 58 Sutter St. (Douglas 2-7159), also continuing as pres. of radio KMBY, Monterey, Cal. David Cassidy has been moved from N. Y. headquarters to take charge of Los Angeles offices at 3242 W. 8th St. (Dunkirk 5-5084), replaced in N. Y. by F. A. (Mike) Wurster, ex-BBDO & WABD.

New reps: KOVR, Stockton, Cal., to Avery-Knodel (from Blair); WDXI-TV, Jackson, Tenn., to Headley-Reed (from Burn-Smith); WDBO-TV, Orlando, Fla., to Hoag-Blair (from Blair).

Avery-Knodel rep firm names George A. Stevens, ex-Petry, Chicago, to head Dallas offices, moved to Fidelity Union Life Bldg. (Prospect 7330).



**N**ORTHERN MISSISSIPPI'S first TV outlet goes on tests this week end—WCBI-TV, Columbus, (Ch. 4)—even as one more uhf prepared to quit the air, another to resume operation and still another postponed resumption. Station quitting is WICA-TV, Ashtabula, O. (Ch. 15); station resuming is WTRI, Albany-Schenectady-Troy (Ch. 35); station postponing resumption is WGMT, Adams, Mass. (Ch. 19).

WCBI-TV plans program debut July 13, carrying CBS & NBC via microwave from Meridian, using 5-kw RCA transmitter in new TV-radio studio-transmitter building, 500-ft. Andrews tower, 5-bay antenna. Nearest other station is WTOK-TV, Meridian (Ch. 11), 80 mi. distant. Owner is Birney Imes, publisher of *Columbus Commercial Dispatch*, also owner of radio stations in Columbus, Tupelo, Granada, Meridian. Bob McRaney, from radio WCBI, is gen. mgr.; Chris Everson, also WCBI, station mgr.; W. W. Whitfield, sales mgr.; Tom McFerrin, chief engineer. Base hour is \$150. Rep is McGillvra.

WICA-TV, Ashtabula, quits air June 16 after nearly 3 years, v.p.-gen. mgr. John A. Colin stating: "We're handcuffed on further operation until the national situation with regard to uhf is decided in Washington." Difficulty in obtaining advertising and cutback in availability of uhf-equipped receivers were blamed. Rowley interests, who own radio WICA and publish *Ashtabula Star Beacon* and other Ohio newspapers, are retaining CP until uhf future clarifies.

Ashtabula uhf is 60th to quit air—but 2 more uhf plan returns. Albany area's WTRI, which left air Jan. 31, 1955 (Vol. 11:6) when it lost CBS affiliation to WROW-TV (Ch. 41), resumes programming June 15, joins ABC July 1. Gen. mgr. for Stanley Warner theatre interests, which bought out Col. Harry Wilder's 50%

(Vol. 12:13, 17), is William Riple. Base hour will be \$400. Rep is Venard, Rintoul & McConnell.

WGMT, Adams, Mass. had planned to resume in July after going off air last Feb., when high winds destroyed tower & antenna (Vol. 12:9), has changed target to late summer or early fall because of construction difficulties, reports gen. mgr. Wm. P. Geary. Big problem is tower that can withstand vagaries of weather atop Greylock Mt., as well as drilling for foundations in solid granite. Bids are now in for new tower.

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In our continuing survey of upcoming stations, these are latest reports from principals:

WBIR-TV, Knoxville, Tenn. (Ch. 10) has started construction of 704-ft. Ideco tower and plans to install 12-bay RCA antenna about July 10, aiming for July 15 test patterns, Aug. 1 start with CBS, reports v.p. & 30% owner Gilmore Nunn, who also owns 51% of radio WLAP, Lexington, which has CP for Ch. 27. Transmitter house is ready for 50-kw RCA unit, which arrived in May. John P. Hart, pres. & 10% owner, will be gen. mgr. Other owners with 30% each are Hulbert Taft newspaper family, operators of WKRC-TV, Cincinnati & WTVN-TV, Columbus, and Robert L. & Martha Ashe. It will be city's 3rd TV—WATE (Ch. 6) & WTVK (Ch. 26) having started in Oct. 1953. Base hour will be \$600. Rep will be Katz.

KUAM-TV, Agana, Guam (Ch. 8) plans July 15 test patterns, Aug. 1 start with NBC, reports pres.-gen. mgr. Harry M. Engel Jr. Kay Lab package, including 150-watt Adler transmitter and Prodelin antenna, is due to arrive in Guam July 1. Construction of transmitter house is to be completed June 20, and antenna is to be installed July 10 on 300-ft. tower from Tower Construction. Claude Turner will be chief engineer, with H. Richard Maguire, from radio KUAM, to be managing director, and Donald Brown, also KUAM, operations mgr. Base hour will be \$120. Rep. will be Adam Young.

**U**NCONTESTED UHF GRANT for Brownwood, Tex. and vhf educational CP for Milwaukee were awarded by FCC this week. Ch. 19 grant for Central Texas community went to Dallas real estate dealer O. L. Nelms, who also holds CP for Ch. 9 in Flagstaff, Ariz. and is applicant for channels in Alpine and Victoria, Tex. Ch. 10 educational grant was awarded to Milwaukee Board of Vocational & Adult Education (Wm. F. Rasche, dir.).

In an unusual case, examiner J. D. Bond favored WVMi over WLOX in "second initial decision" for Ch. 13 in Biloxi, Miss. WVMi had also been chosen in first initial decision by examiner Harold L. Schilz (no longer with Commission) in July 1954 (Vol. 10:28), but FCC decided Schilz had erred in excluding pertinent testimony, ordered further hearing and new initial decision (Vol. 11:9). In latest decision, Examiner Bond chose WVMi on basis of past performance in broadcasting, character qualifications of principals and proposed programming.

Commission received petition for allocation change by prospective applicant KPQ, Wenatchee, Wash., which asked that Ch. 12 be moved to Wenatchee from Coeur d'Alene, Ida. and replaced by Ch. 29.

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Experimental Ch. 70 uhf translator, of type authorized by FCC (Vol. 12:21-22), is sought in application for Bracketville, Tex., filed by Richard R. Hayes, San Antonio.

RCA shipped additional live color cameras June 4 to WTMJ-TV, Milwaukee, and June 7 to NBC Brooklyn studios.

ABC-TV's affiliation of XETV, Tijuana, Mex. should be permitted to stand, FCC examiner Herbert Sharfman stated this week in initial decision recommending denial of protests filed by San Diego's KFMB-TV & KFSD-TV. Essence of decision: "Protestants' stations now have primary affiliations, one with CBS and the other with NBC. ABC is therefore unable to obtain clearance over protestants' stations for many of its programs. A grant of the application would serve the public interest (a) by enabling the San Diego area public to receive more network programs at the correct time, not only from ABC, but from NBC and CBS as well; (b) by improving ABC's ability to compete with the other networks in the San Diego market, in the West Coast regional market, and upon a nationwide basis; and (c) by serving to stimulate the interchange of programs between Mexican and U. S. stations . . . There is no basis for concluding that XETV, licensed by a friendly foreign govt., may not compete freely and lawfully with stations licensed by the U. S. across the border for the dollars of U. S. advertisers. Nor do protestants appear to be under any restriction from competing with XETV for the business of Mexican advertisers . . . XETV, though aiming its efforts at San Diego, does not hold itself out to be anything that it is not. It is obvious to any intelligent person in the San Diego area (and to anyone lacking the requisite intelligence it would make no difference), as well as to prospective sponsors everywhere, that a station whose call letters begin with X is a *Mexican* and not a U. S. station."

**Color Trends & Briefs:** RCA's 10-set color line, introduced this week at Miami Beach convention (p. 1), contains 3 chassis—"Special," "Super" & "Deluxe." All are 21-in., have 254-sq. in. of "viewable picture." Some 80-90% of all circuitry is on printed boards. Both the color line and the 25-model black-&-white series will be promoted as "Spectacular" line and advertised as "TV originals by RCA Victor, America's first choice in TV."

Lowest-price color model is called Aldrich, a \$495 table model in mahogany or blonde, with 23 tubes, 2 crystals and 4 rectifiers. It's \$200 below RCA's lowest in old line. Other new models are Stanwyck, a mahogany or blonde console at \$550; Westcott, open-face mahogany or blonde console, \$595; Dartmouth, mahogany, blonde or walnut console, \$650; Whitby, open-face mahogany or blonde tropical, \$695; Asbury, open-face mahogany, natural walnut or blonde tropical, \$750; Chandler, full-door mahogany or natural walnut, \$795; Strathmore, full-door French walnut or bleached birch, \$795; Arliss, full-door mahogany, \$850; Wingate, full-door maple & French walnut, \$850.

Robert A. Seidel, exec. v.p. for consumer products, commented: "Development by RCA engineers of a totally new color TV chassis, which utilizes an array of technical advances adapted to the latest production techniques, makes possible the introduction of the \$495 color set. These receivers were conceived to create a volume business and to provide the public with budget-priced color sets featuring top-quality performance and stability. We are convinced that this new merchandise opens the door to the public's realization that color TV, pioneered and developed by RCA, has arrived . . ."

"Vast and far-reaching strides have been made during the past year by RCA in the design and production of color TV chassis. These chassis have undergone the most extensive of field tests and in-home checks and we are convinced that they will provide the industry with a 'backbone' receiver just as did the original RCA Victor 630-TS black-&-white chassis which became the industry's first mass-produced table model set in 1947."

**I**MPRESSED by U. S. color demonstrations but still faced with knotty problem of whether European nations should adopt compatible systems or incompatible "unified" system, editor Georges Hansen of European Broadcasting Union's official *E. B. U. Bulletin* reports in May-June issue on recent color demonstration tour which took color study group of International Radio Consultative Committee (CCIR) to U. S., France, Britain & Netherlands (Vol. 12:10).

As for NTSC system, Hansen was particularly impressed by demonstrations staged for the international group by Hazeltine last March. Though finding minor defects in system, he called it a "noteworthy solution" to color problem in U. S., and hailed "prodigious efforts of the NTSC" in developing system "which permits transmitting, in a 6-mc channel similar to that used for monochrome, a color picture with a very acceptable definition and colorimetric quality, and which, in addition, may be received in monochrome on all existing receivers."

In addition to viewing NTSC system, group saw these color systems and techniques demonstrated: (1) French "Henri de France" line-sequential system developed by RVB-Radio Industrie. (2) French dot-sequential "double signal" system developed by Laboratoire d'Electronique et de Physique appliquees. (3) French "simultaneous" system developed by M. G. Valensi. (4) BBC version of

## Network Color Schedules (June 11-25, 1956)

June 11—NBC: *Matinee Theatre*, 3-4 p.m.  
 June 12—NBC: *Matinee Theatre*, 3-4 p.m. CBS: *Bob Crosby Show*, 3:30-4 p.m.  
 June 13—NBC: *Matinee Theatre*, 3-4 p.m.; *Kraft Television Theatre*, 9-10 p.m.  
 June 15—CBS: *Bob Crosby Show*, 3:30-4 p.m.  
 June 16—CBS: *Gene Autry Show*, 7-7:30 p.m.  
 June 17—NBC: *Zoo Parade*, 5-5:30 p.m.; *The Sunday Spectacular*, "Bob Hope Show," 7:30-9 p.m.  
 June 19—NBC: *Matinee Theatre*, 3-4 p.m. CBS: *Bob Crosby Show*, 3:30-4 p.m.  
 June 20—NBC: *Matinee Theatre*, 3-4 p.m.; *This Is Your Life*, 10-10:30 p.m.  
 June 21—NBC: *Matinee Theatre*, 3-4 p.m.  
 June 22—NBC: *Matinee Theatre*, 3-4 p.m. CBS: *Bob Crosby Show*, 3:30-4 p.m.  
 June 23—CBS: *Gene Autry Show*, 7-7:30 p.m.  
 June 24—NBC: *Zoo Parade*, 5-5:30 p.m.  
 June 25—NBC: *Matinee Theatre*, 3-4 p.m.; *Producers' Showcase*, "Happy Birthday," 8-9:30 p.m.

Paramount demonstrated sets using Lawrence color tube after annual stockholders meeting in N. Y. this week, and pres. Barney Balaban reiterated assertion that set could be produced to sell for less than \$400. He said he's hopeful that manufacturing difficulties can be overcome this year, while v.p. Paul Raibourn stated that some set and tube makers are interested, declining to identify them. Two 21-in. and one 22-in. sets put together by subsidiary Chromatic TV Labs were shown.

New service contract series for color sets, announced at RCA's Miami Beach distributors convention this week by RCA Service Co. pres. E. C. Cahill: (1) One-year all-coverage unlimited service—\$99.50. (2) Installation and unlimited service for 90 days—\$69.95 plus \$7.50 for calls after 90 days for following 9 months. (3) Installation and unlimited 90-day service—\$39.95.

Color set remote control unit, first of kind, will be offered by RCA at \$90, designed to cover all tuning functions.

Ten local live color shows weekly have been scheduled by WBEN-TV, Buffalo.

NTSC system for 405-lines. (5) EMI demonstration of NTSC system adapted for 625 lines. (6) Two versions of NTSC-type 625-line system by Philips of Eindhoven.

At U. S. demonstrations, delegates saw RCA shadow-mask tube, GE post-acceleration tube and Philco beam-indexing ("apple") tube. Said Hansen: "It was only at Eindhoven that [we] were able to see the Chromatic TV Chromatron [Lawrence tube]." Also at Eindhoven, Philips showed RCA color tubes, a Lawrence-type tube made by Philips and a Philips-made tube using principles of GE's post-acceleration tube, as well as a demonstration of Philips' color projection system. In his evaluation of the color displays, Hansen said: "Among the 3-color tubes presented, the beam-indexing tube ["apple"] gave us the clearest picture with the fewest defects, [but] it is prudent to add that the conditions of observation made it scarcely possible to form a definite opinion."

The color choice facing western Europe, Hansen sums up, is between unity and compatibility—should there be a single color system for Europe [in the uhf band] or should each country adopt a system compatible with its own black-&-white system? He recommends 2 studies: (1) To determine to what extent it would be possible to establish in Europe networks of compatible color transmitters "without the interference caused or suffered by the color sub-carrier becoming intolerable." (2) To determine feasibility and cost of setting up European color TV networks in uhf band using single common (and incompatible) system.

He urges that west European countries pledge not to take any unilateral action "which might compromise the adoption of common standards of color TV" in uhf band.



**OMINOUS PORTENTS IN BLACK-&WHITE MARKET:** Whether or not you agree with opinion of Emerson's Ben Abrams that RCA's newly announced under-\$500 color receiver will have a "devastating" effect on black-&-white sales this fall, there's no denying fact that some disturbing symptoms are building up at all levels of industry -- and their impact on summer-fall selling seasons may be far more adverse than first realized.

TV inventories on May 1 totaled 2,400,000 -- highest on record since retail statistics were first compiled by industry in 1952. Granted that some of inventory buildup may be seasonal, hidden danger this year is that much of that stockpile represents sets produced by companies which have left TV or are re-examining their future in TV. If these sets cannot be absorbed through regular channels, widespread liquidation and cut-price dumping could become serious problem this summer.

Sales of higher-priced higher profit receivers have been steadily declining since first of year, influenced mainly by growing emphasis on portables and to a lesser extent by color. RETMA's retail statistical service shows combined sales of 24 & 27-in. receivers fell from 10% of all retail sales in Feb. to 9% in March and to only 5% in April. Similarly, sales of 21-in. consoles in first 4 months of 1956 accounted for 33% of all industry sales, down from 38% in same period of 1955. Best guess is that the higher-end units will continue to decline.

Accent continues to be on portables, RETMA figures showing that portable sets -- predominantly GE's 14-in. -- accounted for 17% of industry's retail sales in the first 4 months. Their success seems assured, but question is what size portable will be the most successful. Manufacturers apparently are placing biggest reliance on 14-in., which has already clicked, and are putting lighter mix on smaller-screen portables (8½, 9 & 10-in.). Set maker's dilemma is that a production run of at least 200,000 is regarded as minimum to liquidate tooling investment; for retailer, portables spell even lower profit markups, placing premium on volume.

Finally, there's under-\$500 color -- to be available this fall from RCA at \$495, from Admiral at \$499.95 and from several other manufacturers at "competitive" prices. Will the consumer, seeing these price tags, pass up a black-&-white set to buy color instead, or will he postpone any purchase at all in the expectation that color soon may be \$400, then \$350, then \$300?

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RCA's line of 10 color and 25 black-&-white receivers, introduced this week (see p. 1), may or may not justify pre-convention buildup of "revolutionary." Much has been left unsaid publicly, and details of merchandising program -- the steam RCA plans to put behind its selling thrust, especially color -- are yet to be revealed. Enthusiasm among distributors at Miami convention is reported to have run high, and RCA spokesmen say they backed up their enthusiasm with substantial orders for both color and black-&-white receivers.

GE's line was shown to distributors last week at Louisville. Details will be revealed June 15, and line will be shown to dealers at furniture marts in Chicago starting June 18. Line consists of 18 black-&-white and 3 color sets, latter priced "competitively." Seven of the monochrome models are portables, including 9, 14 & 17-in. GE has discontinued suggested list prices, but spokesman said that all monochrome consoles will be sold "from below \$250 to well below \$300." The 9-in. set, weighing less than 13 lbs. and shown to press in March (Vol. 12:11-12), probably will retail for less than \$100 when it hits market in the fall.

GE is aiming for 18% of the TV market this year, which could mean No. 1 rank in industry, or at least mean close runner-up to RCA. Inspired by success of GE's 14-in., a spokesman remarked to us: "We know that we're very close to No. 1 right now in unit sales." GE's production run this year reportedly calls for at least 1,200,000 own-brand sets, plus 200,000 for Hotpoint.

**Appliance Trends:** The major appliance industry, like TV-radio, is faced with high inventories as one of its most pressing problems. With exceptions of room air conditioners and freezers, retail sales of major appliances thus far this year have fallen considerably below optimistic predictions. As result, layoffs have become widespread. Frigidaire, Airtemp, Maytag, Roper, Gibson & Youngstown-Kitchens are among major manufacturers which have furloughed employes and cut back production in effort to reduce stockpiles of appliances. And, to carry parallel with TV further, there have been mergers and acquisitions in appliances, too. Most recent was the purchase of Deepfreeze goodwill, assets & chest freezer machinery by Amana.

**'Tinkertoy' Set:** Emerson's long-awaited Tinkertoy, or modular design TV sets will be introduced to distributors at series of regional meetings starting later this month. Pres. Benjamin Abrams told us that a single Tinkertoy chassis will be incorporated into 17 & 21-in. sets, both table models and consoles. Such sets will be priced somewhat higher than comparable models at outset in order to absorb some of the production costs, but Abrams expects price to come down later.

**Production:** TV output fell to 94,578 week ended June 1, reflecting Memorial Day holiday, compared to 117,767 for preceding week and 115,373 week ended May 18. It brought production for first 5 months to about 2,860,000, as against 3,400,000 in same period year ago. Radio production totaled 208,224 (60,477 auto) week ended June 1, compared to 283,306 preceding week and 255,193 week before. For 5 months, radio output was 5,850,000, as against 5,670,000 in corresponding period of 1955. Official 4-month production was placed at 2,394,264 for TV, 4,525,225 for radios.

**Retail Sales:** A 10% decline in retail sales of TV sets in first 4 months below the corresponding period of 1955 is reported officially by RETMA -- confirming our earlier indications. TV sales in first 4 months totaled 2,036,808, slightly more than 10% below 2,355,740 in first 4 months year ago. April sales totaled 347,630, as against 544,411 in 5-week March and 411,748 in April 1955. Radio sales in first 4 months, excluding auto sets, went up to 1,984,915 vs. 1,609,182 in same period year ago. April sales were 471,913 vs. 527,649 in March and 367,841 in April 1955.

**Trade Personals:** John D. Campbell, gen. mgr. of Canadian Westinghouse consumer products group, elected pres. of RETMA of Canada, succeeding Carl A. Pollock, pres. of Dominion Electrohome Industries; J. S. Kingan, Canadian Marconi, elected v.p. & chairman of receiver div.; J. R. Longstaff, International Resistance Co., v.p. components div.; J. C. R. Punchard, Northern Electric Co., v.p. electronics div. . . . Harold S. Geneen resigns as v.p. and controller of Jones & Laughlin Steel Corp., Pittsburgh, elected exec. v.p. of Raytheon . . . Walter S. Bopp promoted to sales mgr. of Avco international div., N. Y.; George Kende named mgr. of licensing developments; E. V. Stirbis mgr. of European operations; W. S. Rolston, mgr. for Latin America; R. M. Norris, mgr. for South America . . . Edmund B. Barnes promoted to Kelvinator gen. sales mgr. of household appliances; James W. Keupting promoted to mgr. of sales operations . . . Charles A. Burton, gen. sales mgr. of Sylvania lighting div., appointed mid-west regional sales v.p. for all products, headquartering in Melrose Park, Ill. (Chicago) . . . Anthony Cascino resigns as Crosley-Bendix marketing director to become marketing director of International Mineral & Chemical Co., Chicago . . . W. R. McAllister, with Capehart-Farnsworth for 17 years prior to setting up Rubinger-McAllister Corp. as company's N. Y. regional merchandiser few months ago, appointed field sales mgr. of Capehart Corp., renamed by new owners Ben Gross Corp. . . . Paul H. Eckstein resigns as gen. mgr. of TV-radio div., Lion Mfg. Co., which is discontinuing all TV operations to concentrate on coin-machine business . . . Albert Friedman, onetime Olympic Radio sales v.p., resigns as Olympic's merchandising consultant . . . Bernard Bernstein appointed chief engineer of

tube div., Central Electronics Manufacturers Inc. . . . C. Arthur Foy upped to sales promotion mgr., Ampex Corp. audio div., Redwood City, Cal. . . . Henry J. Morley, ex-Canadian GE & Bendix Aviation, named mgr. of Clarostat's plant at Dover, N. H., reporting to mfg. director Walter J. Mucher . . . J. M. Slayton, ex-O'Bannon Bros., Little Rock, named DuMont southeast district mgr., headquartering in Little Rock and reporting to regional mgr. James Shackelford . . . Frank Fesenden, ex-Eastman Kodak, named Stromberg-Carlson director of technical training . . . George A. Svitek appointed national service mgr., GE communication equipment section, reporting to H. N. McNeill, mgr. of product service.

Newsman's news: Oliver Read, asst. publisher of *Radio & Television News*, promoted by Ziff-Davis to publisher of its electronics group, which also includes *Popular Electronics* and *Hi-Fi Annual* . . . Paul J. Carnese promoted to business mgr. of Caldwell-Clements' *Mart* and *Technician & Circuit Digests* . . . Edward E. Grazda, editor of *Electronic Design*, elected president of N. Y. Business Paper Editors Association.

Institute of Appliance Manufacturers elects these new officers: pres., Leonard Raulston, U. S. Stove Co.; exec. v.p., F. O. Guthrie, Newark Stove; secy.-treas., Earle B. Kaufman, Boston Stove Foundry Co.

George H. Clark, 75, wireless pioneer who joined RCA at its formation in 1919, coming over from British Marconi, died at his N. Y. home June 3. He was historian of RCA from 1931 until his retirement in 1945. Surviving are son & daughter.



**I**NDUSTRY REACTIONS to the RCA announcement of a \$495 color set, as gauged by our own canvass of leaders, would seem to reflect general agreement that the market will be stimulated but disagreement as to extent of the stimulus. There was an apparent inclination to pursue attitude of let's-watch-the-market-for-awhile before embarking on any ambitious program of color set production, and there were some expressions of misgiving about what the surge of color promotion will mean to an already depressed black-&-white market (p. 11).

Said Motorola v.p. Edward R. Taylor: "We believe the RCA action will provide a stimulus to color sales, but we don't believe the market will mushroom by any means. It's a long uphill pull, and surely a profitless one at present prices." He indicated Motorola will go "very light" in quantity of color output this year. Its new set will be shown at distributor convention in Chicago June 21.

Said Edward J. Kelly, v.p.-gen. mgr. of Westinghouse TV-radio div.: "We had expected a \$495 price tag from RCA ever since Admiral came out with its \$499 price. I don't believe that \$500 or any other price is a magic number, however, and it remains to be seen whether it will open up a new market. A lot depends on the availability and terms of credit which will be extended to dealers and to consumers for these sets. A lot also depends on the amount of programming that will go along with it." Westinghouse is now producing 22-in. rectangular color sets, he said, and these will be priced "competitively." They will be shipped to distributors by July 1, though price may not be announced by then.

Emerson pres. Benjamin Abrams expressed belief that any advances color makes from now on will be "to the further detriment of black-&-white." Emerson has revised its 1956 production plans downward from original 20-25,000 estimate. "We cannot make any money on color at these prices, and so we will try to lose as little money as possible," he said. Nevertheless, he believes that RCA's action, combined with more programming, will stimulate color market to the point that an estimate of 300,000 color sales this year appears to be more realistic than 150,000.

Jack Beldon, marketing mgr. of GE's TV div., said it was too early to predict impact of RCA's plans. GE will announce details of its 3 color sets June 15, will show them to dealers at Chicago furniture marts starting June 18. As to pricing, Beldon said: "We will be competitive in price with any major set maker, period." A GE spokesman later said company plans to go "very slowly" on color this year.

An Admiral spokesman called attention to fact his company had previously announced \$499.95 price and \$100 annual service contract—set to be shown at this month's Chicago convention of distributors. He said color will be pushed vigorously but added that he stands on pres. Ross Siragusa's previous statement that color will be evolutionary, not in the pattern of black-&-white, and that RCA's announcement doesn't alter that view.

Philco declined comment, but it's good speculation that its color sets, to be shown at Philadelphia convention June 18-19 won't be priced as low as \$495. Its lowest color price currently is \$795, and it's believed a \$300 drop would be too precipitous. A \$595 price tag seems to be the realistic approach, which could be lowered by \$100 by time of fall selling season. Still "sold" on its own "apple" set development, which has won considerable technical acclaim but which is not ready for commercial production, Philco word is "go slow" on current production of color.

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NARDA's managing director A. W. Bernsohn was quite optimistic. "RCA's action," he said, "should open up the market considerably and speed the day when color represents a substantial portion of our total sales." But he doubted whether the price reduction would change the attitude of many dealers toward color, saying he felt they will continue to sell "from the warehouses of distributors" until a mass market is created—in other words, they will buy only floor samples.

It's Bernsohn's view that it is unfair to analyze color sales thus far—variously estimated in the trade at up to 40,000—"because we haven't had the right combination of a good buying season, extensive color programming and relatively low receiver price." He thought all 3 factors will be working in combination this fall.

**DISTRIBUTOR NOTES:** Admiral appoints South Bend Electric Co. Inc., 439 E. Colfax Ave., South Bend (George R. Lininger, pres.) . . . Sylvania appoints Major Appliance Distributors Inc., Charlotte (Jack Trexler, v.p.-gen. mgr.), replacing Walker Martin Inc., now GE outlet . . . Bendix Radio appoints new Schell-Munday, Amarillo (Carl R. Schell & Lowell Munday, owners) . . . Whirlpool-Seeger appoints King's Appliances & Electronics Inc., Savannah (Jack King, pres.); Brennan Appliance Distributors Inc., Detroit (Warren E. Brennan, pres.); Sidles Co., Omaha (Harry B. Sidles, pres.); Morley Bros., Saginaw, Mich. . . Raymond Rosen & Co., Philadelphia (RCA) promotes Wm. R. Nealon to new post of color TV sales mgr. . . Telefunken appoints Sanford Electronics Corp., 157 Chambers St., N. Y. (Charles Ollstein, pres.) . . . Olympic Appliances Inc., N. Y., reports resignation of pres. Jack Haizen . . . Peirce-Phelps Co., Philadelphia (Admiral) reports resignation of Rodman W. Shutt as adv. & sales promotion mgr.

Hoffman signs distribution agreement with Kelvinator, whereby latter will distribute Hoffman products in Neb., Kan., Iowa, Mo., Ill., Ind., Ky., Ohio. Kelvinator sales force will work out of its Kansas City, Chicago & Cincinnati branch offices.

Picture tube sales in first 4 months totaled 3,469,405, valued at \$65,008,912, compared to 3,427,745 at \$67,076,542 in first 4 months of 1955, reports RETMA. Receiving tube sales totaled 155,604,000, worth \$125,535,000, in first 4 months, as against 152,762,000 at \$111,510,000 in same period year ago. RETMA's monthly breakdown:

	Picture Tubes		Receiving Tubes	
	Units	Value	Units	Value
Jan. ....	892,385	\$17,016,391	40,141,000	\$31,314,000
Feb. ....	898,063	17,136,695	37,754,000	30,756,000
March (5 wk)....	848,055	15,714,365	42,525,000	34,849,000
April .....	830,902	15,141,461	35,184,000	28,616,000
<b>TOTAL.....</b>	<b>3,469,405</b>	<b>\$65,008,912</b>	<b>155,604,000</b>	<b>\$125,535,000</b>

New type of aluminized picture tube, about 2-in. shorter than conventional lengths and adaptable to 14, 17, 21 & 24-in. receivers, was announced this week by DuMont, with "large-scale production" scheduled to begin in Aug. New tubes have 90-degree deflection, short-length straight electron gun, and eliminate need for ion trap, permitting improved focusing. Alfred Y. Bentley, mgr. of DuMont's CR tube div., said that "an important characteristic of the short-gun design is the elimination of fluctuating performance due to line voltage variation in the home."

Westinghouse's new TV-radio line will be introduced to distributors at series of briefings in Metuchen, N. J. plant starting June 14.

**Topics & Trends of TV Trade:** A 20% reduction in price of transistorized portable radios next year is foreseen by James H. Sweeney, marketing manager of GE's semiconductor products, on basis of its new price cuts ranging up to 27% on 10 audio transistors. Transistors affected by latest GE price cut, second in less than a month, are those used in portable & table model radios and in high fidelity audio systems.

Sweeney also predicted more transistor price cuts later this year or in early 1957 as production increases. "If the present trend continues, and we expect that it will, it seems probable that practically all portable radios and a large percentage of table model radios will be transistorized by 1958," he said.

"There is no doubt that the heavy sales of transistorized radios, being reported recently, reflect a growing awareness by the public that much longer battery life, greater reliability and compact size of these radios make them more desirable, even at the present high prices, than their tube versions."

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Zenith's new line of 24 black-&-white models, shown distributors this week in Chicago, was publicized in terms of sq.-in. only, in deference to new Federal Trade Commission regulation on measurement of "viewable area." Ten of the new sets have as standard equipment a new "Space Command" remote control tuner, "without wires, batteries, electricity, light or radio waves." The 149-sq. in. portables are priced at \$150 & \$170; 149-sq. in. table models are \$140 & \$160; 262-sq. in. tables, \$170, \$190, \$220, \$240, \$260; 332-sq. in. table, \$260; 262-sq. in. consoles, \$270, \$300 (2), \$330, \$340, \$350, \$370, \$380 (2), \$450, \$550; 332-sq. in. consoles, \$350 (2). No color was shown.

Unitronics Corp. is new corporate name of Olympic Radio, as approved this week by directors in move to reflect company's broader base. Subject to approval of stockholders, Unitronics would become parent organization, with Olympic Radio and newly acquired David Bogen Co. functioning as divisions. Wm. H. Husted, chairman of exec. committee, said negotiations to acquire several additional businesses, including unidentified west coast electronics equipment manufacturer, are in "an advanced stage." Olympic sales v.p. Herbert Kabat also reported that TV sales in May more than doubled sales in May 1955.

RCA's new line, in addition to 10 color models (see p. 1 & 10), includes 25 black-&-white receivers. They're divided into "Special," "Super" & "Deluxe" series. Monochrome line comprises 8½-in. portable carryover at \$125; new 14-in. portables at \$130 & \$150; 17-in. table at \$160; 21-in. tables at \$180, \$200, \$230, \$250 & \$270; 21-in. consoles at \$250, \$270, \$280, \$330, \$340, \$350 (2) & \$370; 24-in. table at \$290; 24-in. consoles at \$290, \$350, \$390 (2), \$475 & \$500.

Buffalo TV-radio dealer named Ed Sullivan, using business name Ed Sullivan Radio & TV Inc., was temporarily enjoined by N. Y. State Supreme Court this week because "it is undisputed that the name 'Ed Sullivan' is automatically identified by the general public with the appellant alone [CBS-TV personality Ed Sullivan] insofar as radio and TV are concerned." Court reversed lower court which had ruled name permissible.

Stereophonic high-fidelity tape players at \$295 & \$350 will be marketed shortly by RCA. James M. Toney, v.p.-gen. mgr. of RCA Victor Radio & "Victrola" div., told distributors convention that each unit will play dual or single-track tapes at 7½-in. per second, will have pair of 2½-watt amplifiers and two 3½-in. & one 6½-in. speakers. RCA's new phonograph line comprises 8 models ranging from \$80 to \$1600.

**ELECTRONICS PERSONALS:** Dr. Wm. Shockley, ex-Bell Labs, who recently set up Shockley Semiconductor Laboratory, awarded honorary Doctor of Science degree by Rutgers U this week . . . Dr. Edward G. Witting, ex-chief scientist of Army Signal Corps, sworn in June 4 as Army deputy director of research & development, under director Wm. H. Martin . . . Morton B. Prince, ex-Bell Labs, named research & development director of Hoffman Electronics' national semi-conductor div. . . . Wm. C. McFadden named exec. v.p., Hycon Mfg. Co., Pasadena . . . George A. Banino appointed comptroller of IT&T's Federal Telephone & Radio; Charles G. Horstman named asst. comptroller . . . Gene Perry named sales mgr., Central Electronics Mfrs., Denville, N. J., subsidiary of Nuclear Corp. of America.

Henri G. Busignies, exec. v.p. of IT&T's Federal Telecommunication Labs, promoted to pres.; Charles D. Hilles Jr., IT&T v.p. in charge of telephone & radio operating dept., appointed exec. v.p. of IT&T; Henry H. Scudder, v.p. of International Standard Electric, promoted to exec. v.p.

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Model of solar-powered airliner of future was demonstrated to Aviation Writers Assn. of North America in San Francisco last week end by Hoffman Electronics pres. H. Leslie Hoffman and Hoffman Labs pres. Adm. John B. Moss. "One of the most exciting and demonstrable devices which has come out of our development laboratories is the silicon solar cell which for the first time gives practical amounts of electrical power directly from sunlight," said Hoffman. "While solar cells will not as yet make this model airplane airborne, although they will spin its engine, their rapid development during a comparatively brief period has been truly astonishing . . . Within just a few months the efficiency of our labs' silicon solar cell systems generating electricity has been made to rise from 2% to 12%, and the science-fiction idea of having a solar-powered shingle on top of a house, furnishing both light and power for an entire family, can no longer be considered impractical."

Electronic watch of the future, as described to Joint Senate House Foreign Policy subcommittee by Longines-Wittnauer Watch Co. chairman F. Fred Cartoun: "It is an open secret that many firms are experimenting with electronic timepieces—not merely battery-operated products but truly electronic devices which are powered by radio impulses or some similar device. There would be no hairsprings, no balance wheels, escapement pins, or other devices found in current products. The watch of the future may well have magnetic coils, resistors, transistors and other components found in the electronic industry." The techniques, he said, probably will be developed, not by watchmakers, but by such companies as Bell Labs and GE. He was testifying against extra tariff protection for domestic watch producers.

Tiniest TV camera yet has been developed by Lockheed Aircraft Corp., research lab for use in testing aircraft in flight and on the ground. Measuring 5-in. in length and about twice the size of a cigarette pack, it weighs 1½ lb. It will permit engineers to view otherwise inaccessible tests in the lab, and permit them to study performance of control surfaces during test flights.

RCA has made grant of \$25,000 to Bryn Mawr College in recognition of its work "in providing advanced training for women in the physical sciences." Biggest donation college has ever received from industry will go toward building new Science Center.

CBS-Columbia, still awaiting decision by parent CBS on its future in TV-radio business (Vol. 12:21-22), this week introduced 3 fill-in TV models—17-in. ebony table at \$150; 21-in. charcoal grey table at \$180; 21-in. open-face mahogany console at \$300.



**Financial & Trade Notes:** "Philips United States Trust," embracing U. S. holdings of the big Dutch company on which we reported last week (Vol. 12:22), presently comprises North American Philips Co. Inc., 100 E. 49th St., New York 17, N. Y., whose pres. is Pieter van den Berg, and a holding company called Philips Industries Inc. Total net worth of the Philips' holdings here, according to the Philips of Eindhoven annual report, was \$32,046,514 last Dec. 31. Inquiry into their operations indicates that:

North American Philips' consumer products div. (P. C. Weinseimer, v.p.) deals in Norelco electric shavers; radios & radio-phonographs; diamond styli, loud speakers, record changers, microphones. Other divisions are medical equipment (M. M. Dorenbosch, v.p.) which handles line of X-ray, medical & dental equipment; research & control instruments div. (M. M. Dorenbosch, v.p.) which handles various products, including medical & electronic apparatus; Elmet div., Lisbon Road, Lewiston, Me. (B. Lowit, v.p.) which deals in tungsten & molybdenum products, diamond dies, copper wire, lamp bases, tungsten welding electrodes, etc.

Philips Export Co. (A. Vernes, pres.) handles export sales of communications & electronics, motion picture, radio tubes and the various industrial, hospital, pharmaceutical, lighting & machinery products of the parent company in Holland.

Philips Industries Inc., the holding company, has as its most important 100% subsidiary Amprex Electronic Corp. It has 2 divisions—Amprex Electronic (Mr. van den Berg, chairman), which makes and sells tubes, and Electrical Industries Inc. (O. H. Brewster Inc.) which makes and sells hermetic seals. Philips Industries also owns 50% of Ferroxcube Corp. of America (ferrites), other half being owned by Sprague Electric Co., and about 35% of Consolidated Electronics Industries Corp., which in turn owns A. W. Haydon Co., Waterbury, Conn. (A. W. Haydon, pres.); Price Electric Corp., Frederick, Md. (L. V. Roughan, pres.); Alliance Mfg. Co., Alliance, O. (John Bentia, pres.).

That's the giant Philips company's U. S. setup, apparently a major factor among the 80-odd countries in which it operates. Note: Parent company's first-quarter report, released from Eindhoven this week, reveals net profit of \$8,361,600 on sales of \$147,373,200, which compares with \$8,100,300 on \$133,524,300. Quarter's pre-tax earnings were \$15,416,700 vs. \$14,894,000 in last year's quarter. Report says 10% sales increase was lower than expected, that exports from Netherlands increased proportionately more than sales. (For 1955 report, see Vol. 12:22.)

\* \* \* \*

**Jerrold Electronics Corp.** reports \$169,422 net income after taxes on sales of \$3,703,065 for fiscal year ending Feb. 29, compared with \$189,933 profit on \$3,399,995 sales for preceding year. Pres. Milton J. Shapp attributed drop in net to expansion—construction of laboratory, additions to sales & engineering staffs. He reported 60% of sales were in community antenna equipment, 25% in master systems for apartments, hotels, etc., balance miscellaneous. Sales for first quarter of fiscal 1957 were reported at rate of \$1,100,000 vs. \$780,000 same period last year.

**Ampex Corp.**, whose TV tape recorder was hit of recent NARTB convention (Vol. 12:16), reports sales of \$10,150,000 in fiscal year ended April 30, compared to \$8,163,000 in preceding fiscal year. In letter to stockholders, pres. George L. Long said profits were "somewhat lower" than preceding year because of research and development expenses. Profit figures will be released in July.

**Emerson Radio's** consolidated net profit, after provision for taxes, was \$317,666 (16¢ per share) for 26-week period ended April 28 vs. \$1,111,981 (57¢) in 1955 period.

"Pictures made with the right combination of story, stars, production values and cost continue to deliver a handsome profit," said Paramount Pictures pres. Barney Balaban at June 5 stockholders meeting—but he reported operations earnings for first 1955 quarter were \$1,722,000 (80¢ a share) compared with \$2,858,000 (\$1.31) for same 1955 period. However, he added that, thanks to non-recurring profits, net will reach record for second quarter, as yet unreported, as compared with the \$2,307,000 (\$1.05) for 1955 quarter. He admitted TV is a major competitor for the public's leisure time, but said this may be a transient factor and "may not represent a basic long-term influence on our business that we cannot meet competitively." Paramount is concluding negotiations to sell its *Popeye* shorts for \$1,500,000, he reported; will shortly realize \$5,180,000 from sale of 7 theatres in Great Britain; is continuing to shrink its capital structure by buying in its stock on open market, cutting shares currently outstanding to about 2,132,000 from 3,300,000 in 1950; looks with optimism on profit possibilities of DuMont Laboratories Inc. and recently spun-off DuMont Broadcasting Corp. (WABD & WTTG); expects latter to show profit this year as compared with past losses.

**Nucelonics, Chemistry & Electronics Shares Inc.**, 1 No. Dean St., Englewood, N. J., is new name of projected new investment fund specializing in those fields originally announced (Vol. 12:9) as Atomic, Electronic & Chemical Fund Inc. In June 7 preliminary prospectus and SEC registration statement, it proposes to issue 400,000 shares of \$1 par capital stock to be offered through Lee Higginson Corp., N. Y. Authorized capitalization is 5,000,000 shares of which 100 have thus far been issued (at \$10 per share) to certain officers and directors. Officer-director group, headed by John M. Templeton, pres. of Templeton, Dobbrow & Vance Inc., investment counselors, is same as for original group except for addition as directors of Sir Robert A. Watson-Watt, of Thornhill, Que., and Edward A. Westfall, N. Y. investor, and shift of Robert E. Gross, chairman of Lockheed Aircraft, from directorate to advisory board which is headed by Dr. Eugene T. Booth Jr., exec. officer, physics dept., Columbia U.

**Cantor, Fitzgerald & Co.'s** 60-day option to purchase Republic Pictures has been extended to Sept. 4 due to complexity of financial problems. Investment firm May 23 announced offer to buy stock of Republic pres. Herbert Yates and associates at \$12.50, involving deal of \$8,125,000-\$10,000,000.

**Davega Stores** pulled itself back into profit column for 11 months ended Feb. 29, showing net income of \$173,402 (47¢ a share) as against net loss of \$331,798 in 1955 fiscal year after tax credit of \$26,680. Sales for the 11 months were \$24,643,049, up from \$23,818,893 in the 12 months ended March 31, 1955. Chain operates 30 stores.

**Eitel-McCullough Inc.** reports net income of \$400,000 (53¢ a share) on sales of \$3,500,000 in March 31 quarter, up from \$2,250,000 & \$168,000 (22¢) in same 1955 period. Total 1955 sales were \$8,950,179, profit \$645,844 (86¢) vs. \$9,452,689 & \$622,761 (83¢) in 1954.

**Keystone Fund S-3**, which had \$17,200,000 assets as of April 30, reports adding Motorola, RCA and Paramount Pictures to its portfolio in preceding 6 months.

\* \* \* \*

**Dividends:** WJR The Goodwill Station Inc., 10¢ payable June 20 to stockholders of record June 8; Collins Radio "A" & "B," 35¢ July 31 to holders July 16; Canadian Westinghouse, 25¢ July 3 to holders June 15; Capitol Records, 15¢ quarterly plus 25¢ extra, June 30 to holders June 15; Decca Records, 25¢ June 29 to holders June 18; Universal Pictures, 25¢ June 28 to holders June 15; Loew's, 25¢ June 30 to holders June 14.

**SUBSCRIPTION TV**, if it is to get start anywhere in near future, will have to be via closed-circuit or foreign markets. FCC has been giving matter no attention at all, being preoccupied with allocations—and it isn't likely to take any action this summer. Nor has Senate Commerce Committee any intention of doing anything about it this session.

Prime proponent of closed-circuit pay-TV is Jerrold Electronics Corp., major manufacturer of community antenna equipment and operator of several substantial CATV systems.

Jerrold has long negotiated with movie producers and exhibitors in effort to obtain first-run features, hasn't disclosed progress, if any. Among those contacted is Joe Floyd, operator of KELO-TV, Sioux Falls, S. D. and a string of theatres; he's been talking about "Exhibivision," a method of offering movies simultaneously in theatres and on community systems (Vol. 11:49).

Emanuel Demby, pres. of Motivation Research Assoc., N. Y., is reportedly seeking to organize a closed-circuit toll-TV company.

Paramount Pictures' pres. Barney Balaban told stockholders meeting this week that subsidiary International Telemeter Corp. is now considering closed-circuit operation.

Free-wheeling entrepreneur Matty Fox, who holds rights to Skiatron pay-TV techniques, has been dickered with Cuban stations, hasn't reported results. Zenith pres. Eugene McDonald, conceding lack of success in stimulating FCC, has said that foreign markets look promising.

*Look Magazine*, which was subject of controversy several months ago because it carried pro-pay article by FCC Comr. Robert E. Lee (Vol. 12:10), has released survey by Politz covering public attitudes on subscription TV. It concludes that "healthy percentage" is willing to pay for World Series games, Broadway plays, championship fights, variety shows. It showed, for example, that 22.6% (representing 19,700,000 people more than 15 years old) would pay \$1 for World Series game.

NARTB is distributing 13-p. pamphlet reprinting anti-pay testimony of pres. Harold E. Fellows before Senate Commerce Committee.

Advice to "the fussers and the fumers about TV's alleged weaknesses," from June issue of Grey Adv. Agency's newsletter *Grey Matter*: "TV's position as a social and educational force and as a medium of communication for advertisers will grow more significant with each passing year. Instead of fighting it, let's fight to perfect it. Instead of abusing it, let's find better ways of using it. Instead of accentuating the negatives of TV, let's really understand its positives. Belief in TV does not signify disbelief in other media. They all have their place, each to play the part for which it is best suited."

Independent radio KLAC, Los Angeles (5-kw D, 1-kw N, 570 kc) is being acquired by mgr. M. W. Hall for \$850,000 from his mother, Dorothy Schiff Sonneborn, publisher of *New York Post*, who sold KLAC-TV (Ch. 13), now KCOP, to Copley Press in 1953 for \$1,375,000 (Vol. 9:46, 49, 52).

Paul C. Smith, pres. & editor-in-chief, Crowell-Collier Publishing Co., named chairman of next Brand Names Week, April 28-May 4, 1957, sponsored by Brand Names Foundation, whose chairman is Motorola v.p. Edward R. Taylor.

Sales Management's annual *Survey of Buying Power*, including county-by-county data on population, retail sales, buying income, industrial employment, etc., this week came off presses of Bill Brothers Publishing Corp. (880 pp., \$4).

**Next TV Factbook—Pre-Print Orders**

**T**ELEVISION FACTBOOK No. 23, Fall-Winter edition of the TV-electronics industries' first and most widely used and quoted "almanac," will be off the presses about Aug. 1—containing basic data on all U. S., Canadian and World TV stations and networks (including digests of station rate cards and complete rate cards of the networks); digests of all CPs outstanding and applications pending for new stations, with details on principals involved, facilities, etc.; all allocation tables brought up-to-date. All other departments will be updated, too, such as the directories of the FCC, TV sales reps, program producers & distributors, U. S. & Canadian set-&-tube manufacturers, radio attorneys, engineers & consultants, electronic laboratories, etc. New dept. will be a directory of TV set manufacturers throughout the world. Also updated will be TV-radio production figures, time sales and other statistical tables. Included with each *Factbook* is revised copy of our 43x29-in. Map of TV Cities and Network Interconnections, in color, suitable for framing. One copy of the *Factbook* goes to each of our full-service subscribers. Extra copies, if pre-print orders for 20 or more are placed by June 30, cost \$1.50 each; single copies, \$4.50.

Signs of upsurging radio times: Radio Adv. Bureau pres. Kevin B. Sweeney reports 142,000,000 radios in U. S. as of last Jan. 1—82,000,000 in working order in 45,000,000 homes, 10,000,000 in public places, 32,000,000 in automobiles, 18,000,000 not in working order—and first-quarter 1956 production of 3,500,000 radios (1,500,000 of them auto sets), or just about twice the production of TV sets in same period . . . Pulse Inc. survey of 28 markets shows out-of-home radio listening (namely in autos) sometime between 6 a.m.-midnight by average of 4% of all U. S. families, up to as high as 4.8% in Boston area, 4.6% in N. Y.; these represent 1,965,600 families added to regular listening audience during any given quarter-hour of the waking day . . . CBS Radio's "Quintile" study shows much more daytime radio listening than daytime TV viewing, especially when you consider there are 12,000,000 households still without TV; more than that, the vastly lower cost-per-thousand is pulling major sponsors back into daytime radio . . . NBC Radio's weekend *Monitor*, in first year ending June 12, has billed \$4,000,000 gross from more than 40 advertisers using 4349 spots, reports radio sales director Fred Horton . . . And church people, though now buying much more radio time (Vol. 12:22), think networks and stations shouldn't charge them for it; at least, 250-man board of National Council of Churches, meeting in Toledo this week, said more free time ought to be given for religious programs if they're to discharge their public responsibility.

WJR, the Goodwill Station Inc., operating radio WJR, Detroit, same ownership as CP holders for WJRT, Flint (Ch. 12), reports earnings for first 4 months of 1956 were \$186,538 (36¢ per share) on record revenues of \$1,139,850 vs. \$85,999 (16¢) on \$870,736 same 1955 period. Pres. John Patt told annual stockholders meeting 1956 sales will rank with highest in company's history.

Bill to reduce excise tax to 5% on all TV sets capable of receiving at least 50 uhf channels was introduced this week by Sen. Martin (R-Pa.). His S-3994 is companion to identical HR-10425 introduced in April (Vol. 12:15) by Rep. Kearns (R-Pa.). But Congressional experts say there's little chance for passage of any excise tax legislation this year.



# Television Digest

with **ELECTRONICS REPORTS**

PUBLISHED WEEKLY BY RADIO NEWS BUREAU • WYATT BLDG. • WASHINGTON 5, D.C. • TELEPHONE STERLING 3-1755 • VOL. 12: No. 24

## SUMMARY-INDEX OF THE WEEK'S NEWS — June 16, 1956

**CONGRESS ACTION UNLIKELY** to restrict networks, but Justice Dept. probe causes nervousness as network presidents make strong presentation to Senate (p. 1).

**ALLOCATIONS TARGET** of FCC still uncertain as to "when" or "what." Network presidents insist that of "manipulable problem" is allocations (p. 3).

**COMMUNITY ANTENNA** business reaching maturity as NCTA convention concentrates on all-industry problems of property rights & govt. regulation (pp. 4 & 5).

**ECONOMICS OF NETWORKING** detailed in refutation of Bricker charge that they make too much money; NBC discloses profit-&-loss figures for 9 years (p. 6).

**MAJORITY OF PROGRAMS** produced by independent non-network sources, say network heads, giving figures and asserting their right to produce own shows (p. 10).

**FCC WINS ANOTHER** in Court of Appeals, 2-1 decision upholding grant to KCRA-TV, Sacramento, but court slips Commission in New Haven radio case (p. 10).

**LOW TV PROFITS NOW**, but fall pickup foreseen at RETMA convention. Tube measurement rule clarified. TV-radio-phonos lead all retail appliance sales (p. 12).

**BUSINESS FAILURES** of TV-radio-electronics manufacturers increased from 26 to 29 in year ended April 30. Liabilities declined to \$11,055,000 (p. 15).

**\$9 BILLION ELECTRONICS** industry employs nearly 3% of nation's working force, says RETMA pres. Leslie Hoffman. Mansfield, Galvin also discuss growth (p. 16).

**STORER SUCCESS STORY** told financial analysts by Lee Wailes, exec. v.p., showing profitability of independent operations; stock should earn \$2 this year (p. 17).

**ALBANY UHF RESUMES** operations, as did Elmira's WTVE 5 weeks ago; with Memphis Ch. 10 educational, 476 stations now on air. Notes on upcoming stations (p. 11).

**GENERAL RAILWAY SIGNAL Co.** disclosed as entering TV-radio broadcasting via control of Transcontinent TV Corp., purchaser of WHAM-TV, Rochester (p. 18).

**SENATORS IMPRESSED BY NETWORKS' CASE:** "Don't tamper with the system which has made TV the greatest medium of information, entertainment & advertising ever developed." That was the theme of 4-day 17-hour spectacular staged this week for Senate Commerce Committee, featuring the top talent in American TV -- the 3 network presidents. It drew high rating from the Senators, who generally were not inclined to be critical -- except in the matter of political TV time allocations (p. 7). Sen. Bricker stood alone in his dogged insistence on Federal regulation of networks.

There was gravity and urgency in the pleas of the network chieftains to leave networks alone, in their patient and detailed explanations of the a.b.c.'s of networking. And it was obvious that their words and exhibits and careful answers to questions were aimed not only at the Senators -- but primarily at Justice Dept., now accelerating its anti-trust investigation of network practices.

The chances of Congress dictating changes in network way of doing business are extremely remote, Bricker notwithstanding. Even the FCC network study group, headed by Roscoe Barrow (who attended all this week's hearings), is not considered by the networks as an immediate source of difficulty, since its findings -- not due for over a year -- will be strictly "advisory" to the Commission.

Real trouble spot, from networks' viewpoint, is Justice Dept.'s anti-trust div., which has been interviewing advertisers, agencies, film producers, probably independent stations, and carefully scanning transcripts of Senate hearings. Its investigators were in audience all through this week's hearings.

Justice Dept.'s network investigation featured in record of this week's hearings when Sen. Magnuson inserted letter from chief trust-buster Stanley Barnes in response to request for the Dept.'s comment on anti-network charges made before Committee by KTTV's Richard Moore. Barnes' letter shed little light on progress of investigation, but revealed some of the intensity of Justice's study.

"Material already in our files appears to be consistent with many of the statements of fact contained in Mr. Moore's statement to your committee," Barnes

wrote. But he added Justice Dept. must await outcome of FCC's network study before taking action in certain unspecified fields where FCC has primary jurisdiction.

"There is a substantial area in the broadcasting field which is not regulated by the FCC and in which the anti-trust div. has primary responsibility for enforcing the Sherman & Clayton Acts," said Barnes. "In recognition of that responsibility, we are looking into certain of the situations concerning which Mr. Moore testified." In another letter filed with Committee, FCC Chairman McConnaughey said anti-trust problems raised by Moore come "under primary jurisdiction of the Dept. of Justice," and therefore FCC could make no comment on them.

\* \* \* \*

Few new facts were unearthed in the testimony of CBS's Frank Stanton, NBC's Robert Sarnoff, ABC's Robert Kintner, who generally stressed network's obligations to and acceptance by public -- first two dwelling at some length on fiscal matters (p. 6) to refute charge of inordinate profit-making and industry domination.

They followed generally the theme of statements previously submitted by NBC & CBS (Vol. 12:21,23). All 3 injected allocations issue, as did Senators Magnuson and Pastore, unanimous network view being that if there is artificial restraint on the growth of telecasting it's due to shortage of stations, not "monopoly." All urged quick FCC allocations action -- Kintner devoting large part of his statement to "scarcity of competitive stations" and stating that ABC-TV had \$13,000,000 in orders for stations on which it couldn't clear time last year (see p. 3).

Highlight was Stanton's extraordinary manner of presentation: his complete grasp of all phases of his subject down to minute details, his easy responsiveness, his articulate flow of language in the ad lib exchanges. It was young Sarnoff's first appearance before a Congressional committee -- in a room where his father had been a witness many times over the last 30 years -- and it marked return of Kintner to a scene similar to those he had covered many times as a Washington correspondent.

Stanton and Sarnoff were flanked by batteries of top network executives and legal talent, armed with reference material. Kintner's aides didn't come to the witness table with him. CBS filed 5 documents -- the 224-p. book on "Network Practices" sent to Senators last week as a sort of advance briefing (Vol. 12:23), legal brief answering anti-trust charges, separate printed books answering accusations by Bricker and Moore, 10-p. typewritten reply to charges by scenery designers.

Hearing room was crowded -- SRO -- and attendance by Senators was better than usual, but not all Committee members showed up. NBC had film cameras at first day's session -- when Stanton was on stand -- and tape-recorded entire 4-day proceeding. As lead-off witness, Stanton was subjected to most questioning, his stint on stand Tue. & Wed. totaling 9 hours. Sarnoff's testimony took more than 5 hours Thu., Kintner's 6 hours Fri. Network affiliates will appear next (schedule on p. 7).

\* \* \* \*

Attitude of Senators was friendly, appreciative and, except for Bricker, uncritical. Bricker concentrated his fire on 2 subjects: network control of news broadcasting (though it was unclear what he was driving at) and his bill to require FCC licensing of networks. He was present off-&-on during the Stanton and Sarnoff testimony, didn't show up for Kintner. Never once did he tangle with Stanton, fellow Ohio State alumnus, as had been expected by reporters sensing headlines.

Though he called Stanton's testimony "a magnificent job," Bricker issued a press release after June 12 hearing pointing out that in 1941 CBS pres. (now chairman) Wm. S. Paley had urged Committee to empower FCC to license radio networks.

Only sharp exchange in the hearing came when Bricker tangled with Sarnoff on question of network licensing. Senator then explained his views thus:

"The individual station is subject to license, it is controlled and regulated by the rules of the Commission, it is responsible to them in the public interest -- it is, in fact, a public utility. Now, the networks have complete control over the life or death of a station in many instances. [You] are in a controlling position in the networks, not only as to the station itself, but as to what advertisers shall have available time..."



"The FCC ought to lay down the rules by which fair treatment should be given to all [advertisers]. If that means splitting up the time, I don't know. [But] I do know that there is a great public interest in this, far greater than in those public utilities that are regulated. If ever the time comes when there isn't a fair approach to this problem on the part of the networks, whenever there isn't competition that will treat all fairly and alike, then you are going to face absolute govt. regulation on a public utility basis, which I don't think is necessary -- I wouldn't want to see it at the present time."

Network rebuttal, as expressed by Sarnoff: "If the network operation should be restricted by additional govt. regulation, the whole delicate balance of network advertising, affiliation relationships and service to the public could be upset. Moreover, various types of regulation which have been proposed could not be effected without regulating advertisers. Such a step would raise the most serious problems, not only for TV, but for the American enterprise system."

\* \* \* \*

Sharp and informed questioning by Committee TV investigation counsel Kenneth Cox delved into every subject raised by critics -- with heavy emphasis on network control of programs (see p. 10). Interestingly, both Stanton and Sarnoff quoted from FCC's widely criticized and short-lived 1946 programming "Blue Book" in which Commission encouraged networks to produce and control their own key programs.

Networks' responsibility to viewers, key point made by all 3 witnesses, was eloquently summed up by Stanton: "It is absolutely impossible for the networks or their officers to affront public taste, to deny public taste, to control public taste, to run persistently counter to public taste, or to manipulate public taste to their own ends. For TV, the public is the ultimate monitor -- the monitor-in-chief. What it persistently turns off, cannot be turned on again by any group of network executives..."

"In light of the public approval and the success that we have met with up to now, it would be rash and dangerous, and frivolous as well, to act on mistaken or uninformed beliefs, or on the selective submission of a few special interest groups. The burden of proof that something better, instead of only something different, will in fact be achieved in networking inevitably rests on him who makes the proposal."

**NO CERTAINTIES ABOUT TV ALLOCATIONS:** FCC's allocations decision has been considered "imminent" for so long that it's fruitless to predict it by any specific date. Next meeting is June 18, with no guarantee final vote will be reached then.

There's no guarantee, either, about provisions of forthcoming decision. The proposals under consideration last week may stand -- yet all or most of them could be thrown out. Currently, there's talk of inserting some specific deintermixture rule-making proposals. Actually, there's growing possibility Commission may say, in effect: "Let's look around to see whether a long-range shift to all-uhf is possible. Meanwhile, let's leave everything as is."

In considering deintermixture, Commission can't seem to agree on pattern or policy to determine how far to go. In weighing vhf mileage cuts to permit drop-ins here and there, some members are worried about criteria to apply.

There's dynamite in the mileage-cuts concept, according to a lot of people inside FCC and out. They envision breakdown of coverage unless firm engineering standards are applied uniformly. They see Commission deluged with petitions for exceptions which will be very difficult to deny. And, of course, the powerful new Assn. of Maximum Service Telecasters (Vol. 12:22) will contest any erosion of its members' service areas as long as they can afford legal & engineering counsel.

\* \* \* \*

Critical nature of FCC's deliberations was emphasized on Capitol Hill this week, when all 3 network presidents figuratively pointed down Pennsylvania Ave. to FCC's offices and stated that the root of whole "monopoly" problem (see p. 1) is the scarcity of stations produced by a faulty allocations system.

Plugging for CBS's "100-market" allocations proposal submitted last year, pres. Frank Stanton asserted that shortages of stations are not necessarily inherent

in TV; that "it began to pinch and bind only when we turned the profit corner. The only way it can be changed is by FCC action on allocations."

NBC pres. Robert W. Sarnoff stated: "Although there is no restraint on competition in TV, additional competition and additional service could be developed if there were more stations. This is the root of the problem in TV, and its solution will also solve the problems which are under study by this Committee." He restated NBC's position that "the best prospect for expanding TV service is effective use of the 70 uhf channels as well as the 12 vhf channels."

ABC pres. Robert E. Kintner was most critical of govt.'s failure to solve station-scarcity problem, saying: "We believe that the major attention of the Senate Committee and of the FCC should be directed to the scarcity of stations, because with its solution, alleged monopolistic practices in the industry will disappear, just as they disappeared in radio when the factor of a too-limited number of radio stations was removed. It seems to us a serious indictment of governmental processes when this subject has been under intensive investigation for the last two years without adequate solution."

ABC has a new allocations plan, Kintner told Committee, will submit it to FCC. It will provide, he said: (1) In top 100 markets, 75 markets with 3 or more vhf stations, 1 with 2 vhf, 2 with 1 vhf, 22 all-uhf. (2) In second 100 markets, 69 markets with 3 or more vhf, 2 with 2 vhf, 2 with 1 vhf, 26 all-uhf.

Specific allocations actions may be urged on Commission soon by Senate Commerce Committee -- Chairman Magnuson dropping this broad hint at June 15 hearing: "We know that there are some actions that should be taken. I can't speak for the whole Committee, but I hope they will be done."

**COMMUNITY TV SYSTEMS—A MATURE INDUSTRY:** Community antenna business has undergone substantial change in last couple years -- and activities at convention of National Community TV Assn. in Pittsburgh this week pointed up the trends.

The industry is bigger, more sophisticated, less "gold rush" in character -- and others would now be delighted to share its earnings.

CATV is a mature business, and in many areas has entered the era of "hard sell." In early days, many an operator paid off his investment as fast as he built, by charging connection fee of \$125-\$175. Now, fee is down to \$30-\$70 -- or even nothing at all, as in case of Tyler, Tex. system. On other hand, some costs have declined. A 3-channel amplifier once cost \$600; now a 5-channel unit runs \$90.

Reason for change is greater availability of free signals -- from new stations and power-height increases of the old, or from unauthorized vhf boosters.

Answer to new competition has been to expand service, to increase signals carried from 3 to 5 or more, and to improve signal.

As we attended sessions and chatted with operators at Wm. Penn Hotel this week, it was evident that in addition to their individual business problems, operators feel they have their hands full of all-industry threats -- in form of potential state utility regulation, possible FCC common carrier regulation, demands of payment from film producers, taxes of all kinds. (For highlights of convention, see p. 5.)

Operators consider themselves fortunate, on other hand, for having organized as early as they did and for having selected strong leadership. They were lavish in praise of Martin F. Malarkey, of Pottsville, Pa., who served as president since NCTA's inception in 1951 and steps down now, succeeded by Bill Daniels, Casper, Wyo. They're happy, too, in choice of E. Stratford Smith as exec. secy. & gen. counsel.

Exact size of the industry is still a mystery. Even equipment manufacturers don't know where all systems are -- because operators frequently buy equipment from distributors and do-it-themselves. It's a good guess, however, that there are about 500 substantial systems -- each with subscribers in the hundreds. There are probably 200-300 "hillbilly" systems, with a few dozen connections each. As for total homes served, estimates run up to around 400,000.

We're making a determined effort to corral all systems for listing in CATV directory of our Fall-Winter TV Factbook, and we'll have the bulk of them in this compilation -- the industry's most comprehensive.



**C**OMMUNITY ANTENNA operators grabbed the dilemma by the horns in their Pittsburgh convention this week (p. 4), decided best way to learn nature of their "enemy" was to invite him to convention. Hence, one day's sessions were on theme "As Others See Us," featuring speeches by Thad Brown, NARTB's TV v.p.; Harold Cowgill, chief of FCC Common Carrier Bureau; Burton Hanft, counsel for Assn. of TV Film Distributors.

As polite guests, Brown and Hanft pursued a "we can live together" theme. Brown said telecasters are delighted to have their coverage extended by CATV systems, but they're fearful of having property rights go by the boards through lack of assertion. If courts were to rule stations have property rights being infringed by CATV, he said, he'd advise stations not to charge for use of signals "because that would smack of common carrierism, and stations might be selling their birthright for a mess of pottage."

Hanft insisted community operators are infringing film distributors' property rights, bluntly said they should pay for films relayed to subscribers—at rate to be determined. He stated, frankly, that film profit margin is low; that distributors must tap every revenue source.

Cowgill limited himself to observation that FCC is studying whether CATV is a common carrier and should be regulated. In essence, he advised that operators should: So live that if the summons comes to join the innumerable caravan of the FCC-regulated, the transition will be painless.

Atmosphere was cordial, but NCTA counsel E. Stratford Smith indicated that court tests are inevitable; that CATV feels it has excellent chances of winning. He said operators certainly can't lose on both the common carrier and property rights fronts. If they're common carriers, they're not infringing property rights, he said, because no one holds that carriers appropriate anyone's property rights in TV-radio programs. He reiterated operators' contention that they provide an antenna service, delivered to customers' homes; that they don't put on a public performance for profit; that they're a private business, not a public utility; that they take substantial risks and "don't reap where we don't sow"; that they want cordial relations with stations; that if they seek stations' permission to use signals "we're at their mercy."

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Closed-circuit local originations by CATV owners provided another major topic of convention. The speakers differed briskly. Milton Shapp, pres. of Jerrold Electronics Corp. and operator of several systems, was bearish about the whole idea. He said it would cost minimum of \$3000 monthly to operate studio; that local & film fare will have tough time competing with network shows; that C-C may jeopardize goodwill of local newspapers because of competition for advertising; that such operations, where tried, haven't fulfilled basic purpose of bringing in new subscribers.

Makers of C-C equipment disagreed. Kay-Lab's Gary Grammon said that costs aren't as high as Shapp indicated; that western operators, in particular, need C-C to give subscribers choice of more than 1-2 signals; that there's abundance of local programming material, that newspapers have thrived despite other kinds of competition and shouldn't worry CATV operators.

James Tharpe, pres. of Visual Electronics Corp., said that cities of 8000 population and upward are going to get local TV by one means or another and that CATV operators better provide it or "free" stations will, bringing unwanted competition. He stated that equipment costs

would run no more than \$450 monthly, same for programs.

Ned Cogswell, operator of CATV in Oil City, Pa., said he tried C-C but dropped it because of costs and newspaper resentment. Furthermore, he said, customers preferred a poor signal from out-of-town station to what he could offer locally.

Paul McAdam, owner of both CATV and radio KPRK, Livingston, Mont., said he'd operated C-C for 2-3 years, still isn't on regular schedule. He has \$6000 in equipment—2 RCA TV-Eye cameras, 2 projectors, 1 Megapix. He said it's difficult to get good local shows or decent film—at a price. Furthermore, he noted, up to now his system has been giving subscribers only the non-interconnected signal of KOOK-TV, Billings. Very shortly he'll be adding interconnected KID-TV, Idaho Falls, and this will lessen need for C-C alternative programs.

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Trans-Community TV Network Inc., proposing "Comprovision" system of C-C (Vol. 12:2) and offering film package, made its biggest pitch to date, aiming to line up at least 50 CATV operators. Pres. Jerome Doff claims he has big backlog of top film—including packages of RKO, Hygo-Unity, Sterling, et al. He offers these to community operators at rates ranging from \$600 monthly for those having up to 500 connections to \$2070 monthly for systems with 10,000; per program cost is from \$2 to \$8.24.

In addition to film payment, operators would have to give TC-TV twenty 20-sec. spots daily, which it hopes to sell on a "little network" basis. Trans-Community operates own C-C system in Cedar City, Utah, and Doff says it has another starting next week in Moab, Utah, others planned in Needles, Cal. and Miles, Mont. In addition, he said he has affiliated with wired system in Ketchikan, Alaska, and is talking to prospective operator in Nome.

Translators and satellites received little attention at convention, though McAdam warned that they'll be a problem and that big-city operators will start putting up competing translators, catching CATV in the squeeze.

Other operators challenge this evaluation. Says Martin Malarkey, Pottsville, Pa. operator and outgoing NCTA pres.: "I supply 5 programs to my subscribers. Are 5 stations going to put 5 translators in Pottsville? And in the dozens of other towns in the area with CATV systems? I've asked them and they tell me they'd be crazy to do so." New NCTA pres. Bill Daniels, Casper, Wyo., says he fails to see financial support for translators or hamlet satellites. He asks: "Will people get together voluntarily to support a station whose signals can be used freely by those who refuse to contribute? I doubt it. It just isn't human nature." Translator application forms, incidentally, are now available from FCC.

Attendance at convention ran 400 vs. 260 last year. Some 300 were CATV operators, while 100 represented exhibitors, etc. Budget for next year was increased to \$75,000 from last year's \$50,000. New officers elected in addition to pres. Daniels were: George J. Barco, Meadville, Pa., v.p.; A. J. Malin, Laconia, N.H., secy.; W. Randolph Tucker, Muscle Shoals, Ala., treas. Next meeting will be regional session Sept. or Oct. in Seattle or Portland—in the heart of the illegal booster country.

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Millionaire Wilbur Clark, operator of Las Vegas' Desert Inn, has filed another application to become part owner of KSHO-TV (Ch. 13), Las Vegas' unique round-the-clock film operation licensed to Moritz Zenoff. His last application was turned down, FCC stating it wasn't clear whether Clark was to be half or full owner (Vol. 12:7). Clark is to contribute \$50,000 to firm to be known as C & Z, which would take over KSHO-TV, Zenoff contributing enough to bring his investment up to \$50,000.

**I**NTERNAL ECONOMICS of TV networking occupied a considerable portion of the testimony at Senate hearings this week, both CBS Inc. pres. Frank Stanton and NBC pres. Robert Sarnoff presenting facts and figures to show that their TV network profits were not inordinate—in refutation of Sen. Bricker’s charges in his printed report on “The Network Monopoly” (Vol. 12:17).

Neither the NBC-TV nor CBS-TV parent organizations, which are also engaged in radio networking and TV-radio station ownership in addition to their manufacturing and other services, has ever disclosed exactly what portion of their revenues comes from TV—and they haven’t yet done so. NBC’s Robert Sarnoff, in his statement, came closest, however, to providing such a breakdown. Stanton’s tables weren’t quite so explicit, though they both argued from the thesis that “TV networking is a business of great risks, heavy financial commitments and low profit margins.”

Here’s the table of the NBC-TV network’s net sales and net income for the 9 years of TV’s growth, as contained in the Sarnoff statement; the net income figures are after taxes:

**NBC-TV NETWORK NET SALES AND INCOME**

1947-1955

(Figures in parentheses indicate loss)

Year	Net Sales	Net Income After Federal Income Taxes	Net Income as % Net Sales	Cumulative Net Income
1947	\$ 282,000	(\$ 643,000)	—	(\$ 643,000)
1948	2,525,000	( 1,332,000)	—	( 1,975,000)
1949	10,254,000	( 1,799,000)	—	( 3,774,000)
1950	26,052,000	( 2,997,000)	—	( 6,771,000)
1951	69,859,000	1,129,000	1.6	( 5,642,000)
1952	98,295,000	432,000	0.4	( 5,210,000)
1953	110,405,000	( 249,000)	—	( 5,459,000)
1954	137,689,000	1,457,000	1.1	( 4,002,000)
1955	185,320,000	6,317,000	3.4	2,315,000
Nine-year average net income as a percentage of net sales.....			0.4	
Five-year average net income as a percentage of net sales.....			1.5	
	*	*	*	*

Foregoing figures tell the story of TV’s tremendous upsurge sales-wise, if not profit-wise, during those 9 years—for they can be compared with the NBC total revenue figures for the same years (which we have taken from RCA’s annual reports) to show how TV has leaped to dominance. For example, in 1947, when TV was still an infant and TV networking brought in only \$282,000, NBC revenues were shown in the parent RCA’s annual report as \$65,690,000—mostly, of course, from radio. In 1948, NBC’s total revenues were \$70,949,000; 1949, \$72,867,000; 1950, \$92,373,000; 1951, \$137,157,000; 1952, \$162,521,000; 1953, \$176,052,000; 1954, \$200,423,000; 1955, \$246,173,000.

The difference between these figures and those for TV networking in the foregoing table shows how much NBC derived from other sources: its radio network, its owned TV-radio stations, its program services, etc. In recent years, with radio network and stations suffering diminishing income, the differential can be largely attributed to the 5 owned stations (now 6): in 1955, the non-TV networking revenues were \$60,853,000—and a good guess would be that at least 75% that year came from owned-&-operated stations; in 1954, \$62,734,000; 1953, \$55,547,000; 1952, \$64,226,000; 1951, \$67,297,000; 1950, \$66,321,000; 1949, \$62,613,000; 1948, \$68,424,000; 1947, \$65,408,000.

First 8 years of NBC-TV network operation show cumulative loss of \$4,000,000, but in 1955 the profit jumped to \$6,317,000, or 3.4% of net sales of \$185,320,000. Sarnoff called the \$2,315,000 cumulative profit for the 9 years “a modest one,” and said the figures belie “any claim of exorbitant profits from this high risk business.” NBC now faces the heavy cost of color TV, he added, on which \$13,000,000 in capital costs has already been expended and \$80,000,000 projected for next 5 years.

“Our vhf TV stations,” said Sarnoff, “were in the red during the first 3 years of the 9-year period I have used, and our uhf station [WBUF-TV, Buffalo, acquired at the end of 1955] is in the red now. In the last 6 years our vhf stations have contributed to NBC profits—in the latter years substantially. But all of these station profits have been plowed back into the business—to develop our network service during the many years it was in the red, and to pioneer in color broadcasting—both network color and with the first all-color TV station—our Chicago station.”

As for profit-to-sales ratios, he compared NBC-TV Network’s 9-year 0.4% with 6.9% average of all manufacturing companies having \$100,000,000 or more assets over same 9 years, and with NBC consolidated’s 4.1%, RCA consolidated’s 5.2%. Even for profitable 1955, NBC-TV network showed 3.4% vs. 5.5% for NBC consolidated, 4.5% for RCA consolidated, 7.4% for all companies of \$100,000,000 or more. This theme was also expanded upon by Stanton, who did not offer as detailed breakdowns of actual revenues and profits but who stated:

“Networking is a double liability business. The loss of a sponsored program entails a double loss. Not only is the revenue for that time sale gone—for all time (a half hour unsold is unsold forever)—but the network faces the cost of producing a replacement program series in the unsold time . . . The balance between profit and loss in the case of networks is so delicate that the failure to sell one hour between 7:30 and 10:30 p.m. each night for a year (whether because of a refusal of stations to clear time or for any other reason) would, in 1955, have turned the CBS-TV network’s profit into a loss.”

Contending that “focus on profits is misplaced,” admitting that CBS-TV operations since 1952 have been profitable, Stanton noted that in 1954 the CBS-TV network’s profit after taxes was 4.6% of sales and its return after taxes through 1955 was 1.03% or, if interest payments are taken into account, only 0.46% of sales.

“Compare these figures,” he said, “with profit figures of other enterprises. The FCC’s own published figures in 1954 show that the profits after taxes of 377 independent stations corresponded to 9% of sales. The margin on sales of about 2400 leading non-financial corporations was 6.1%. And the range of profit margins to sales approved by state regulatory bodies even for certain types of public utilities was 3.9 to 12.6%.”

As for the Bricker charge that the networks take too much of the industry’s net profit (CBS-TV’s 1954 share before taxes having been 28%—\$13,101,000 for the network, \$12,276,000 for its 3 owned stations; NBC-TV’s more than 17%—\$4,018,000 for the network, \$12,018,000 for its 5 owned stations):

Stanton asserted CBS-TV was the leading network in 1954, said its share of industry profits compares with 73% earned by the leading company in the alcoholic beverage industry, the 50% by the leader in dairy products, the 33% by the leader in tobacco products. And, he remarked:

“I have always assumed that it was a wholly permissible business objective in any field of commerce to operate on a profitable basis. By no accepted principles in our system of free competitive enterprise is business success a justification for Federal intervention.”



It's affiliate week in Senate Commerce Committee's TV network hearings, with these witnesses scheduled to appear in Room G-16, Capitol: Mon. June 18, 10 a.m.—CBS affiliates John S. Hayes, WTOP-TV, Washington & WMBR-TV, Jacksonville; August C. Meyer, WCIA, Champaign, Ill.; W. D. Rogers, KDUB-TV, Lubbock, Tex.; John S. Cohan, KSBW, Salinas-Monterey; H. Moody McElween Jr., WNOK-TV, Columbia, S. C.; Donald W. Thornburgh, WCAU-TV, Philadelphia; F. E. Busby, WTVY, Dothan, Ala. Tue. June 19, 10 a.m.—ABC affiliates Harold Hough, WBAP-TV, Ft. Worth; Sarkes Tarzian, WTTV, Bloomington, Ind.; Fred Houwink, WMAL-TV, Washington. Other witnesses June 19 will be Donald H. McGannon, Westinghouse Broadcasting Co. and Ely Landau, National Telefilm Associates. Wed. June 20, 10 a.m.—NBC affiliates Irvin G. Abeloff, WXEX-TV, Petersburg; Va.; Lawrence H. Rogers II, WSAZ-TV, Huntington; Joe Floyd, KELO-TV, Sioux Falls, S. D.; Owen Saddler, KMTV, Omaha; Wm. L. Putnam, WWLP, Springfield, Mass.; Edward Breen, KQTV, Ft. Dodge, Ia.; Thomas P. Chisman, WVEC-TV, Norfolk; Robert D. Swezey, WDSU-TV, New Orleans; Joe H. Bryant, KCBD-TV, Lubbock, Tex.; Jack Harris, KPRC-TV, Houston; Harold F. Gross, WJIM-TV, Lansing; W. W. Warren, KOMO-TV, Seattle; Edward C. Lambert, KOMU-TV, Columbia, Mo.; Walter E. Wagstaff, KIDO-TV, Boise; Thomas Gilchrist, WJHP-TV, Jacksonville.

Democrats' shortage of funds for TV campaigning brought blunt warning from Sen. Magnuson (D-Wash.) this week during TV hearings (p. 1), when he stated that there may be demand for "drastic legislation" unless TV time is fairly allocated. "The cost of TV in campaigning has become so great," he said, "that you could slip into a situation where the candidate with the most money could have the most use of the best means of campaigning. We're going to hear about how the other fellow got into office because he had the most money for TV. If we don't have some ground rules, everybody is going to be mad at the networks and stations. The present law, the regulation by the FCC, is entirely inadequate." ABC pres. Robert E. Kintner, on witness stand at the time, said he didn't believe it is TV industry's duty to pay for cost of political telecasting, but he agreed that access to TV facilities should be made available to all candidates on equal basis.

Networks are "downgrading" religion on TV to the point where there are virtually no unpaid religious programs. This charge was made to Senate Commerce Committee June 11 by Rev. Everett C. Parker, director of Congregational Christian Churches' office of communication. He declared that their treatment of religion "is illustrative of the present attitude of networks toward their public service obligations," and added that "if the FCC was really concerned, we might not have this problem." He said NBC devotes 30 min. weekly, or 0.62% of its time, to sustaining religious program, ABC gives no time to religion, CBS gives about an hour weekly.

Networks spend \$33,500,000 a year on AT&T interconnections, according to testimony before Senate Commerce Committee this week. NBC pres. Robert Sarnoff estimated NBC-TV's annual cable-microwave bill at about \$14,000,000, Frank Stanton put CBS's at \$13,500,000, Robert Kintner said ABC paid more than \$6,000,000. Kintner urged careful review of AT&T rates, including question of "why the services are provided only on a special overtime basis beyond 8 hours" when actual broadcast day is 12-16 hours.

Judge Victor R. Hansen, of Los Angeles Superior Court, was nominated this week by President Eisenhower to be Asst. Attorney General in charge of anti-trust div., succeeding Stanley Barnes, who becomes judge of U. S. Court of Appeals in California.

### Next TV Factbook—Pre-Print Orders

**T**ELEVISION FACTBOOK No. 23, Fall-Winter edition of the TV-electronics industries' first and most widely used and quoted "almanac," will be off the presses about Aug. 1—containing basic data on all U. S., Canadian and World TV stations and networks (including digests of station rate cards and complete rate cards of the networks); digests of all CPs outstanding and applications pending for new stations, with details on principals involved, facilities, etc.; all allocation tables brought up-to-date. All other departments will be updated, too, such as the directories of the FCC, TV sales reps, program producers & distributors, U. S. & Canadian set-&-tube manufacturers, radio attorneys, engineers & consultants, electronic laboratories, etc. New dept. will be a directory of TV set manufacturers throughout the world. Also updated will be TV-radio production figures, time sales and other statistical tables. Included with each *Factbook* is revised copy of our 43x29-in. Map of TV Cities and Network Interconnections, in color, suitable for framing. One copy of the *Factbook* goes to each of our full-service subscribers. Extra copies, if pre-print orders for 20 or more are placed by June 30, cost \$1.50 each; single copies, \$4.50.

FCC opposes use of cease-&-desist orders to deal with fraudulent advertising practices on TV-radio stations, Chairman McConnaughey told Sen. Magnuson (D-Wash.) in letter inserted this week in record of Senate Commerce Committee's TV investigation. In response to letter from Magnuson asking why FCC didn't use its powers to halt questionable commercials, McConnaughey replied: "I am of the view that the utilization at this time of cease-&-desist procedures in dealing with advertising practices of this nature would be administratively impractical, and, in all likelihood, would raise a serious question as to its legality. [I] have not been shown sufficient evidence to warrant legislation to empower the Commission to institute cease-&-desist proceedings in cases involving questionable advertising practices." McConnaughey said FCC staff has made inquiry into some 60 situations where there appeared to be evidence of over-commercialization. Analyzing results of 50 of these cases, he said that in some cases charges were "not well founded," in others Commission accepted assurances that station would mend its ways. He added that FCC is seeking closer liaison with FTC in connection with action against misleading ads on TV-radio outlets.

Newly formed FM Broadcasters urged Congress this week to head off any move to chip away at FM band to carve out new vhf TV channels. Specifically attacking Philadelphia broadcaster Benedict Gimbel's proposal to add new "Ch. 6A" (Vol. 12:20), attorney Leonard Marks told Senate Commerce Committee June 11 such a plan would mean vast dislocations in FM band, severe loss to FM listeners and no solution to TV's ills.

No action was taken on nomination of T. A. M. Craven to FCC at this week's meeting of Senate Commerce Committee. Appointment is expected to be endorsed week of June 18. Comr. Edward M. Webster, whom Craven will replace, hasn't determined next move, but friends guess he'll favor private consulting practice. He's vice chairman of Radio Technical Commission for Maritime, is in line for chairmanship.

"NBC Student Guide for National Conventions" titles 8-p. booklet, which network will make available through local stations.

**Personal Notes:** James T. Aubrey Jr. named to new post of mgr. of CBS-TV network programs, Hollywood, replaced as gen. mgr. of KNXT, Los Angeles, by Clark George; Jack Schneider, eastern sales mgr. of CBS-TV Spot Sales, is promoted to succeed George as gen. mgr. of CBS-TV Spot Sales . . . Wm. N. Davidson, asst. gen. mgr. of WRCA-TV & WRCA, N. Y., named gen. mgr. of WRCA-TV in separate management reorganization under Thomas B. McFadden, NBC v.p.-mgr. of owned stations; Arthur Hamilton, mgr. of production & business affairs, promoted to gen. mgr. of WRCA . . . Frank G. Ralston named film director, ABC-TV western div., replaced as ABC-TV asst. coordinator at subsidiary Walt Disney Productions by Don Van Atta; Ralston reports to J. English Smith, national programming director of western div., and Van Atta reports to Sandy Cummings, ABC-Disney coordinator . . . Miss Clayton Shields promoted to asst. business mgr., ABC Radio, reporting to business mgr. Stephen C. Riddleberger . . . Joseph V. Heffernan, NBC financial v.p., receives distinguished alumni service award at Indiana U this week for "outstanding achievements [and] significant contributions benefiting city, state and nation" . . . Wm. A. Maillefert, N. Y. radio sales mgr., promoted to v.p. & mgr. of radio at Edward Petry & Co. . . . James O'Grady, ex-DuMont & ABC, named asst. sales mgr. of reps Young TV Corp., reporting to gen. sales mgr. Steve Machcinski . . . Ward L. Quaal returns Aug. 1 to WGN Inc. to succeed Frank P. Schreiber as v.p. & gen. mgr.; he has resigned as v.p. & asst. gen. mgr. of Crosley stations . . . George A. Miller Jr. has been named gen. mgr. of WHTN-TV, Huntington, W. Va., succeeding Fred Weber; station's sale to Cowles interests pends FCC approval (Vol. 12:18) . . . Joe Drilling promoted from business mgr. to gen. mgr. of KJEO-TV, Fresno . . . Robert E. Gilbert named production mgr. of upcoming WCKT, Miami (Ch. 7) due in July; Charles Bishop succeeds Gilbert as program director of WSUN-TV, St. Petersburg . . . Morton J. Wagner, v.p. &

station mgr. of WMTV, Madison, appointed mgr. of newly formed eastern div. of all Bartell-owned stations, headquartering in Atlanta, where he will also serve as gen. mgr. of radio WAKE . . . Alan Bautzer, ex-WLW, Cincinnati, named sales promotion director, KYW-TV, Cleveland . . . Jim Buchan upped to promotion mgr., KOA-TV, Denver . . . W. A. Pomeroy, ex-gen. mgr. of off-air WILS-TV, Lansing, Mich, resigns as Guild Films Detroit rep, having filed application for radio station at Tawas City, Mich. . . . Robert C. Magee returns to WHUM-TV & WHUM, Reading, Pa., taking over as gen. mgr. from pres. Humboldt J. Greig . . . M. Mirven (Dixie) Greely, ex-radio WISC, Madison, named technical director, KHOL-TV, Kearney-Holdrege, Neb. & satellite KHPL-TV, Hayes Center, Neb. . . . John Crocker, ex-WGBS-TV, Miami, named sales mgr. of WITV, Ft. Lauderdale-Miami . . . Dorothy Lewis, who was with old NAB before joining United Nations secretariat in 1948, where she first served as radio coordinator, then liaison officer in dept. of public information, retired June 15 . . . Jay H. Smolin, ex-NBC Films, joins Associated Artists Productions as adv.-promotion-publicity director . . . Joseph W. Roberts, ex-Revlon, named marketing v.p., Muzak Corp. . . . Mort Abrahams, ex-MCA-TV, named exec. producer of NBC-TV's *Producers' Showcase* color series . . . Leo Brody, ex-UM&M, Minot & Telefilm, appointed asst. to Richard Carlton, assigned by Trans-Lux Corp. as sales v.p. of its new Trans-Lux Television Corp., 625 Madison Ave., now distributor of Encyclopaedia Britannica Films . . . Fred Briskin, Screen Gems production exec., joins his father's new Irving Briskin Productions Inc., independent TV film producer, as v.p.; they continue to supervise all Screen Gems film series . . . Robert Drucker promoted to mgr. of Los Angeles branch, Transfilm Inc. . . . Ed Scannell, ex-Weed and George Bagnall & Assoc., Hollywood, named Los Angeles rep for KOVR, Stockton, Cal., with offices at 3780 W. 6th St.; Avery-Knodel is rep outside Cal.

**ADVERTISING AGENCIES:** Mitchell Johnson promoted to Wm. Esty v.p. & director of TV programming, succeeding Sam Norcross, now asst. to pres. on Reynolds Tobacco account . . . John E. Mossman, ex-TV-radio director of Biow, named mgr. of TV-radio dept., J. Walter Thompson, Chicago, replacing Peter A. Cavallo Jr., now v.p. & assoc. TV-radio director of McCann-Erickson, N. Y. . . . Robert L. Lewis, ex-D'Arcy TV-radio dept., named TV-radio supervisor, Foote, Cone & Belding, Chicago . . . Clark M. Agnew, former exec. TV-radio producer, Lennen & Newell (Muriel Cigar), joins Donahue & Coe, N. Y., as director of creative TV activities . . . Joseph Ungar, ex-Biow v.p., named N. Y. marketing v.p., Al Paul Lefton Co. . . . Peter M. Stewart, ex-Young & Rubicam, Detroit, as senior exec. on Lincoln auto account, joins Kenyon & Eckhardt, N. Y., as v.p. & account exec.; Wm. H. Weber promoted to Kenyon & Eckhardt v.p. & art supervisor . . . Philip L. Tomalin, ex-Biow, named asoc. TV-radio director, Ogilvy, Benson & Mather . . . Elizabeth Morris, ex-KPTV, Portland, Ore., named TV-radio production director, H. Richard Seller Adv., Portland . . . Roy Curtis, ex-Raymond R. Morgan Co., Hollywood, named media buyer, Leo Burnett Co., Los Angeles . . . Alberto Ortega, v.p. of Foote, Cone & Belding International, named director of all Latin American operations, headquartering in Mexico City . . . Burt S. Avedon, from San Francisco office, named v.p. & managing director of Kenyon & Eckhardt de Mexico S.A.

Quoteworthy quotes: "There's nothing wrong with a shopping guide in the publishing business and many of them are successful. But there is no place for an all-day shopping guide in radio or TV. Broadcasting stations are entities of influence closely related to the public welfare, and their success in that service can be calibrated by the balance they demonstrate in programming as against advertising. This balance runs to reasonable time limitations; to frequency patterns; to acceptability of product and copy and caliber of presentation."—NARTB pres. Harold E. Fellows to Virginia Assn. of Broadcasters at Williamsburg June 13.

Pay of advertising managers, as disclosed in survey of 200 by Prof. Dale Houghton, of New York U School of Commerce for *Printers' Ink*, ranges from \$5000 to \$70,000 a year (median salary: \$16,000), with 21.5% in the \$25,000-or-higher bracket. In 1951, similar study showed median of \$10,000, in 1947 average was \$8000.

Admiral appoints Henri, Hurst & McDonald, Chicago, as agency for all media, replacing Russel M. Seeds.

Samuel A. Horvitz, 67, whose *Lorain (O.) Journal* was held by U. S. Supreme Court in 1951 to be violating anti-trust laws when it refused to accept advertising from merchants who used local radio WEOL, died at his Cleveland home June 15. In test case watched closely by whole newspaper-radio fraternity, court unanimously upheld decision of Cleveland court that freedom of press was not at issue, that he and his brother were engaged in "relentless, predatory commercial behavior" in seeking to "destroy" local radio competitor. FCC later refused to grant them radio license.

Dr. Ryland W. Crary, professor of education at Washington U and noted educational research specialist, joins Educational Television & Radio Center, Ann Arbor, in Sept. as director of education.



**Network Accounts:** Ford is an outstanding exception to retreat-from-TV policies of auto manufacturers, allotting record \$10,000,000 to TV for new season starting in fall, having signed for monthly 90-min. *Ford Star Jubilee* on CBS-TV, 30-min. *Tennessee Ernie Ford* on NBC-TV, 30-min. *Ford Theatre* on ABC-TV. It's currently shopping for 4th network show to support its "all new" 1957 line of cars . . . Admiral has decided not to renew Bishop Sheen's *Life Is Worth Living* on ABC-TV next fall, ending 5-year association; having recently purchased \$2,500,000 worth of partic. on NBC-TV's *Today & Tonight* (Vol. 12:23). Admiral this week bought 15 partic. on *Famous Film Festival* on ABC-TV starting Aug. 12, Sun. 7:30-9 p.m., thru Henri, Hurst & McDonald . . . Viceroy, Crosley-Bendix & Jergens to sponsor new *Steve Allen Show* on NBC-TV starting June 24, Sun. 8-9 p.m., thru Ted Bates, Compton & Robert W. Orr . . . Hazel Bishop to sponsor *This Is Show Business* on NBC-TV starting June 19, Tue. 8:30-9 p.m., having delayed start of *Paul Whiteman Show* until fall, thru Raymond Spector Co. . . . Sylvania to sponsor *The Buccaneers* as replacement for *Beat the Clock* on CBS-TV starting Sept. 22, Sat. 7:30-8 p.m., thru J. Walter Thompson . . . Campbell Soup buys one-third of *Impact* on NBC-TV this fall, Mon. 9-9:30 p.m., thru Leo Burnett Co., Chicago; Vaseline had previously purchased two-thirds . . . Mennen to be alt. sponsor of *High Finance* quiz show on CBS-TV starting in fall, Sat. 10:30-11 p.m., thru McCann-Erickson . . . Life Magazine & Amoco to sponsor *Pantomime Quiz* as summer replacement for *Person to Person* on CBS-TV starting July 6, Fri. 10:30-11 p.m., thru Young & Rubicam and Joseph Katz Co. . . . Procter & Gamble to sponsor *Man Against Crime* as summer replacement for *Loretta Young Show* on NBC-TV starting July 1, Sun. 10-10:30 p.m., thru Benton & Bowles . . . Life Magazine buys 208 partic. on *Today & Tonight* on NBC-TV starting in July, thru Young & Rubicam; Edison Electrical Institute buys 26 partic. on *Today & Home*, thru Fuller & Smith & Ross; Armour, 45 partic. on *Today, Home & Tonight*, thru N. W. Ayer, Chicago; Quality Courts, 2 partic. on *Today*, thru Larabee Assoc.; Sawyer's Viewmasters, 4 partic. on *Home*, thru Carvel, Nelson & Powell; General Foods, 3 partic. on *Home*, thru Benton & Bowles; Campbell Soup, 6 partic. on *Home*, thru Grey Adv.

Rate increases: WSAZ-TV, Huntington-Charleston, W. Va. July 1 raises base hour from \$800 to \$1000, min. \$160 to \$180. KOVR, Stockton, Cal. July 1 raises hour from \$700 to \$800, min. \$150 to \$175. WSJS-TV, Winston-Salem, has raised hour from \$550 to \$600, min. \$110 to \$120. WBRE-TV, Wilkes-Barre, has raised hour from \$450 to \$525, min. \$90 to \$105. KREM-TV, Spokane, has raised hour from \$350 to \$450, min. \$70 to \$90. KCCC-TV, Sacramento, Cal. has raised hour from \$400 to \$450, min. \$80 to \$100. KXJB-TV, Valley City, N. D. has raised hour from \$400 to \$450, min. \$80 to \$90. WCDA, Albany, N. Y. has raised hour from \$300 to \$400, min. \$60 to \$80. KGNC-TV, Amarillo, has raised hour from \$300 to \$340 and added Class AA min. only rate (7-10 p.m. daily) at \$85, Class A min. remaining \$70. KBAK-TV, Bakersfield, Cal. Aug. 1 raises hour from \$275 to \$300. KFSA-TV, Fort Smith, Ark. has raised hour from \$150 to \$200. KRDO-TV, Colorado Springs, has raised hour from \$125 to \$175. KLIX-TV, Twin Falls, Ida. has raised hour from \$120 to \$150. Spot Increases: WSB-TV, Atlanta, has raised base min. from \$200 to \$250. KOA-TV, Denver, has raised min. from \$150 to \$175.

New reps: WHUM-TV, Reading, Pa. to Weed (from H-R Television); KFEQ-TV, St. Joseph, Mo. to Hoag-Blair next Oct. 1 (from Headley-Reed).

TV station sales approved this week by FCC: (1) WINT, Fort Wayne area (Ch. 14) for \$484,000 cash plus assumption of some \$200,000 obligations (Vol. 12:20) by R. Morris Pierce group to Universal Bestg. Co., headed by C. Bruce McConnell, which operates WISH-TV & WISH, Indianapolis, and WANE, Fort Wayne—latter planning to give up its Ch. 67 Ft. Wayne CP upon FCC approval of WINT purchase. (2) KVEC-TV, San Luis Obispo, Cal. (Ch. 6) with KVEC for \$450,000 (Vol. 12:20) by Christina M. Jacobson & mgr. Leslie H. Hacker to equal partners John C. Cohan & Jerome Kantro, both having interest in KSBW-TV, Salinas-Monterey. (3) KOSA-TV, Odessa, Tex. (Ch. 7), 50% sold for \$20,000 plus obligations (Vol. 12:22) by Cecil Mills to radio KOSA, which becomes sole owner (Cecil L. Trigg, 80%).

H-R Television v.p. Carlin S. French is buying independent WDXB, Chattanooga (250-watts, 1490 kc) for \$100,000, according to application filed with FCC. French Inc., taking over station, is 90% owned by Carlin French, 10% by son Stephen, ex-WNOE, New Orleans, who will be pres.-gen. mgr. Carlin French also owns 1/3 of WATO, Oak Ridge and 10% of WLAJ, LaFollette, both Tenn. Also filed with FCC was \$160,000 sale of independent WWPB, Miami (250-watts, 1450 kc) to WSKP Inc., 75% owned by Wm. M. O'Neil, brother of RKO Teleradio pres. Tom O'Neil, 25% by J. W. Lemon; O'Neil states he will turn over to independent voting trustee the 3.06% stock of General Tire which he and his wife & children own—to assure that General Tire has no control in WSKP Inc.

Wesley I. Dumm's radio KSFO, San Francisco (5-kw D, 1-kw N, 560 kc) was sold this week for \$1,000,000 to cowboy actor Gene Autry and Robert O. Reynolds, mgr. of radio KMPC, Hollywood, equal partners. Deal handled by broker Howard W. Stark calls for payment of \$130,000 cash, remainder over 10 years. Dumm and associates sold KPIX, San Francisco (Ch. 5) to Westinghouse in July 1954 for stock in that company then worth \$7,787,280 (Vol. 10:27) and he still owns 16.25% of radio KXA, Seattle, which is applicant for Ch. 7 there. Autry owns 56% of KOOL-TV & KOOL, Phoenix; 48% of KOPO-TV & KOPO, Tucson; 51% of KMPC (Reynolds 49%); 12.5% of *Phoenix Republic & Gazette*.

Before venturing into TV owners of CP for WJMS-TV, Ironwood, Mich. (Ch. 12), headed by gen. mgr. Wm. L. Johnson, informed FCC this week they are keeping local WJMS but are disposing of radio WATW, Ashland, Wis. for \$55,000, also plan to sell their 51% of WIKB, Iron River, Mich. New owners of Ashland MBS affiliate (250-watts, 1400 kc) will be Eugene A. Halker & Gordon F. Schluter, co-owners of WFPF, Park Falls, Wis., each with 33.3%; Norman C. Hoefflerle, comptroller of *Kansas City Star's Flambeau Paper* div., 20%; Terry E. Trott, of Thomas F. Clark Co. radio reps, 13.4%.

Radio sales approved this week by FCC: KPAL, Palm Springs, Cal., for \$66,000 by Florence P. Raley to group headed by Harry Maizlish, who is selling KFVB, Hollywood, to Crowell-Collier Publishing Co. for \$2,225,000 (Vol. 12:22). WHBT, Harriman, Tenn., for \$80,000 by F. L. Crowder to Folkways Bestg. Co., owned by hillbilly stars Ernest Tubb & Hank Snow; Folkways purchase of WTCW, Whitesburg, Ky. for \$95,000 still pends FCC approval.

Steve Cisler's radio KEAR, San Francisco (10-kw on 1550 kc), padlocked May 31 by Internal Revenue Bureau for non-payment of \$25,000 in tax liens covering 1954-56, got 90-day suspension permission from FCC this week.

Sale of KGUL-TV, Galveston-Houston (Ch. 11) to J. H. Whitney interests for \$4,250,000 (Vol. 12:19) was considered by FCC this week, but it decided to postpone approval while it asks purchasers if they plan to continue policy of serving Galveston as well as Houston.



**Telecasting Notes:** Do networks control program production? Decidedly not, said the presidents of the 3 networks in their appearances this week before Senate Commerce Committee—and they cited figures to back up their answers. In April 1956, said Frank Stanton, CBS's programming was divided this way: 57.7% produced entirely by outside sources, 9% produced by outside sources with CBS-TV, 33.3% produced by CBS-TV. ABC pres. Robert Kintner gave this analysis of "production source" of 1955 shows broadcast by his network: 13.2% produced by ABC-TV, 10.2% by ABC-TV affiliates, 9.4% by advertising agencies, 35.8% by independent film producers, 31.4% by independent producers of live shows. Pres. Robert W. Sarnoff said NBC-produced shows "account for less than one-third of the programs in our schedule," but conceded that network had participation or part ownership in unspecified number of independently produced programs. "Not only is it proper for a network to produce programs," summed up Sarnoff in statement echoed by the other networks, "but it is essential that it do so if it is to maintain and furnish a comprehensive program service to the public" . . . Fall program trends, as summarized by *Advertising Age's* acute "Eye & Ear Man": Program prices up slightly, average 5-10% higher; ABC taking another "giant step forward," becoming stronger contender for audience most nights; circulation of average show about same as last season; color TV accelerated "though not at the rate most advertisers would like"; magnetic tape commonplace and replacing film "to a great extent" in about a year; commercials slightly improved and costing more; TV's need for new comics more apparent than ever . . . AB-PT pres. Leonard Goldenson, back from Europe this week, is convinced greater exchanges of TV programs and ideas are possible, even though the film product (except for England) must be dubbed; with him on "exploration" trip was George T. Shupert, head of ABC Film Syndication . . . Harold L. Hackett, pres. of Official Films Inc., off for

London July 1 for production conferences with Sapphire Films Ltd., currently producing 117 half hours, including *Sir Lancelot*, *The Buccaneers*, *Robin Hood*; may expand 4-stage Nettlefold studios to new facilities in south of France . . . Dim view of telethons is reflected in station survey by managing editor Joe Morris in June 11 *Radio-Television Daily*; he finds 68 of them scheduled this year (41 last), says philanthropy foundations are very enthusiastic about them because they've been raising \$4,000,000-\$5,000,000 annually—but some stations won't carry them as matter of policy, others don't like them because of disruption of schedules . . . CBS has commissioned 3 pilot films from new Ticonderoga Productions, TV film unit formed by former CBS v.p. Harry Ackerman to supply new programs to the network; 2 will be situation comedies, one an adventure show . . . Sterling TV Co. acquires *Greatest Fights of the Century*, 39 quarter-hour films originally shown on NBC-TV, and *World's Greatest Fighters in Action*, similar series of 15-min. films, as well as *I'm the Law* (George Raft) and *Public Prosecutor* (John Howard) . . . KTTV, Los Angeles independent, entering TV film production business, now making series called *Parole*, filmed entirely at penitentiaries and correctional institutions in California and using no professional actors . . . Circuses are disappearing, and TV is getting most of blame. Two old-time circuses appeared in bankruptcy court this week—Clyde Beatty Circus filing voluntary petition, King Bros. appearing at involuntary bankruptcy hearing . . . Add RKO Teleradio to those actively negotiating for MGM movie backlog.

Sale of 750 Warner Bros. features to PRM Inc. (Vol. 12:9) will be officially consummated in week or so, following ruling by Treasury Dept. that the \$21,000,000 deal is subject to capital gains tax. The films will be distributed through Associated Artists Productions Inc., now a wholly owned subsidiary of PRM.

**RECORD OF FCC in courts**, as far as making its comparative TV decisions stick, held up well this week as Court of Appeals affirmed Commission's grant of Sacramento's Ch. 3 to KCRA-TV, denial of KXOA.

Commission had said case was extremely close, but that KCRA had slightly better broadcasting record. KXOA appealed, arguing that neither station had relied on its radio record in hearing and that it had no idea this factor would be considered. Judges Fahy & Danaher ruled, with Bazelon dissenting:

"The case is a trying one, for [KXOA] stood so well before the Commission in comparison with KCRA. One 'spotty' place in its overall fine qualifications assumed unusual importance. But this occurred only because the case was so close. And a slight difference may be decisive when greater differences do not exist. Moreover, on the subject of promise versus performance [KXOA's] petition for rehearing did not make out a case of sufficient strength, either in its offer to prove that KCRA's record was not altogether good, or in explaining its failure to advance such a contention at the hearing, to cause denial of the petition to amount to an abuse of discretion. This is so although we think it would have been more satisfactory if the matter had been re-canvassed more fully by the Commission."

Judge Bazelon's dissent held that KXOA had been caught unfairly off base; that "there was no reason to expect the Commission to initiate a finding upon that issue and certainly no reason to expect it to attribute decisional importance to such finding."

In another Court of Appeals decision, involving radio, Judges Edgerton, Miller & Bazelon held unanimously that FCC erred in denying right to intervene in a hearing to a "party in interest." WAVZ, New Haven, had been involved in a hearing to change from 1260-daytime to 1300-unlimited. Local WNHC sought to get into the hearing, alleging grant would bring it economic injury. FCC conceded WNHC was a "party in interest" but said station couldn't join hearing because its participation wouldn't be "of positive assistance" in determining whether it should grant the WAVZ application. Court said Commission is wrong, that intervention must be granted if petitioner shows he's a party in interest.

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Action at FCC was light this week. It turned down petition for rehearing filed by WGBF, Evansville, which is contesting Ch. 7 grant to WTVW. It also granted license to WTTV, Bloomington, Ind. "on representation that station has discontinued identifying itself improperly as 'Indianapolis, Terre Haute and Bloomington.'"

Revocation proceedings were begun against grantee KAKJ, Reno (Ch. 4) when Commission asserted that pres. Robert C. Fish claimed 100% ownership when he actually had a flock of other principals and that he lied about progress of construction.

Col. Charles S. Stodter, USA ret., ex-chief of Army Pictorial Service, serving since retirement in 1954 as senior research investigator of U of Pennsylvania's Institute for Cooperative Research, appointed exec. secy. of SMPTE, replacing Boyce Nemece, who resigned recently to open management consulting service.



**UPSTATE NEW YORK's second uhf to return** to the air after cessation of operations is **WTRI, Albany (Ch. 35)** which resumed programming June 15 after shutdown since Jan. 31, 1955 when it lost CBS affiliation to **WROW-TV (Ch. 41)**, now **WCDA**. First to resume was **WTVE, Elmira (Ch. 24)** which went back on air May 6 (Vol. 12:18).

With **WKNO-TV, Memphis (Ch. 10, educational)** now reported on test patterns preparing for June 25 programming start, boxscore of U.S. stations now stands at 476, of which 98 are uhf. The uhf "casualty list" is now down to 59 stations.

**WTRI** has 12-kw GE transmitter with 500-ft. Blaw-Knox tower on Mt. Rafinesque, 2 mi. east of Troy. It will run film & local live shows from 4:30-7:30 p.m. daily until it joins ABC July 1 when it goes on 1:15-midnight schedule. Stanley Warner theatre interests are now sole owners, having bought out Col. Harry Wilder group's 50% (Vol. 12:17). William A. Rippe, ex-gen. mgr. of **WTRY, Troy**, later with **WLAW, Lawrence, Mass.**, is gen. mgr.; Kal Ross, ex-mgr. of off-air **WCAN-TV, Milwaukee**, station director; Dominic Tovino, ex-**WCDA**, sales mgr.; Stephen J. Stanley, ex-**WTRY**, chief engineer. Base hour is \$400. Rep is Venard, Rintoul & McConnell.

**WKNO-TV, Memphis**, is 21st educational on the air, operated under direction of Vice Admiral H. M. Martin, ex-chief of Naval Air Technical Training, Millington, Tenn. It has 10-kw GE transmitter, obtained with help of **WMCT**, with donations also from other Memphis TV operators, and 6-bay RCA antenna on 600-ft. Andrews tower on site leased at \$100 yearly from local attorney A. H. Murphy. Studios at 268 Jefferson St. are in building provided by city's board of education. Keith Nighbert, ex-South Dakota U, is program director; Howard D. Holst, ex-**WOI-TV, Ames Ia.**, production mgr.; C. E. LaFond, ex-**KUHT, Houston**, chief engineer; Mrs. H. L. Breeding, continuity & publicity.

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In our continuing survey of upcoming stations, these are latest reports received:

**WCKT, Miami, Fla. (Ch. 7)**, planning July 1 test patterns and start with NBC shortly thereafter, was due to install 12-section superturnstile RCA antenna June 15 on 900-ft. Ideco tower, according to station mgr. James M. LeGate, also mgr. of Miami radio **WIOD**. RCA 50-kw transmitter is ready and studios at site of **WIOD** transmitter on North Bay Causeway are to be ready June 25. Base hour will be \$950. Rep will be NBC Spot Sales.

**KVIP, Redding, Cal. (Ch. 7)** plans July 23 test patterns, Aug. 1 programming, reports Russ Olsen, for Redding mayor George C. Fleharty, one of principals in local group which also holds CP for radio station there. TV buildings are now under construction and RCA transmitter is due for delivery by July 1. It will use 50-ft. tower on 6246-ft. Mt. Shasta. Base hour will be \$225. Rep will be Branham.

**KILT, El Paso, Tex. (Ch. 13)**, call changed from **KOKE**, has set July 15 target for test patterns, now that 5-kw Standard Electronics transmitter has been shipped, reports Gordon McLendon, of McLendon Investment Corp., which recently acquired radio **KTSA, San Antonio (Vol. 12:18)** and operates radios **KLIF, Dallas**; **KELP, El Paso**; **WRIT, Milwaukee**; **WGLS, Decatur, Ga.** Plans to operate as Spanish-language outlet have been abandoned and operators expect to begin programming Aug. 1 with feature-length films in English. Joe Roddy Jr. will be gen. mgr., also continuing as mgr. of **KELP**, with Dave L. Mott also **KELP**, chief engineer. Rep will be H-R Television.

**KFJI-TV, Klamath Falls, Ore. (Ch. 2)** plans Aug. 1 test patterns, Aug. 10 programming, reports Wm. B. Smullin, whose **KBES-TV, Medford, Ore. (Ch. 5)** acquired CP from W. L. Miller for \$30,000 out-of-pocket expenses (Vol. 12:30). It has 5-kw GE transmitter on hand, will use 100-ft. Fisher tower. Studios will be on Oregon Technical Institute campus. It will not be satellite operation, but network affiliation hasn't been set yet. Base hour will be \$150. Rep will be Hoag-Blair.

**WJMS-TV, Ironwood, Mich. (Ch. 12)** has been delayed due to financing arrangements being held up as a result of delays in consummating sale of **WATW, Ashland, Wis.** and 51% interest in **WIKB, Iron River, Mich.**, reports pres. Wm. L. Johnson. Originally planning Sept. 1 start (12:3), it hasn't yet signed contracts for transmitter or tower.

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**CHLT-TV, Sherbrooke, Que. (Ch. 7)** isn't reporting target, but 10-kw RCA transmitter is to be installed by June 20, reports Paul Desruisseaux, owner and publisher of Montreal's French-language daily *La Tribune*. RCA 18-slot antenna, due June 1, also is scheduled for installation on 150-ft. tower June 20. Base rate will be \$300. Reps will be Adam Young's Canadian Station Representatives and Jos. A. Hardy & Co. Ltd.

**CBLT, Toronto, Ont. (Ch. 9)** starts construction June 25 of temporary antenna for shift to Ch. 6. Interim antenna will be about 140-ft. above ground and station will be operating with 30-kw ERP until end of Aug. when it is due to start using permanent antenna with 100-kw. Present strength of **CBLT** is 25.6-kw.

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**DuMont** continues streamlining of its technical products div. under v.p.-gen. mgr. Irving G. Rosenberg. Division's former mgr. P. S. Christaldi, gen. sales mgr. G. R. Metzger and gen. mfg. mgr. R. E. Kessler are no longer with company. Transmitter sales mgr. K. F. Petersen now has title of TV transmitter sales & product mgr. Released as sales reps were Robert Myers, Lyle O. Keys, Harry Del Muro, Frank O'Connell, Felix Bonvoleur. District sales mgrs. are L. C. Radford Jr., east; George R. Winston, southwest; John Klindworth, central. Petersen reports backlog of 12-15 orders for transmitters, "complete sell-out through Oct." He adds that **DuMont** will push harder on sales of its color studio equipment—film-slide Multiscanner and live Vitascan.

**Equipment orders:** **DuMont** reports upcoming **KAVE-TV, Carlsbad, N. M. (Ch. 6)** has ordered 5-kw transmitter with studio equipment for shipment late this month. **GPL** reports order for 16mm video recorder from upcoming **JOBX-TV, Osaka, Japan**, previously sold one to **JOAK-TV, Tokyo**. Standard Electronics reports orders for 25-kw amplifiers from **KDLO-TV, Florence, S. D. (Ch. 3)** and **KGVO-TV, Missoula, Mont. (Ch. 13)**.

**Subscription-TV operation 25% of time** is proposed by Lou Poller in application for transfer of CP for **WCAN-TV, Milwaukee (Ch. 25)** from himself to his TV Exhibitors of America Inc. filed with FCC this week. He says he'd charge 50¢ per football or baseball game, 50¢-\$1 for movies. Also filed was application for waiver of rules to allow the pay-TV operation.

**Microwave to bring signals of KHQ-TV, Spokane** to community antenna system in Moses Lake, Wash., is sought in application filed this week by Telecommunications Inc. It proposes Raytheon **KTR-1000-E** equipment, estimates construction costs at \$15,186, plans to charge \$700 monthly.

**Phileo 1-kw TV transmitter and associated studio equipment** have been purchased by **Telesistema Mexicana S.A. (Azarraga-O'Farrill)** for new Guadalajara station.

**LOW PROFITS NOW—BUT FALL PICKUP FORESEEN:** RETMA'S convention in Chicago this week gave TV leaders an excellent forum for sounding off on the industry's most important immediate problem -- low prices and low profits. In formal speeches and in informal corridor discussions, the profit squeeze was No. 1 conversation piece. Said annual report of outgoing pres. H. Leslie Hoffman:

"It is not illegal, immoral or indecent to discuss the fact that we are in business to make a profit. As a matter of fact, I think it is quite a moral issue to discuss the responsibility that management has to show a profit to its shareholders. One would never know to observe the merchandising practices now pursued in our industry that this is 1956...the year of greatest individual income after taxes ...the year of greatest employment...and a year in which our communications industry is doing an outstanding job of programming, for public service and for entertainment.

"It seems more like 20 years ago in 1936. Our merchandising practices and procedures are more characteristic of the 1930s than they are of the boom year of 1956. We are delivering the greatest bargain in entertainment to the consumer today that the world has ever known. As a matter of fact, we are delivering a 21-tube TV set for the same price that we charged for an 8-tube radio set 20 years ago when we take into consideration the change in purchasing power of the dollar. Competition is certainly the lifeblood of our economy and the password in our industry, but why carry competition to the point of mass suicide?"

Motorola pres. Paul V. Galvin, in accepting 1956 Medal of Honor, also hit hard on theme of price maintenance: "Lower prices for electronic goods which result from engineering advances and manufacturing efficiencies are to be earnestly sought. But price cuts achieved either at the expense of reasonable profit for the investor or at the penalty of product quality for the consumer harm the industry and render a disservice to the nation's economy. We shall be put to the test of prudence and good judgment in this area."

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Convention itself was characterized by general feeling that while set makers certainly have their problems, there are also some silver linings. H. C. Bonfig, pres. of CBS-Columbia, which is considering leaving TV as one of several alternatives (Vol. 12:20-21), acknowledged in his annual report as chairman of RETMA set div. that last 12 months were marked by intense competition, low prices and slim profits for set makers despite high unit production and sales. But he also predicted upturn in TV sales this fall, which "may well raise the dollar volume of total TV set sales above the \$1.12 billion attained last year at the factory level."

Frank Mansfield, Sylvania sales research director & chairman of RETMA statistical policy committee, also foresaw improvement in market: "The fact that 75% of American households have one or more TV sets and the fact that this will probably be 91% by 1960 should not be taken as an indication that approaching 'saturation' means a declining TV market. On the contrary, 'saturation' means only that the nature of the market changes -- not its size.

"Consumers who were our customers for their first TV set now have become our customers for a second set (or a third, or a fourth, etc.) and for a replacement set. For example, during 1954, the number of TV sets sold to those already having at least one set in working order was 925,000. During 1955, another 1,700,000 were sold as second sets and the figure continues to increase.

"Similarly, the replacement market is assuming growing importance. In 1950, replacement TV sales were only 102,000. Last year, they were 2,366,000. By 1960, it is estimated that annual TV sales to 'replacement buyers' will be 6,100,000 -- more than the industry has sold to 'first time buyers' during any year thus far."



Color wasn't on formal agenda -- but it came in for plenty of informal discussion. Each manufacturer appeared to have his own opinion on what effect those under-\$500 sets would have on black-&-white sales this fall. Several set makers expressed hope that color, in the words of one, "won't pull the props out from under us this fall." They were apprehensive lest color will not in itself contribute substantially to their sales volume, while the enormous publicity surrounding color may induce consumers to postpone purchase of a black-&-white set.

(Other news of RETMA convention appears on pp. 14, 15 & 16.)

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GE revealed details of its new line this week (see p. 15) and held "pep rally" for key TV div. personnel June 13 at Hotel Syracuse. Gen. mgr. Herbert Riegelman, marketing mgr. Jack Beldon and sales mgr. Joseph Effinger told meeting that GE was determined to become No. 1 in unit sales this year (Vol. 12:23), reiterated company's production target of 1,200,000 own-brand and 200,000 Hotpoint sets this year.

A production run of 1,200,000 would mean virtual doubling of GE's 1955 output -- an undertaking that has its competitors saying "show-me." Said an ebullient GE spokesman: "This is a different GE. Since the TV division has been taken over by Louisville, we're running, not walking. The Louisville boys have the experience in white goods marketing, and they're really using that know-how in TV. They've won pennants in white goods and they're trying to win one in TV, too."

Concededly No. 1 producer, RCA lets public and trade in on its merchandising plans at press luncheon June 18 in New York. Philco struts its stuff same day at Philadelphia convention; Admiral, June 28-29 in Chicago; Motorola, June 21, also in Chicago. Said RCA spokesman: "We're extremely optimistic. We're taking the view that things look awfully good for RCA for the rest of the year, and we're backing our optimism with a 35-model line, the longest we've ever introduced."

Brief highlights of other major trade developments this week:

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**Tube Measurements:** Federal Trade Commission at long last has taken action to clarify its controversial Rule 9 relating to designation of screen sizes in TV ads. In letter to manufacturers, FTC attorney H. Paul Butz said that ads which presented screen sizes in sq. in., followed by model number containing 14, 17, 21, etc. would be acceptable to Govt., though he cautioned that all ads would be evaluated on their individual merits. "In conjunction with a statement of the sq. in. area of a rectangular picture tube, as provided for in the rule, we would not object to the use of a model number in an advertisement, which is followed by numbers such as 14, 17 or 21, etc., provided such number were followed with letters such as T for table, C for console, and other numbers, designating actual models of sets in the company's line, when such model designation is of less prominence than the stated sq. in.," he wrote. He invited set makers to consult with FTC on any questions.

**Dealer Operations:** NARDA's 1956 Cost-of-Doing-Business Survey, covering 1955 operations of its members, released this week and available from NARDA (Merchandise Mart, Chicago) shows that TV-radio-phonos were best-selling category of appliance products, even though their dollar volume dropped from 1954 levels as result of dip in unit prices. TV ranked second to laundry equipment among products expected to be best sellers in 1956. Refrigerators were third, air conditioners fourth, ranges fifth. Report also noted that 38% of TV sales in 1955 involved a trade-in, up from 29% in 1954. NARDA dealers also reported a 10.1% increase in dollar sales volume over 1954, a 10-year low in cost of goods sold, a 3.4% net profit ratio (largest in 6 years) and inventory turnover of 5.5 times (a 10-year high). A sales increase in 1956 was anticipated by 63% of dealers, only 20% predicting decline.

**Capehart Plans:** Line of TV, radio & hi-fi sets "with emphasis on high-fidelity" will be marketed this fall under Capehart brand -- though pres. Robert Gross of new Capehart Corp., the new owners (Vol. 12:18, 22), says no decision has been reached yet on whether company will make its own sets or sub-contract for their production elsewhere. He said several manufacturers had approached him with offers to manufac-

ture them. Brand is now marketed in several big dept. store chains, including Macy's in N.Y. Indications are that Capehart will pursue policy of direct-to-dealer selling except in those markets where strong distributor is available. New Capehart Corp. officers will be elected within fortnight, with Gross continuing as president.

**Production:** TV output totaled 136,020 week ended June 1, compared to 94,578 in Memorial Day holiday week and 117,767 in week ended May 25. It was year's 23rd week and brought production for year to date to about 3,000,000, as against about 3,550,000 in same period year ago. Radio production totaled 245,155 (70,837 auto) in week ended June 1, compared to 208,224 in preceding week and 283,306 week before. Radio output in 23 weeks was 6,100,000, as against 5,900,000 in same 1955 period.

**Trade Personals:** Ross D. Siragusa, Admiral pres., given gold-plated portable TV, with signatures of about 20 Admiral executives engraved on cabinet, at surprise presentation on his 50th birthday June 12 . . . Herbert Greenspon, manufacturing v.p. of Columbia Records, assigned responsibility for all electronic products & Cryton precision products, transcription service and engineering research & development; Hal B. Cook, sales director, named sales v.p. of Columbia Records Sales Corp., in charge of all record label sales; Albert B. Earl, exec. asst., named administrative v.p.; Alfred B. Lorber, director of law dept., named v.p. in charge of new business affairs dept. . . . Sol W. Gross, ex-Emerson v.p., elected v.p. of General Instrument Corp. & gen. mgr. of its newly acquired subsidiary Micamold Electronics (see p. 16); J. Gerald Mayer, former exec. v.p. of Micamold, elected v.p. & director of General Instrument . . . W. L. Gorrell promoted to mgr. of GE's electronic tube plant in Anniston, Ala., succeeding W. M. Nave, transferred to manufacturing services div., Syracuse . . . Al Friedman, ex-Olympic Radio sales v.p., elected chairman of Delmonico International Corp., N. Y., importer-distributor of German Kaiser hi-fi & radio equipment; Dr. Otto W. Brodnitz is pres., Martin L. Scher exec. v.p. . . . Douglas Carpenter resigns as chief engineer, JFD Mfg. Co., Brooklyn, to open consultant & public relations office at 19 W. 44th St., N. Y., continuing as JFD consultant . . . Samuel Olehak, ex-DeWald Radio, named gen. sales mgr. of Datom Industries Inc. (radios & phonos) . . . Norman C. Sabee, Crosley-Bendix merchandising mgr., assumes additional duties of adv. mgr. . . . Henry L. Stewart, ex-Ampro Corp., named mid-Atlantic sales mgr., Crescent Industries . . . H. N. Muller Jr. appointed chief engineer, Canadian Westinghouse . . . Martin P. Rosenblum, TV-radio editor of *Retailing Daily* since 1948, joins paper's adv. dept. Aug. 1; Henry Brief promoted to succeed him.

New RETMA officers, elected at Chicago convention this week: pres., Dr. W. R. G. Baker, GE, succeeding H. Leslie Hoffman, Hoffman Electronics; exec. v.p. & secy., James D. Secrest (re-elected); treas., Leslie F. Muter, Muter Co. (re-elected). New v.p.'s elected: Robert S. Bell, Paekard-Bell, representing set div.; F. R. Lack, Western Electric, military products; H. J. Hoffman, Machlett Labs, technical products; Herbert W. Clough, Belden Mfg. Co., parts; R. E. Carlson, Tung-Sol, tube. Glen McDaniel continues as gen. counsel, with staff attorney Wm. L. Reynolds appointed asst. gen. counsel.

National Assn. of Electrical Distributors elects these new officers: pres., Ralph J. Brown, GE Supply Co., Bridgeport, succeeding Lester E. Barrett, Barrett Electric Supply Co., St. Louis; eastern v.p., George W. Provost Jr., Doubleday-Hill Electric Co., Pittsburgh; central v.p., George Albiez, Englewood Electrical Supply Co., Chicago; southern v.p., J. P. Hamblen, Southern Electrical Supply Co., Houston; western v.p., W. B. Meek, Westinghouse Electric Supply Co., Los Angeles.

**DISTRIBUTOR NOTES:** Admiral establishes factory branch at 5780 Federal St., Detroit (Walt M. Davis, gen. mgr.), replacing Brennan Appliance Distributors, now Whirlpool-Seeger outlet . . . Whirlpool-Seeger appoints Raymond Rosen & Co., RCA outlet in Philadelphia (Thomas F. Joyce, pres.), ending long association with Peirce-Phelps Inc., Admiral outlet; Whirlpool-Seeger also appointed RCA Victor Distributing Corp., Los Angeles, replacing Graybar; West Michigan Electric Co., Benton Harbor, Mich. (R. A. Jeffers, pres.), replacing RCA Victor Distributing Corp., Detroit; D&H Distributing Co., RCA outlet in Harrisburg, Pa. (David Schwab, pres.) . . . Sylvania appoints B. H. Spinney Co., 1115 W. Fayette St., Syracuse, replacing Paul-Jeffrey Co., new Hotpoint TV outlet . . . GE appoints Commercial Electric Co., Toledo (Sanford Goldman, exec. v.p.), replacing GE Supply Co. . . . Medaris Co. Inc., Dallas (Philco) promotes R. N. Medaris to v.p. & asst. to pres. . . . Admiral N. Y. promotes Jack Somber to TV-radio sales supervisor . . . GE Appliance Co., Pittsburgh, names Jack E. Mosellen retail training director . . . Philip P. Geth Assoc. is new sales organization formed by Geth, ex-pres. of DuMont N. Y. factory branch, to serve as exclusive agent for cabinet manufacturer Shaw Mfg. Co.

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Scott Radio Labs, Chicago, whose Meck TV sets accounted for sizable portion of market in TV's early years, has been sold to group of west coast industrialists headed by Benjamin B. Smith, which intends to "combine the operation of Scott with those of a profitable company [and] manufacturing operation will probably be centered on west coast due to concentration of electronic development in that area." John S. Meck has resigned as pres. & director, Russell G. Eggo as secy. & director.

Clarenee S. Tay, gen. mgr. of Admiral factory branches, promoted to exec. v.p. of Admiral Distributors; Robert Howard promoted to v.p. of metropolitan N. Y. div.; Earl Erickson promoted to v.p., Chicago; Arthur J. McGettrick, v.p. Los Angeles; Marshall C. Wells, v.p. Dallas; Raymond O. Hebenstreit, v.p. Milwaukee. Tay's assistants, Phil G. Kerr & Carl Lantz, were also promoted to v.p.'s.

Stanley L. Abrams, asst. to Emerson exec. v.p. Dor-man D. Israel, elected pres. & director of Emerson air conditioning subsidiary Quiet Heat Mfg. Co., succeeding John D. Small, who becomes Emerson v.p. in charge of govt. relations, Washington.

Patent infringement suits brought against Motorola and Sentinel by Mrs. Esther Armstrong, widow of the inventor Edwin H. Armstrong, have been set for Oct. 8 trial in Chicago Federal court.

GE of Mexico has signed contract to produce 250,000 radios for Radio Programas de Mexico, for marketing in Mexico at \$9.60 each. First 50,000 sets will be ready for distribution about Sept. 1.

Goddard Lieberman, new pres. of Columbia Records, elected a v.p. & director of parent CBS Inc.



**Topics & Trends of TV Trade:** Business failures among TV-radio-electronics manufacturers in year ended April 30 rose slightly from preceding fiscal year, according to annual report of RETMA credit committee chairman Edward C. Tudor, pres. of Industrial Development Engineering Associates (IDEA). In the 12-month period, 29 manufacturers failed, representing total liabilities of \$11,055,000, as against 26 failures and \$14,460,000 liabilities in preceding fiscal year.

Of the 29 failures, 17 manufactured components, 8 produced electronic equipment, 2 phonographs, one tape recorders, one electronic organs. Most are continuing in business under supervision of creditors' committees, though 9 went out of business with little or no recovery to creditors, said report. Average age of the 29 failures was 11 years, compared to 6½ years for failures of preceding year.

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GE's new line, to be shown to dealers at Chicago's midyear marts starting June 18, comprises 11 basic black-&-white models starting with 9-in. portable (weighing 13 lbs.) at \$99.95 and 3 color sets starting at \$495 for 21-in. table (for details of color sets, see p. 16). Of the monochrome line, only the 9-in. set has a list price, others carrying "suggested retail price range." A 14-in. portable has range of \$110-\$140 in 3 finishes; 17-in. portable, \$140-\$150; 21-in. table, \$160-\$170; 21-in. table, \$180-\$210; 21-in. open-face console, \$210-\$230; 21-in. open-face console, \$250-\$280; 21-in. full-door console, \$300-\$330; 24-in. open-face console, \$270-\$300. New black-&-white chassis contains 15 tubes, including picture tube, 4 rectifiers and detectors, with 60% of circuitry on printed boards. Control panels are at top right of picture. The 14-in. sets, big hit in the 14 months they've been on market, have been redesigned, with side control knobs slanted toward rear of set and carrying handle made parallel to face of set.

Hotpoint's first TV line, produced by parent GE and introduced to eastern distributors in N.Y. this week, comprises 8 basic models—all similar in design and construction to GE's. As with GE, Hotpoint has placed retail list only on 9-in. portable—\$99.95. Others are "suggested retail price ranges" only: 14-in. portable, \$110-\$140; 17-in. portable, \$140-\$160; 21-in. tables, \$150-\$170 & \$180-\$210; 21-in. consoles, \$210-\$230, \$250-\$270; 24-in. console, \$270-\$300.

Admiral offers year's service contract for \$13 on its 10¾-in. portable. George A. Bodem, v.p. of Admiral electronics div., said new "over-the-counter" service contract covers all parts, tubes and labor when set is brought by customer to Admiral distributor's service dept. and picked up after repair.

Zenith has introduced 7-transistor portable radio, weighing 4 lbs. 4 oz., retailing at \$87.50. Also introduced at Chicago distributors convention were 2 table radios at \$22 & \$35; 4 clock radios at \$30, \$45 & \$50 (2); 4 phonos at \$30, \$40, \$70 & \$100.

Emerson's new air conditioner, called "Slimline" because it's mere 15-in. deep with flush-mount design that's said to eliminate overhang, was introduced this week. It's available in ½, ¾ or 1hp units, will be priced later.

Sylvania has reduced prices of black-&-white picture tube phosphors to \$10 per lb. (from \$11.75) in standard 5-lb. bottles.

National Alliance of TV-Electronic Service Assns. (NATESA) schedules annual convention at Chicago's Sheraton Hotel, Sept. 14-16.

New Crosley-Bendix line of TVs and home appliances will be introduced to distributors at Cincinnati, July 9 & 11.

Admiral distributor convention is scheduled at Chicago's Morrison Hotel, June 28-29.

Westinghouse's new line, to be shown at Chicago marts starting June 18, comprises 6 color sets and 15 black-&-white models. Color sets—4 table models, 2 consoles—use 22-in. glass rectangular tube, have top-front tuning, push-button channel controls, "Silver Safeguard" chassis. Prices have not been set yet. Monochrome line, called "Presidential," comprises 21-in. tables, \$170 & \$190 (2); 21-in. consoles, \$230, \$250 (2), \$280 (2); 24-in. tables, \$230 & \$250 (2); 24-in. consoles, \$270 & \$280 (2); 24-in. full-door console, \$445. Also in line are "Long-Life" 7-transistor radio, \$75; pocket transistor radio, \$70; 4-tube table radios, \$16 & \$18; 3-way portable radio, \$30.

DuMont's new line, introduced to distributors June 13 in Atlantic City in first of regional meetings, comprises a 14-in. portable (28-lb.) at \$150; 17-in. table at \$160; 21-in. tables, \$190, \$220, \$260, \$320; 21-in. consoles, \$300, \$320, \$330, \$340; 24-in. consoles, \$400 & \$500. A 21-in. open-face color console at \$750 and 2 full-door color consoles at \$850 were also introduced. Color chassis will be assembled at DuMont's E. Paterson plant, said Fritz Rice, gen. mgr. of receiver div. He also said that DuMont has "no immediate plans" to produce sets smaller than 14-in. Also introduced were table radios at \$20, \$28, \$30, \$37; clock radios, \$30 & \$45; portable radio, \$40; a high-fidelity phono, \$160; high-fidelity radio-phonos, \$220 & \$350.

Olympic Radio's new line of 3 color sets and 17 black-&-white models, being introduced June 17 at Chicago's Congress Hotel, includes 7 TV-radio-phono combinations—largest offering of combinations by any manufacturer. Color sets are priced at \$495 for table model, \$595 for open-face console, \$695 for 3-way combination. The 21-in. monochrome tables are priced at \$160, \$180, \$220; 21-in. consoles, \$180, \$200, \$220, \$270, \$280; 24-in. consoles, \$200, \$220; 21-in. combinations, \$300, \$330, \$380, \$400; 24-in. combinations, \$380, \$420, \$440. Also introduced were 10 high-fidelity radio-phonos starting at \$150, and a tape recorder combination at \$300.

Philco's 14-in. portables, shown to distributors in April (Vol. 12:17), were priced this week at \$110 for charcoal set without handle, \$140 for 2-tone sets with handle. The 17-in. portables were priced at \$160 & \$170. Philco's full TV-radio line will be introduced to distributors June 18 at Philadelphia's Bellevue-Stratford Hotel & Forest Theatre.

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**ELECTRONICS PERSONALS:** Maj. Gen. Francis H. Lanahan, USA ret., elected exec. v.p. of Federal Electric Corp., Lodi, N. J., IT&T field service & maintenance subsidiary. . . . R. F. Holtz promoted to gen. mgr., Laboratories RCA Ltd., Zurich, Switzerland, effective July 1, succeeding C. G. (Rip) Mayer, newly named chairman & managing director of RCA Great Britain Ltd., Middlesex, England. . . . Samuel M. Grafton named mgr., Dr. Bernard J. Rothlein technical director of Sperry Rand's new Sperry semi-conductor div. . . . Walter M. Reynolds, adv. mgr. of Western Electric Co., succeeds Paul L. Palmerton, retiring July 31, as WE director of public relations, with responsibility for all WE advertising and public, customer & employe information services. . . . Sol Schneiderman named senior project engineer, Radio Receptor Co.

Albert A. Chesnes named technical director, Chromatic TV Labs, in charge of its Lawrence color tube development program and military electronics activities. Also announced by v.p. Robert Dressler were appointments of Sy Krinsky, ex-Telechrome, as chief engineer; Paul Neuwirth, ex-project engineer in charge of CBS-Columbia color receiver development, as dept. chief, color TV; Albert Jacobs, promoted to dept. chief, govt. research & development.

Philco "apple" color set and tube design are described in June issues of *Electronics* and *Tele-Tech & Electronic Industries*.

**Electronics Reports:** Facts and figures on size of the electronics industry flew thick and fast at RETMA's Chicago convention this week, highlighted by some significant statements by key industry figures. For example:

(1) RETMA pres. H. Leslie Hoffman, stated in annual report: "At the end of 1955 the electronics industry was producing equipment and services at an annual going rate of approximately \$9 billion. Included in this total is the cost of home entertainment devices along with their repair and service, broadcasting and TV revenue, industrial and commercial electronics, and defense electronics. This shows an increase of approximately 81% since 1950. Many forecasters have indicated that the industry billing is expected to reach \$15 billion by 1960."

Electronics provides employment for 1,750,000 persons, he said, and one out of every 40 persons employed today, or 2.7% of nation's total working force, is in the electronics industry. "Of even greater significance is the fact that 75% of the jobs filled by these persons didn't even exist a scant 10 years ago." About 50 manufacturers, out of estimated 3600 in electronics industry, account for more than 80% of the dollar volume of end equipment production, and about 150 manufacturers account for 80% of total component business, he said.

(2) Frank W. Mansfield, Sylvania sales research director & chairman of RETMA statistical policy committee, said electronic equipment sales alone will total record \$5.5 billion in fiscal year ending July 31, as against \$5.25 billion in preceding fiscal year. When distribution, service, installation & broadcast revenues are added, total electronics volume exceeds \$10 billion, he added. Dollar volume of all "amusement devices" (TV sets, radios, phonographs, etc.) declined from \$1.495 billion to \$1.434 billion, but value of industrial and commercial products rose from \$625,000,000 to \$775,000,000, replacement parts from \$725,000,000 to \$780,000,000—while military products increased from \$2.375 billion to "in excess of \$2.5 billion."

(3) Motorola pres. Paul V. Galvin, accepting RETMA Medal of Honor, said: "Today the electronics industry contributes at least \$6 billion annually to the economy. In 5 years this will double. In 10 years it will treble. Perhaps in 20 years electronics will have attained an immensity and a predominance in the U. S. economy that it will be the parent of industry with which it now has a cousin or supplier relationship. House appliances comprise a good example. Office equipment and aircraft are industries to think about."

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General Instrument Corp. stockholders this week ratified acquisition, for \$2,495,000, of Micamold Electronics Mfg. Corp., producer of capacitors whose 1955 sales were reported in excess of \$7,000,000. It acquires plants in Brooklyn and Tazewell, Va. to add to those it already has in Newark, Chicopee, Mass., Joliet, Ill., Beckley, W. Va. & Waterloo, Ont. Chairman Martin H. Benedeck reported to annual meeting that prospects of components maker (TV tuners, deflection yokes, flybacks, IF transformers, etc.) are good for year to Feb. 28, 1957 despite slight deficit for quarter ended May 31 (vs. \$60,996 profit in 1955 quarter) which he said "reflects the temporarily slackened demand in the radio, TV and automotive industries"; next 6 months, he added, will see large-scale production of newly developed TV tuner "which should place General Instrument at or near the top among tuner suppliers to the TV industry."

Eitel-McCullough's "revolutionary new concepts in receiving tube design, production techniques, circuit application and life expectancy," which have resulted in new ceramic tubes, are subject of film titled *Tubes That Can Take It* to be previewed by trade newsmen at Sheraton Astor Hotel, N. Y. at 1:30 a.m., June 21.

## Network Color Schedules

(June 18-30, 1956)

June 18—NBC: *Gordon MacRae Show*, 7:30-7:45 p.m.  
 June 19—NBC: *Matinee Theatre*, 3-4 p.m.  
 June 20—NBC: *Matinee Theatre*, 3-4 p.m.; *This Is Your Life*, 10-10:30 p.m.  
 June 21—NBC: *Matinee Theatre*, 3-4 p.m.  
 June 22—NBC: *Matinee Theatre*, 3-4 p.m.  
 June 23—CBS: *Gene Autry Show*, 7-7:30 p.m.  
 June 24—NBC: *Zoo Parade*, 5-5:30 p.m.  
 June 25—NBC: *Matinee Theatre*, 3-4 p.m.; *Producers' Showcase*, "Happy Birthday," 8-9:30 p.m.  
 June 26—NBC: *Matinee Theatre*, 3-4 p.m.; *Dinah Shore Show*, 7:30-7:45 p.m. CBS: *Bob Crosby Show*, 3:30-4 p.m.  
 June 27—NBC: *Matinee Theatre*, 3-4 p.m.  
 June 28—NBC: *Matinee Theatre*, 3-4 p.m.; *Dinah Shore Show*, 7:30-7:45 p.m.  
 June 29—NBC: *Matinee Theatre*, 3-4 p.m. CBS: *Bob Crosby Show*, 3:30-4 p.m.  
 June 30—NBC: *Olympic Tryouts*, 5-7 p.m. CBS: *Gene Autry Show*, 7-7:30 p.m.

**Color Trends & Briefs:** "I have gotten my fingers burned and my feet wet in manufacturing to the extent that I have great respect for the price RCA has put on that color receiver." So said CBS pres. Frank Stanton at this week's Senate Commerce Committee hearing in response to question by Chairman Magnuson (D-Wash.) as to whether color set prices are coming down further.

"They are not coming down the way the average consumer thinks they are coming down," he replied. "I think it is a near miracle that RCA has been able to put a set on the market under \$500 . . . Now, I don't think there is much margin in that. There are some who will tell you probably that there is no margin in it. The biggest element of cost in that receiver is the picture tube. We are in the receiving tube and picture tube manufacturing business, and I know something about the cost of producing those units, and I don't see a lot of price reduction in those very rapidly."

In reply to question about possibility of equipping all color sets with uhf tuners, Stanton said this would increase price of sets and impede color receiver circulation. "There is a pincer movement in the set manufacturing business at this time," he added, "and it is working against uhf. On the high end you have got the expensive color set [without uhf tuner] which is killing sales in the expensive end of black-&-white. On the other end, you have the introduction of the small portable receiver, which is so compact that it is pretty difficult to put a uhf tuner in it in the first place, and because it is sold at a price sometimes under \$100 there isn't enough room in the price of the unit to include the all-channel tuner."

Asked by Sen. Potter (R-Mich.) about effect of proposed exemption of all-channel sets from 10% manufacturers' excise tax, Stanton said he favored exemption wholeheartedly, but added: "The removal of the tax at the low end wouldn't have anything like the impact that it would have if you took it off the color set."

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GE's first color sets, to be shown at Chicago marts starting June 18, begin at \$495 for table model (21T500) with 2 consoles (21C700 & 21C701) still unpriced. All use regular aperture-mask picture tube, though GE is currently in pilot production of its post-acceleration tube. Reflecting GE's more optimistic attitude towards color, TV sales mgr. Joseph F. Effinger said: "Because color adds a wanted dimension to home entertainment, it is destined to become the primary home entertainment medium. We feel that 1956 is the year to establish color positively in the minds of the public in anticipation of years to come." Chassis uses 24 tubes, including picture tube, plus 5 rectifiers. About 80% of circuitry is on printed boards.



**Financial & Trade Notes:** Another glimpse into the operations of Storer Broadcasting Co., highly successful independent TV-radio station operator whose stock is traded on the N. Y. Stock Exchange, was afforded recently when its exec. v.p. Lee B. Wailes addressed Cleveland Society of Security Analysts and, in effect, updated the story he told the N. Y. Society of Security Analysts in Feb. (Vol. 12:6). Apropos the current Senate network hearings, some of his figures are quite pertinent, particularly as they relate to profits and network relationships.

Highly respected as one of the most efficient and successful operations in the broadcasting industry, Storer is the only entity as yet holding full allowable complement of 7 TV and 7 AM stations (*TV Factbook No. 22*, p. 46); they aren't all in top markets, of course, and 2 of the TVs are uhf. But Wailes again made it clear that his firm still has ambitions to lift the FCC's limits and to acquire more stations despite recent setback in its Supreme Court appeal.

The company has operated at a profit, he reported, in each of its 23 calendar years, 1933-55 inclusive. (Its financial history in the "TV years" from 1944-54 was detailed in our Vol. 11:14, p. 16.) Wailes said 1953 profit before taxes was \$6,161,232, after taxes \$2,186,415 (94¢ per share); 1954, \$7,105,103 & \$3,680,779 (\$1.62). In 1955, it hit all-time high of \$8,792,877 gross profit, \$4,330,429 net (\$1.73). First quarter 1956 showed net profit of \$1,450,242 (58.6¢) against \$811,989 (31.7¢) in 1955, and present outlook is for 1956 per-share earnings in excess of \$2. Capital structure consists of 788,250 shares of common, 1,686,500 Class B common, no preferred; common pays \$1.50 dividend, Class B 20¢, latter being held mainly by pres. George B. Storer interests.

Current assets as of March 31, 1956 were \$7,075,578, total assets \$27,519,509, and Wailes told the analysts the TV-radio stations have a market value greatly in excess of their book value. Long-term debts amounted to \$4,541,335, reduced from \$10,191,585 in April 1955 when company sold 262,750 shares of common at 24½¢ to pay off \$4,000,000 and to retire 15,000 shares of 7% preferred. Under loan agreement, Storer pays off long-term indebtedness at rate of \$1,300,000 annually with privilege of prepayment.

As for network relationships, 5 of its TV stations are basic CBS affiliates, 2 basic NBC. Wailes reported 82% of total income came from TV in 1955, 84% in first quarter 1956. About 25% of TV income comes from networks, 24% from local advertisers, 44% from national spot advertisers. In radio, local provides 49%, national spot 41%, network 3%. Food industry accounts for greatest percentage of business, followed by drugs, soaps, tobacco, cosmetics & automotive in that order.

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Packard-Bell sales for first 8 months of fiscal year to May 31 were \$17,999,120 and profit was \$499,438 vs. \$14,130,726 & \$354,395 in 1955 period, exec. v.p. Robert S. Bell reporting that home products div. sales of TV, radio & hi-fi are running more than 23% ahead of year ago in face of industry recession of about 17% and that technical products div.'s backlog of military contracts has increased to \$8,200,000 from \$5,600,000 year ago.

Indiana Steel Products Co. reports net income of \$270,424 (94¢ a share) for 4 months to April 30 vs. \$257,204 (91¢) in 1955 period. Said pres. Robert F. Smith in June 11 letter to stockholders: "Earnings and sales so far in 1956 have exceeded our previous expectations in that they are both ahead of 1955 which was our best year to date."

IT&T consolidated net income was \$5,514,548 (77¢ a share) on total income of \$121,575,938 in March quarter vs. \$5,253,846 (73¢) on \$107,189,249 in 1955 quarter.

Muntz TV Inc. reports net profit of \$772,625 on sales of \$6,212,696 for 6 months ended Feb. 29.

Among officers' & directors' stock transactions reported by SEC for April: Robert E. Kintner bought 250 AB-PT, holds 3750; Herbert B. Lazarus bought 500 AB-PT, holds 1500; Thomas B. McCabe bought 1000 GE, holds 1600; Glenn B. Warren bought 1668 GE, holds 2310; Joseph V. McKee Jr. bought 300 National Union Electric, holds 1300; James T. Buckley sold 1800 Philco, holds 10,851; Larry E. Grubb sold 10,800 Philco, holds 15,448; Elmer W. Engstrom bought 100 RCA, holds 883; John W. Craig bought 100 Westinghouse, holds 100; John W. Krueger bought 100 Whirlpool-Seeger, holds 10,212; Leonard C. Truesdell, jointly with wife, bought 200 Zenith, holds 200; W. S. Woodfill bought 200 Zenith, holds 500.

Changes reported to SEC for May: Don G. Mitchell bought 3000 Sylvania, made gift of 100, now directly holds 5331; Percy M. Stewart sold 99 Allen B. DuMont Laboratories, holds 100; Thomas P. Tanis sold 81,000 El-Tronics Inc., now holds 10,500; Laurance D. Sibley, bought 2001 Electronics Corp. of America, holds 2001; John C. Marshall bought 1000 Arvin, holds 4732; E. W. Axe and R. H. Axe, for personal holding company called Huntington Corp., report purchase of 500 Axe Science & Electronics Corp., bringing Huntington holdings to 5000 in addition to their individual holdings of 500 each.

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RKO Teleradio subsidiary of General Tire & Rubber Co., according to statement by Michael G. O'Neil, exec. asst. to General Tire president, before St. Louis Society of Financial Analysts, will account for about \$5,000,000 earnings in fiscal year ending next Nov. 30—nearly double 1955 net. General Tire already has had "handsome profit," he said, on last year's acquisition of RKO Pictures for \$25,000,000, receiving \$20,000,000 tax carryover, selling library of 750 RKO film and 1000 shorts to C&C Television Corp. for \$12,200,000 while retaining rights to those films on its own 6 TV stations, selling back *The Conqueror* and *Jet Pilot* to Howard Hughes for \$8,000,000, anticipating additional \$4,000,000 from distributing those features. On the 30 feature films it acquired from Bank of America for \$1,300,000, RKO Teleradio has thus far grossed \$2,400,000, expects this to go to \$4,000,000. Current RKO filming schedule calls for 11 pictures this year at cost of \$22,500,000.

National Telefilm Associates Inc. (Ely Landau, pres.), recently listed on American Stock Exchange, reports earnings of \$242,618 (37¢ a share) for 9 months ended April 30 compared with deficit for whole 1955 fiscal year. In first 6 months of current fiscal year, deficit was \$145,051 (22¢) and in first quarter it was \$60,531 (9¢). Contracts written in the 9 months total \$3,560,898, or 49% ahead of same 1955 period.

Some better movie reports: Universal Pictures net income was \$2,047,383 (\$2.08 a share) in 26 weeks ended April 28 vs. \$2,104,960 (\$1.87) in like 1955 period. Republic Pictures income was \$1,078,694 (44¢) in same 26 weeks vs. \$878,613 (34¢) in 1955 period.

Zuckerman, Smith & Co., 61 Broadway, N. Y. has published reports on RCA and Sylvania in which it describes them as "outstanding among the companies in the electronics field and possessing dynamic growth and long-range appreciation possibilities."

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Dividends: American Broadcasting-Paramount, 25¢ payable July 20 to stockholders of record June 29; Packard-Bell, 12½¢ July 25 to holders July 10; Van Norman Industries, 25¢ June 30 to holders June 20; Columbia Pictures, 30¢ plus 2½% stock July 30 to holders June 29; IT&T, 45¢ Aug. 22 to holders July 15; Motorola, 37½¢ July 13 to holders June 29.

**GENERAL RAILWAY SIGNAL CO.** was disclosed as 68.9% owner of Transcontinent Television Corp., formed last Jan. "to buy and operate TV stations on a nationwide and international scale" (Vol. 12:5), when application was filed with FCC this week for authority for Transcontinent to purchase WHAM-TV, Rochester (Ch. 5) with radio WHAM for approximately \$5,000,000 from Stromberg-Carlson div. of General Dynamics Corp. (Vol. 12:14). Transcontinent's Tudor Enterprises is already 50% owner of WSVA-TV, Harrisonburg, Va. (Ch. 3) with radio WSVA, whose purchase for \$560,000 from Fred Allman was approved by FCC last week (Vol. 12:22). Other 50% of WSVA-TV & WSVA is owned by ex-NBC executive Hamilton Shea.

Stromberg-Carlson Broadcasting Corp. balance sheet as of Dec. 31, 1955 shows \$566,316 current assets, \$1,887,405 total assets, with plant & equipment cost placed at \$2,247,891 less \$926,802 depreciation; estimated replacement costs of land & buildings is put at \$2,187,000, of transmitter, studio, offices, etc. at \$1,647,000—for a total of \$3,834,000. For 6 months to Dec. 31, company's sales were \$1,247,651, net income \$83,031, earned surplus \$52,331.

Chairman of Transcontinent is Paul A. Schoellkopf, Jr., v.p. of Niagara Shares Corp., Buffalo investment firm, and he holds 3.4% of stock. President is David Channing Moore, ex-IBM div. sales mgr., recently special asst. to the Asst. Secy. of The Air Force (materiel), .27%; chairman of exec. committee is J. Fred Schoellkopf IV, 3.4%; v.p., Hamilton Shea; v.p. & secy.-treas., David G. Forman, 3.4%; v.p., Seymour H. Knox III, 1.1%. The Schoellkopfs are principals in ownership of WGR-TV, Buffalo (Ch. 2) and WGR; last week, they each dropped 20% ownership in TV Assoc. of Elmira Inc., applicant for Ch. 9 there. The organizers of Transcontinent are to select 6 of the directors, GRS 3.

J. Fred Schoellkopf also is on board of General Railway Signal Co., whose main plant is in Rochester. Its total assets are \$16,700,000, it has 337,587 shares of common stock outstanding traded on the N.Y. Stock Exchange, and it is one of largest makers of electrical & electronic equipment for railways. Among its subsidiaries is Electrons Inc., Newark (electronic tubes). Benjamin P. Wayne, secy.-treas. of General Railway, is also secy.-treas. of Electrons Inc., and one of General Railway's board members, Donald V. Edwards, is pres. of Electrons Inc. and 19% owner of Magnatran Inc., Kearney, N. J., maker of transformers.

Apropos "automation" in today's selling process, which CBS-TV pres. John Van Volkenburg sees manifested in increasing conversions of retailing outlets to self-service (Vol. 12:23), the secy.-mgr. of the National Assn. of Retail Grocers, Mrs. R. M. Kiefer, came up with this prediction at this week's Los Angeles convention: Tomorrow's homemaker, she said, may "comfortably sit in her car on a grocery store parking lot and select her food needs by push-button method from those displayed on a TV screen and then wait while her order is quickly assembled and brought out to her."

"Broadcasting in America," titles study by U of Miami's Sydney W. Head, pres. of Assn. for Professional Broadcasting Education, being published June 18 by Houghton Mifflin.

Russians plan to build Moscow TV antenna tower higher than Empire State Bldg. for completion next year, reports Moscow Radio. Empire State antennas (7 stations) are about 1465-ft. above ground.

Licensed TV sets in Great Britain totaled 5,812,178 at end of April, increase of 72,585 during month.

New closed-circuit TV applications: (1) National Advisory Committee for Aeronautics' Lewis Flight Propulsion Lab, Cleveland, uses 3 RCA industrial TV systems and four 24-in monitors to observe tests in new 10x10-ft. wind tunnel, designed specifically with closed-circuit TV in mind. (2) General Precision Lab reports sale of closed-circuit system to Ocean City Baptist Church, Ocean City, N. J., to help solve problem of fourfold increase in attendance during summer months. To accommodate influx of vacationers, video will be piped to 24-in. receivers in downstairs auditorium and sound carried on church's public address system during Sunday services. (3) Dage TV div., Thompson Products, is promoting new "Visit-Vision" closed-circuit system for hospitals, designed to permit hospital patients to visit with persons not allowed in their rooms, such as children under age. Complete unit, with self-contained camera, monitor and special booth, costs about \$2500. Pilot installation is at Memorial Hospital, Morristown, N. J. (4) "TV bulletin boards" are being used experimentally by American Airlines at Chicago's Midway Airport. TV camera in control tower picks up information on flight arrivals, departures, gate positions, etc., relays it to receivers in waiting room, behind ticket counters, in flight operations offices. "Closed-circuit TV undoubtedly will become a practical solution to the problem of carriers in keeping their bulletin boards up to date," observes pres. T. H. Davis of Piedmont Airlines.

More closed-circuit TV uses by industry and military: (1) Article in *Wall Street Journal* describes operation of new "completely automated" \$10,500,000 Lukens Steel Co. alloy plate finishing plant, in which 16 men in operating "pulpits" equipped with TV screens run entire plant, using 9 RCA cameras as eyes (Vol. 12:9). (2) TV pickup from pilotless drone aircraft was displayed Armed Forces Day at Bolling Air Force Base, Washington, demonstrating "instantaneous ground evaluation" of both live and still pictures taken from the air. (3) New British 10,000-ton cruiser, HMS Cumberland, has closed-circuit TV camera installed in engine room to transmit performance information to the bridge. (4) U. S. Air Force plans closed-circuit telecast next month linking number of air bases on continental U. S. for undisclosed "secret" demonstration, with Nathan Halpern's Theatre Network TV handling technical arrangements. (5) Army Ordnance Corps uses TV to spot fires from roof of its 29-acre Cleveland plant.

Reception of foreign TV in U. S. will be abundant during record-high sunspot activity from fall 1956 to spring 1958, according to George F. Jacobs, Voice of America propagation expert. Writing in March & June issues of *CQ*, he analyzes anticipated impact of sunspots on communications generally, notes that TV reception in U. S. will come from stations using our standards and operating on Ch. 2 (54-60 mc)—including Brazil, Mexico, Puerto Rico, Canada, Cuba, Alaska, Hawaii. European stations will be seen in form of interference unless receivers are specially built to their standards. This will be "more of a nuisance than an oddity," Jacobs writes.

Scottish Television Ltd. is name of new ITA program contractor for central Scotland, and it's headed by Roy Thomson, the Canadian publisher-broadcaster who also published *Edinburgh Scotsman* and *Dispatch*. Transmitter at Black Hill, between Airdie & Bathgate, is expected to be ready by Aug. 1957, will be Britain's 5th commercial outlet, expanding ITA services to 68% of population.

Agenda for NARTB's TV board meeting in Washington June 20 includes discussions of crackdown on TV code violators (Vol. 12:23), community antenna situation, plans for National TV Week Sept. 23-29. Radio board meets following day, with joint board meeting final day.



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# Television Digest

with **ELECTRONICS REPORTS**

PUBLISHED WEEKLY BY RADIO NEWS BUREAU • WYATT BLDG. • WASHINGTON 5, D.C. • TELEPHONE STERLING 3-1755 • VOL. 12: No. 25

## SUMMARY-INDEX OF THE WEEK'S NEWS — June 23, 1956

ENTIRE COUNTY SCHOOL SYSTEM to be hooked up by closed-circuit TV in showcase project sponsored by electronics industry, Ford Foundation, educators (p. 1).

AFFILIATES LAUD NETWORKS before Senate Commerce Committee, as another big probe of "TV monopoly" shapes up in House for June 27 opening (p. 2).

DEINTERMIXTURE in ascendancy again in FCC allocations debates. Pleased Senate committee keeping hands off, awaiting decision momentarily (p. 3).

MGM's ALL-OUT PLUNGE into TV through station ownership, feature sales and program production points up Hollywood's 180-degree switch (p. 4).

NBC DISAFFILIATION THREAT involved in Westinghouse-NBC Philadelphia-Cleveland station swap, Westinghouse Broadcasting chief tells Senate probers (p. 5).

STODDARD GROUP favored for San Francisco-Oakland's Ch. 2 in examiner's report which emphasizes needs of Oakland as against those of whole area (p. 5).

CONTRAST IN COLOR approaches epitomized by bullishness of RCA, restraint of Philco, Motorola, Emerson. CBS-Columbia retrenches further (pp. 10-12).

NEW TV LINE ANNUALLY not a necessity unless "revolutionary" development is shown, opines Magnavox's Cramer. Big portable volume predicted (p. 13).

UPBEAT COLOR OUTLOOK expressed by Storer's Lee Wailes in talk to security analysts. Sees gradual growth, programming largely up to networks (p. 15).

BIGGEST PHILCO STOCKHOLDER, ex-pres. James H. Carmine, sells 17,700 shares, reducing holdings to 13,738, but retaining equity in profit fund (p. 17).

TV CODE AMENDMENT to admit film producers and distributors to affiliate subscription approved by NARTB board. Fewer commercials allowed (p. 9).

"NTA FILM NETWORK" reported to have 40-50 stations signed up for Oct. 1 debut of film-for-time swap. Its "network" films now being used by 16 TVs (p. 9).

**HUGE PILOT SCHOOL-TV PROJECT LAUNCHED:** Broadening the horizons of both education and TV-electronics, first fullscale closed-circuit public school system will be dedicated June 26 by Washington County Board of Education at Hagerstown, Md.

The Plan: Connect an entire county school system by TV, offering televised instruction to students in every field of elementary and high school study, as method of improving educational techniques and combating teacher & facility shortages.

The backers: RETMA, its members and non-member equipment manufacturers; the Ford Foundation's Fund for Advancement of Education; imposing line-up of other educational groups and associations.

The observers: Educators and govt. officials from all over the world; all segments of electronics industry; military training authorities, etc.

With hundreds of thousands of dollars in equipment available "on loan" from industry, project's planners have blueprinted 5-year progressive program which would hook up 8 Hagerstown city schools by next Sept., 23 the following year, branching out into county third year with 47-school hookup. Foundation grant, running for minimum of 5 years, is understood to be open-ended, to finance sound program of any magnitude -- so great is Fund's interest in school TV.

Actual beginning will be July 1, when teachers start attending courses to train them in TV techniques and use of the medium for in-school education.

Project has been in planning stage for many months, one of major tasks having been selection of area for the large-scale closed-circuit showcase. The section finally picked, 462-sq. mi. Washington County, is agricultural & industrial area in Maryland's panhandle. Total population is 79,000, the county seat -- Hagerstown, 70 road miles from Washington, D.C. -- having about 36,000.

Note: New York City's proposed \$105,000,000 school building program includes TV studio as part of new George Westinghouse Vocational High School, Brooklyn. It would be used to originate lectures and other educational programs over school's closed-circuit system, for teaching TV techniques, maybe later for on-air telecasts.

**PARADE OF AFFILIATES LAUDS NETWORKS:** If networks get their wings clipped this year it won't be by action of Congress. Any doubt on this score was dispelled this week when Senate Commerce Committee heard 25 affiliates, large and small, of all 3 TV networks, urge against changes in option time and must-buy practices and oppose Sen. Bricker's bill for network licensing. Networks are still in for rough time in Congress, though, as other committees hop on network-baiting bandwagon.

After listening for 3 days, Sen. Pastore (D-R.I.), chairman of communications subcommittee who presided at virtually all of this week's hearings, was convinced: "If the Bricker bill came up tomorrow, I would vote against it," he said, "because I think in the public interest the situation has not arisen for us to make a change at this time." Amazed and amused at the way affiliates unanimously sided with networks and parried leading questions by Sen. Bricker and counsel Kenneth Cox, Sen. Pastore interrupted testimony of WCAU-TV's Don Thornburgh to say:

"I would like to make an announcement now. If there is any broadcasting station in the USA that is dissatisfied with the way they are being treated by CBS, NBC or ABC, please let them come forward." By press time, there were no takers.

One change in network rules was proposed by several witnesses: Lengthen the affiliation contract period from present 2 years to 3-5 years.

\* \* \* \*

Two unexpected developments cropped up in testimony of two witnesses, both of whom also spoke out strongly in favor of the networks:

(1) Westinghouse Broadcasting pres. Donald H. McGannon said WBC would not have agreed to swap its WPTZ in Philadelphia for NBC's WNBK in Cleveland had it not been for implied threat of loss of NBC affiliation. He asked for change in rules to prevent future similar occurrences, but made no specific proposal (details on p. 5).

(2) National Telefilm Associates pres. Ely Landau announced formation of "a fourth operating TV network," NTA Film Network, to be activated Oct. 1 and presumably to operate on a time-for-film swap basis (see story on p. 9).

Senate Committee members are coming around to view that any "monopoly" in TV is caused by shortage of equal channels -- an opinion stressed by many witnesses this week, as in past hearings -- and Senators appear to be in mood to demand some deintermixture action soon, unless FCC acts immediately (see p. 3). Hearings on network problems have been recessed "subject to call", could be reconvened if anyone responds to Sen. Pastore's plea to come forward with complaints about networks.

\* \* \* \*

If FCC and networks think they're finished with Congressional harassment for this session, they've got another think coming. House Judiciary anti-trust subcommittee, headed by Rep. Celler (D-N.Y.) starts series of important hearings on TV "monopoly" with grilling of FCC members June 27-29 (10 a.m., 346 Old House Office Bldg.). "We won't be finished with them in a day or two," said chief counsel Herbert N. Maletz, indicating second 3-day session with FCC may be held July 11-13.

Subcommittee is trying to find out whether big "regulated industries" dominate regulatory bodies such as FCC, and judging by long and thorough hearings it held on aviation industry its TV hearing won't be flash in pan. Among those expected to be called are networks, uhf stations, plus anybody with a grievance. The subcommittee is certain to look deeply into Westinghouse-NBC Philadelphia-Cleveland swap, on which its investigators have been digging up information.

But it will go much further. It has written networks for tremendous mass of information -- "just about everything in our files," as one high network official put it. "It's like the kind of information they subpoena for a criminal proceeding," he said. "They want inter-office memos, everything." With a sigh, he added: "It's getting so we can't do business any more. We expect everything we ever say or do to wind up in the files of a Congressional committee and be completely misinterpreted."

Members of subcommittee, in addition to Celler, are Rodino (D-N.J.), Rogers (D-Colo.), Quigley (D-Pa.), Keating (R-N.Y.), McCulloch (R-Ohio) and Scott (R-Pa.). Another probe which could be reactivated soon is House Small Business subcommittee's similar inquiry, headed by Rep. Evins (D-Tenn.), which started out explosively with



subpoena for CBS & NBC records, and a press release misquoting Chairman McConnaughey and FCC officials -- then fizzled in one day of hearings (Vol. 12:11-12).

FCC's own network investigation under Roscoe Barrow continues in an orderly, quiet, headline-shunning fashion. Commission sent questionnaires this week to all TV stations, and surprised press corps by releasing questionnaire and covering letter. This was refreshing and realistic change from practice of Congressional committees which send out non-secret "secret" questionnaires, forcing reporters to go to recipients for copies -- which they always can get from somebody for the asking.

Barrow's questionnaire is one of series of formal and informal quizzes of networks, spot reps, ad agencies, talent agencies, film syndicators, AT&T, station groups, etc. Deadline for return is July 31.

Information requested: Data on rates, network affiliation, operating hours, set circulation, plus complete breakdowns of "composite week's programming" by 15-min. units as to network, commercial, sustaining, film, live, local, etc., and by amount of time devoted to news, entertainment, sports, educational programming, and so forth. Barrow said individual replies will be kept confidential.

**DEINTERMIXTURE RISES AGAIN AT COMMISSION:** FCC reversed itself again this week, is now talking up deintermixture as a strong principle of forthcoming allocations decision. Next meeting is June 25 and, once again, there are a lot of predictions that it will be "Der Tag." Here's gist of current proposal:

(1) Long-range, let's explore whether uhf can do the job for all or most of U.S. (2) Short-range, let's assure survival of uhf through deintermixture in about a dozen markets. If FCC buys the plan being considered, some operating vhf's or CPs will be told they'll have to move to uhf. Mileage cuts for vhf drop-ins aren't being considered any more -- this week, that is. However, to add 3rd vhf to some cities, FCC is thinking of measuring transmitter-to-transmitter, forgetting postoffices.

This week's thinking envisages issuing separate rule-making proposals to shift channels to make certain markets predominantly uhf or vhf. These are said to include: Albany, Corpus Christi, Duluth, Fresno, Hartford, Madison, Miami, New Orleans, Norfolk, Peoria, Shreveport, Springfield.

But until decision is actually "on the table" -- publicly released -- don't count on anything. One factor adding to probability of final action next week is fact that it's Comr. Webster's last week on job, and he's expected to participate. FCC sources discount rumors that action is being held up until T.A.M. Craven takes position on Commission bench next week. Senate confirmed his appointment June 21.

Newest factor in FCC discussions is concept of actually proposing to move some operating vhf's to uhf. For example, it's thinking about moving GE's WRGB, Schenectady (Ch. 6) and Fresno's KFRE-TV (Ch. 12) to uhf. It will be surprising if Commission really makes such a move, even more surprising if it's ever accomplished.

Considered more probable is deletion of ungranted vhf channels from such cities as Peoria, Springfield & Hartford. One of FCC's big problems is how to devise a deintermixture pattern -- where to start and stop. It's certain that if Commission proposes some deintermixture, many parties will be clamoring for more, and FCC will be obligated to consider them seriously.

\* \* \* \*

Senate Commerce Committee has been on pins and needles throughout FCC's long deliberations. At one time, Chairman Magnuson was prepared to ask that decision be delayed -- when he thought allocations table was being scrapped. Now that there's possibility of deintermixture, Committee is keeping hands off.

It's no secret that Committee likes deintermixture, and FCC knows it. Commission has been studying draft report recommending deintermixture, and it will decide at June 27 meeting whether to issue "interim report."

Chairman of communications subcommittee, Sen. Pastore (D-R.I.), sums up his views this way: "FCC should do something definite, positive and soon. Looking realistically at it, the Committee is a watchdog; it can be critical in a slowdown, but allocations is the Commission's job. The Commission already knows how the committee

feels. They told us a long time ago they hoped to have an answer in 6 months. We ought to be fair, wait the 6 months and give them the chance to do it as they should. But time is running out, and we're rapidly reaching the point of no return in uhf.

"There's a lot of sense in deintermixture," he said, but added that he favors it only where it won't "subject the viewer to the financial responsibility of changing his set over." He said he's dead set against moving any existing vhf to uhf. During this week's hearings on networks (see p. 2), he said he'd like to see 3 "like-channel" stations in each city, and he stated that "high power is destroying community station ownership."

Leaders of new Assn. of Maximum Service Telecasters met in Washington, meanwhile, to go forward with plans to protect their coverage (Vol. 12:22). It decided to incorporate, set up \$50,000 budget, hire A. D. Ring & Assoc. as consulting engineers, defer selection of Washington counsel. Big phase of effort is to determine, more precisely, "What Is Coverage?" Three of committee members -- Jack Harris, KPRC-TV, Houston; Charles Crutchfield, WBTW, Charlotte; Harold Gross, WJIM-TV, Lansing -- also met with FCC Chairman McConnaughey.

**MOVIES' ISOLATION ENDS AS MGM GOES TV:** It took Hollywood's moguls 10 years to ascertain validity of the axiom, "if you can't lick 'em, join 'em." This week, world's biggest movie maker, Loew's Inc. -- long a stubborn TV holdout -- decided to join 'em with a vengeance via feature release, station ownership & TV film production.

Out to become "an important factor in TV," Loew's board unfurled 3-prong plan to make up for decade of lost time in TV: (1) Lease of complete backlog of 770 sound features, 900 shorts -- generally regarded as industry's best -- for use on TV beginning next fall. (2) TV film production, with first series planned for 1957-58 season. (3) Acquisition of TV stations in important markets.

All TV activities -- from feature film distribution to station operation -- will be handled by new TV div., headed by Charles C. (Bud) Barry, now an MGM v.p. and known to industry as former program v.p. of both CBS & ABC and more recently a Wm. Morris Agency program executive.

\* \* \* \*

MGM's deep plunge marks complete cycle for the movie majors vis-a-vis TV. Back in TV's infancy, Hollywood looked upon the upstart with amused toleration. In 1945, movie makers filed applications for TV frequencies, available for the asking. When it looked as if they were going to get CPS, applications were dropped by such majors as MGM, 20th Century-Fox and Warner Bros.

As TV grew and prospered, most movie makers first pretended that it didn't exist, then that it wasn't hurting them, and finally that it wasn't any good and couldn't possibly last. When movie grosses continued to decline, they dipped their feet gingerly into TV, mostly with second-rate filmed shows placed on networks and designed to make TV so intolerable as to send viewers to the movies to escape.

Then the backlog dike broke -- and now pre-1949 features are flowing to TV from every major save Paramount, which paradoxically was first and most ardent TV enthusiast among the movie makers, having helped finance Dr. Allen B. DuMont in the early days and built highly successful pioneer Los Angeles independent KTLA.

The TV tail may well wag the movie dog some day, if MGM puts across its diversified TV-movie operation plan. It obviously is profiting by the example of General Teleradio, which bought out the debilitated RKO Studios, siphoned off its backlog to TV, and created an entertainment empire of TV-radio stations, movie and TV film production, phono record and music publishing business -- all within the huge General Tire & Rubber empire.

\* \* \* \*

MGM chose to enter TV business on its own after rejecting offers to sell its feature backlog for as much as \$50,000,000 (to Lou Chesler, who bought Warners' films for \$21,000,000), and to lease them for \$30,000,000 (to NTA).

"In effect we are in business tomorrow and are negotiating on all phases of our TV operations," said Barry June 20, immediately after directors' decision. He stressed "no details have been worked out," but outlined his thinking to us thus:



Station acquisition: "We're interested in sole ownership in major markets, but we're willing to entertain minority interest possibilities at first...The decision of the board to acquire stations was announced in principle, but, of course, it has broad implications. If a major company enters this field, it eventually hopes to have the maximum number of stations a company could have."

Feature film distribution: "We're not averse to talking deals right now, but we intend to notify stations of our price structure very soon." While some pictures may be held out for theatrical reissue or network showing, all features will get to TV stations within a 5-10-year leasing period. One possibility being considered is special "color package" of Technicolor backlog.

Both NBC & CBS are known to be negotiating with MGM for spectacular series, and also for single film, the 1939 color musical "Wizard of Oz" (Judy Garland, Ray Bolger, Bert Lahr), CBS reportedly having offered \$200,000 for limited number of showings of the picture. (For list of top MGM films going to TV, see p. 9).

**I**MPLIED THREAT BY NBC was involved in Westinghouse-NBC swap of TV-radio stations in Philadelphia & Cleveland (Vol. 11:53 & 12:3), Westinghouse Broadcasting Co. pres. Donald McGannon indicated under questioning by Senate Commerce Committee counsel Kenneth Cox at this week's TV investigation hearing.

FCC approved transfer early this year whereby NBC took over Westinghouse's WPTZ, (now WRCV-TV) Philadelphia, and Westinghouse got NBC's WNBK (now KYW-TV), Cleveland, NBC paying Westinghouse an additional \$3,000,000 cash. McGannon told committee Westinghouse had paid \$8,500,000 for WPTZ when it bought it from Philco in 1953, valuing the NBC affiliation at \$5,000,000. "With this in mind, we agreed to the [Cleveland] transfer, because the alternative was to become an ABC or an independent outlet in Philadelphia," he said.

"In other words," said Cox, "NBC in the exercise of its power to grant and withhold affiliation in the Philadelphia market, had indicated that it desired to own a station in Philadelphia. It wished to purchase yours if you could come to terms with them. If not, they indicated they would acquire one of the other stations and would then withdraw the NBC affiliation from your station?"

"That is correct," replied McGannon. To another question, he replied Westinghouse would have rejected the exchange proposal had it come from any party except NBC. McGannon said Westinghouse received assurance that its KDKA-TV, Pittsburgh, would continue as NBC affiliate, during time that Philadelphia-Cleveland negotiations were in progress. He said the \$3,000,000 cash figure in the swap was based on fact that Philadelphia outlet's earning capacity was approximately \$600,000 a year greater than the Cleveland station—the \$3,000,000 representing the difference over 5-year period.

He urged Committee to seek method of assuring "that in the course of a network acquiring or upgrading station properties, it be done in a manner that fully insulates and segregates [their] station operations from their national network functions." Like other station witnesses, he backed other current network practices. He urged affiliation contract period be extended to 5 years.

Stanford U Radio & TV Institute offers 14th annual 8-week course in theory and practice on 16 subjects, starting June 25. TV field work will be in cooperation with KPIX, San Francisco, radio with KNBC.

Appropriation of \$7,828,000 to run FCC for fiscal 1957 was sent to White House this week after final approval by Senate & House.

**S**TRICT ATTENTION to needs of Oakland, Cal. as opposed to those of whole San Francisco-Oakland area, by applicant Channel Two Inc., was prime factor in examiner Thomas H. Donahue's initial decision on Ch. 2 this week. Decision recommends denial of TV East Bay and San Francisco-Oakland TV Inc.

Donahue found Channel Two superior in all respects save ownership-management integration, in which he favored San Francisco-Oakland.

Sparkplug of favored applicant is Stoddard P. Johnston (35%), stepson of pioneer broadcaster John A. Kennedy who founded several West Virginia radio stations then bought KFMB-TV, San Diego, in 1951, selling it in 1953. Donahue was particularly impressed by past record of exec. v.p. Howard L. Chernoff (5%). Also a 5% owner is Joseph R. Knowland, father of Senate minority leader Wm. Knowland and publisher of *Oakland Tribune*.

TV East Bay is headed by oilman Edwin A. Pauley (60.85%). Principals of San Francisco-Oakland are Ward D. Ingram (47½%), gen. mgr. of Don Lee Broadcasting System; Wm. D. Pabst (47½%), mgr. of KFRC, San Francisco; Harry R. Lubcke (5%), consulting engineer.

\* \* \* \*

Commission issued one CP this week, granting educational Ch. 2 to Twin City Area Educational TV Corp., St. Paul, Minn.

Hassle over grantee KNAC-TV, Ft. Smith, Ark. (Ch. 5) was terminated this week. Principals (KWHN) had asked for more time to build, sought sale to Southwestern Pub. Co. Opposition developed from local "Citizens Group for Two TV Stations in Ft. Smith" and Commission set hearing to determine whether there had been "trafficking in license." Contract for sale to Southwestern expired April 1, rendering whole thing moot, and FCC granted extension.

Storer Broadcasting Co.'s efforts to buy grantee KSLM-TV, Salem, Ore. (Ch. 3) and move its channel to Portland brought competition this week. C. H. Fisher, part-owner of KVAL-TV, Eugene (Ch. 13) and KPIC, Roseburg (Ch. 4), filed application for the channel and asked that KSLM-TV's CP be revoked.

One allocations petition was filed: Paul E. Johnson, engineer of WSYD, Mt. Airy, N. C., asked for substitution of Ch. 8 for Ch. 55 there. Two petitions were dismissed at request of petitioners: (1) Grantee WANE-TV, Ft. Wayne (Ch. 69) dropped efforts to get shifted to reserved Ch. 27. (2) KOTA-TV, Rapid City, S. D. (Ch. 3) called off attempt to have Ch. 3 shifted from Miles City to Glendive, Mont. or deleted from Miles City.

**ONLY NEW STARTER** reported this week was Canada's 34th — CFCY-TV, Charlottetown, P.E.I. (Ch. 13), was set for June 25 test patterns, expecting to start programming July 8. It's first Canadian to start since CKGN-TV, North Bay, Ont. (Ch. 10) opened last Dec. (Vol. 12:1). It has 5-kw GE transmitter and directional antenna on 500-ft. Wind Turbine tower. Mrs. K. S. Rogers is pres. & principal owner, with R. F. Large, of radio CFCY, as station mgr.; Wanda MacMillan, program traffic mgr. and A. L. Finley, technical supervisor, also from CFCY. Base hour is \$190. Reps are Weed and All-Canada.

U. S. TV stations due to start shortly are WCKT, Miami, Fla. (Ch. 7); WISC-TV, Madison, Wis. (Ch. 3); KSLE, Monroe, La. (Ch. 13, educational); WAIQ, Andalusia, Ala. (Ch. 2, educational); KFXJ-TV, Montrose, Colo. (Ch. 10). Only equipment shipment reported was RCA 25-kw transmitter June 14 to KIDO-TV, Boise, Ida. (Ch. 7), planning boost to 166-kw ERP.

\* \* \* \*

WCYB-TV, Bristol, Va.-Tenn. (Ch. 5), granted April 11, plans Aug. 15 test patterns, Sept. 1 start as NBC primary, also using ABC shows, reports Robert H. Smith, pres.-gen. mgr. and 25% owner. Footings have been poured for 80-ft. guyed Stainless tower, which will have 3-bay GE antenna. Construction also has begun on house at Rye Patch Knob in Cherokee National Forest for 35-kw GE transmitter, purchased as part of GPL package, due late in July. J. Fey Rogers, 25% owner, is v.p. & sales mgr.; Frank Spaulding, program & promotion supervisor; Russell Robinson, from WCYB, chief engineer. Base hour will be \$300. Rep will be Gill-Perna.

KAVE-TV, Carlsbad, N. M. (Ch. 6), awaiting delivery of RCA 3-bay antenna, plans July 15 programming with CBS, although DuMont 5-kw transmitter hasn't been

shipped yet, reports gen. mgr. John H. Battison. New studio-transmitter building, also housing radio, was completed June 1 and 301-ft. Liberty tower is ready for antenna. Base hour will be \$150. Rep will be Branham.

KLSE, Monroe, La. (Ch. 13, educational), which received STA this week, plans start shortly. It has 5-kw RCA transmitter installed in plant of off-air KFAZ (Ch. 43), also has RCA 6-bay antenna on 300-ft. KFAZ tower. Facilities include large studio with live facilities at transmitter site on Forsythe Ave. on outskirts of Monroe. Station is owned by Louisiana Dept. of Education. Howard Griffith, onetime part-owner & gen. mgr. of KFAZ, supervised installation of equipment, also will be on hand to train personnel.

WHYY-TV, Philadelphia (Ch. 35, educational), planning Oct. start, has tentative late July-Aug. delivery date for RCA transmitter, reports managing director Richard S. Burdick, ex-WUNC-TV, Chapel Hill, N. C. It has Blaw-Knox tower ready for RCA antenna, scheduled for July installation. It will lease quarters at 1622 Chestnut St., formerly occupied by WCAU-TV & WCAU. John Ullrich, program director of WHYY-FM, has been named exec. producer for TV; Samuel H. Barbour, ex-WFIL-TV, chief engineer; Paul Blanshard Jr., from George School, Newtown, Pa., community relations director.

WIPR-TV, San Juan, P.R. (Ch. 6, educational) has ordered 25-kw RCA transmitter for shipment this summer, part of RCA package which includes mobile unit & kine recording equipment. It plans start by year's end, according to R. Delgado-Marquez, gen. mgr. of TV-radio for Puerto Rico Dept. of Education. Commonwealth of Puerto Rico has appropriated \$860,000 for construction of WIPR-TV & radio WIPR, with operation costs to be covered by yearly \$310,000 appropriation. Elaborate air-conditioned building 15-mi. from San Juan will have 2 TV studios, 4 radio. WIPR-TV will cover 2/3 of island and applications are pending for Ch. 7, Ponce, and Ch. 3, Mayaguez.

**Telecasting Notes:** Favorite TV commercials were surveyed by American Research Bureau, with some rather surprising results. Asking all of its diary respondents which commercial they liked best May 1-7, ARB found two regional beer sponsors came out on top—receiving enough votes to attain top ranking on national basis. Top 10 commercials, ranked by popularity: Piel's Beer (N. Y.), 7.7%; Hamm's Beer (midwest), 7.1%; Lucky Strike, 4.4%; Ford, 3.2%; Gillette, 2.9%; Alka Seltzer, 2.8%; Lincoln-Mercury, 2.6%; Dodge, 2.2%; Pamper, 2.1%; Winston, 2.1% . . . Top feature film sales: Total of 23 stations have bought Warner Bros. features from Associated Artists, 8 having purchased entire 754-feature library. In first week of offering, NTA closed 9 sales on 52-feature 20th Century-Fox package for total of around \$500,000, plus single sale to WATV for \$500,000 . . . Bing Crosby has dissolved his TV film production company because of competition, high costs and flood of feature films . . . Network TV film production: NBC subsidiary Kagran Corp. has leased 4 sound stages at California Studios, Hollywood, begins production of *Life of Riley* there June 1; Wm. Fenton Coe has been named production mgr. of the studios. CBS-TV's *You Are There* documentaries go all-film next season, network to begin filming 26 shows July 9 at 20th Century-Fox studios . . . "So what else is new?" asked June 20 *Variety* in story noting 26 new nighttime shows are slated for next season—"but practically no innovations" . . . Innovation in variety format planned by NBC's Jess Oppenheimer for new 60-min. show, *A Company of Players*. Permanent company of 10-12 performers will divide all chores—drama, comedy, music. During first half-hour, company will perform dramatic segment; some

time in second half, group will do broad satire on same subject . . . Upcoming big-money giveaways: *Most Beautiful Girl in the World* (Revlon, NBC or ABC), \$250,000 annual award; *High Finance* (Mennen, Chemstrand, CBS), \$75,000; *Treasure Hunt* (Helene Curtis, Mogen David, ABC), \$25,000; *Twenty-one* (Pharmaceuticals Inc.), up to \$15,000 a week . . . Walter Winchell to do an Ed Sullivan next season, with Fri. 8:30-9 p.m. variety show on NBC-TV for Old Golds & Toni . . . Huge 22-hour auction of \$5,000,000 in Navy surplus goods June 27-28 will be covered live by Philadelphia's 3 TV stations . . . More adults than kids watch Gene Autry & Roy Rogers features on TV, MCA-TV reports on basis of study of ARB reports . . . Vincent J. Donehue, veteran TV director (*Philco Playhouse, U. S. Steel Hour, Producers' Showcase, Playwrights '56*) signs exclusive contract with CBS-TV for next season, in charge of *Playhouse 90* and *Ford Star Jubilee* series.

Leading spender for business entertainment is TV industry, according to survey by Diners' Club, N. Y. Top check grabbers last year were admen, year before manufacturers' reps. Current lineup, in order: TV, public relations, manufacturers' reps, admen, wholesalers' reps, ad salesmen, theatrical booking agents, brokers and their reps, literary agents. Admen still spent largest volume, 16%, but Club noted that TV's 8% was concentrated in much smaller group.

Television Bureau of Advertising reports that of top 100 advertisers last year, 67 invested more in TV than in newspapers. An additional 5 advertisers were liquor companies, which are ineligible for TV.



**Network Accounts:** More than \$4,500,000 in daytime billings were racked up by NBC-TV in week ended June 15. Sterling Drug, in first daytime purchase on NBC-TV, bought Tue. & Thu. segments of *Modern Romances* for 52 weeks starting Aug. 2, thru Dancer-Fitzgerald-Sample; Lehn & Fink bought alt. Tue. 4:15-4:30 p.m. segment of *Queen for a Day* for 26 weeks starting Aug. 7 and alt. Tue. 12:45-1 p.m. segment of *It Could Be You* for 13 weeks starting Oct. 2, thru McCann-Erickson; Armour (poultry div.) bought 15 partic. in *Matinee Theatre* colorcasts starting Sept. 13, thru N. W. Ayer; Standard Brands bought Tue. & Fri. 2:45-3 p.m. segments of *Tennessee Ernie Ford Show* for 52 weeks starting Aug. 6, thru Ted Bates . . . RCA will be part-sponsor of all 3 color series on NBC-TV this fall, having bought co-sponsorship (with Oldsmobile) of monthly Sat. spectaculars, 9-10:30 p.m., thru Kenyon & Eckhardt, retaining part-sponsorship of monthly *Producers' Showcase* Mon. 8-9:30 p.m. & Fri. 8:30-10 p.m. series . . . Monsanto Chemical (Acrilan fiber) to be alt. sponsor (with Mennen) of *High Finance* on CBS-TV starting in fall, Sat. 10:30-11 p.m., thru Doyle Dane Bernbach . . . Mogen David Wine to sponsor *Treasure Hunt* quiz show on ABC-TV starting Sept. 7, Fri. 9-9:30 p.m., thru Weiss & Geller, Chicago . . . Pharmaceuticals Inc. to sponsor *21* quiz show on NBC-TV starting in fall, Wed. 10:30-11 p.m., thru Edward Kletter Assoc. . . Pharm-Craft (Fresh Stick Deodorant) replaces Sylvania as sponsor of *Beat the Clock* on CBS-TV starting June 23, Sat. 7:30-8 p.m., thru J. Walter Thompson, Chicago . . . R. J. Reynolds to sponsor 30 min. of *Wire Service* on ABC-TV starting in fall, Thu. 9-10 p.m., thru Wm. Esty Co. . . American Chicle to be alt. sponsor of *Ozark Jubilee* on ABC-TV starting in fall, Thu. 10-10:30 p.m., thru Ted Bates . . . Gillette to sponsor All-Star baseball game from Washington on NBC-TV Tue. July 10 starting at 12:45 p.m., thru Maxon . . . Avco cancels its one-third sponsorship of *Steve Allen Show* on NBC-TV Sun. 8-9 p.m., Viceroy & Jergens remaining . . . ABC-TV, expanding daytime programming, to schedule two 30-min. quiz or variety shows in 11:30 a.m.-12:30 p.m. period next fall . . . NBC-TV to switch *Howdy Doody* to Mon.-thru-Fri. 9:30-10 a.m. in fall . . . Whitehall Pharmaceutical and Purex to be alt. sponsors of *Festival of Stars* on NBC-TV starting June 30, Sat. 9:30-10 p.m., thru Ted Bates and Weiss & Geller.

**Bullish billings:** Kenyon & Eckhardt expects billings of \$75,000,000 this year, up from \$63,000,000 in 1955, with almost half of billings this year in TV, pres. Wm. B. Lewis told press luncheon . . . Compton billings this year will be \$58,000,000-\$60,000,000, with TV accounting for 50%, predicts pres. Barton A. Cummings; last year, Compton had billings of \$45,000,000, with TV-radio combined accounting for 52% . . . Emil Mogul Co. anticipates \$10,000,000 volume this year, up from \$8,600,000 in 1955, says pres. Emil Mogul.

CBS-TV's pro football schedule this fall has been sold regionally to these sponsors: Amoco, Atlantic Refining, Ballantine Beer, Marlboro Cigarettes, Falstaff Beer, Standard Oil of Indiana, Speedway Petroleum, Goebel Beer, Burgermeister Beer, General Tire.

NBC Radio affiliates exec. committee (Lester W. Lindow, WFDF, Flint, acting chairman) meets June 29 in N. Y. to discuss future of *Weekday* program schedule. Westinghouse stations have notified NBC of their dissatisfaction with revenues obtained from *Weekday*.

AAAA's 1956 membership roster, listing 323 member agencies as of May 31 (11 more than last year), was published this week.

CBS Radio affiliates meet at Hotel Pierre, N. Y., Sept. 11-12.

Bright outlook for magazine ad revenues, coupled with deceleration of TV's growth, is predicted by Arnold Bernhard & Co. investment house in current issue of "The Value Line Investment Survey." In first quarter of this year, it says, magazine revenues increased 14% vs. 11% for total advertising; in same period last year, magazines increased 2% while total rose 12%. "It seems certain," Bernhard says, "that the usefulness of advertising has been improved. Company after company is allocating a larger proportion of sales revenues to advertising." Estimating 1956 ad revenues will run \$10 billion this year, it expects \$13.5 billion in 3-5 years. Stating that TV's growth had begun to decelerate in first quarter, Bernhard predicts magazines will garner large share of projected increases in overall ad expenditures—noting that newspapers suffer newsprint shortage; that radio dropped 13% since 1952 while total rose 26%.

**Rate increases:** WCIA, Champaign, Ill. July 1 raises base hour from \$700 to \$800, 20 sec. \$140 to \$160. KTVX, Muskogee, Okla. has added Class AA hour (7-10 p.m. daily) at \$500, min. at \$100, Class A hour remaining \$400. WKJG-TV, Fort Wayne, Ind. July 1 raises hour from \$400 to \$450, min. \$80 to \$90. WSEE, Erie, Pa. Aug. 1 raises hour from \$250 to \$300, min. \$50 to \$60. WDBO-TV, Orlando, Fla. July 15 adds Class AA hour (7:29-10 p.m. daily) at \$300, min. at \$65, Class A hour remaining \$250. WIMA-TV, Lima, O. Aug. 1 raises hour from \$150 to \$200, min. \$30 to \$40. KSWS-TV, Roswell, N. M. has raised hour from \$150 to \$250, min. \$30 to \$50. KID-TV, Idaho Falls, Ida. July 1 raises hour from \$175 to \$200. WDAM-TV, Hattiesburg, Miss. has raised hour from \$150 to \$175. Spot increase: KSLA-TV, Shreveport, July 1 adds Class AA min. only rate (7-10 p.m. daily) at \$100, Class A min. remaining \$80.

Another test case involving use of theatrical films on TV is \$2,750,000 suit filed in N. Y. Supreme Court by cartoon producer Max Fleischer against Paramount Pictures, DuMont Broadcasting Co. and others, alleging TV use of his cartoons "without proper credit and authority." His cartoons, including "Superman" and "Betty Boop" series, are part of package of Paramount shorts acquired by NTA. He claims his cartoons can't legally be presented in conjunction with commercials and that screen credits on the films have been doctored.

**Quoteworthy quote:** "The challenge of the TV code is to perform a negative function in a positive manner . . . Program-wise, the broadcaster must avoid offending or embarrassing the family viewing circle without necessarily precluding the dramatic presentation of subject matter which may be unpleasant, but inimical to life about us—and without stifling the talents of writers, producers, actors and actresses."—Edward H. Bronson, NARTB's TV code affairs director, to Catholic Bestrs. Assn. in Boston June 22.

Ordered off air because FCC felt its horse-racing broadcasts encouraged gambling, radio WWBZ, Vineland, N. J. was given reprieve this week, Commission telling station it can continue for 60 days after FCC acts on WWBZ's petition for reconsideration or Court of Appeals acts on station's appeal—whichever is later.

**New reps:** KCOP, Los Angeles, to Petry (from Weed); WGN-TV, Chicago, July 1 to Petry for West Coast only (from Hollingbery); WPFH, Wilmington, Del. to Raymer (from Mceker); WMAL-TV, Washington, July 1 to H-R Television (from Katz).

Investigation of daytime AM problems by Senate Small Business Subcommittee has been shelved until next session, chairman Kennedy (D-Mass.) announced this week, adding that staff would study stations' complaints during recess.

**Personal Notes:** Campbell Arnoux, WTAR-TV, Norfolk, elected chairman of NARTB's TV board, succeeding Clair McCullough, Steinman stations; Kenneth L. Carter, WAAM, Baltimore, elected vice-chairman; John M. Outler, WSB, Atlanta, elected chairman of radio board, succeeding E. K. Hartenbower, KCMO, Kansas City; Herbert L. Krueger, WTAG, Worcester, Mass., elected vice-chairman . . . Roger W. Clipp, gen. mgr. of WFIL-TV & WFIL, Philadelphia, appointed to broadcast advisory committee of U. S. Information Agency (Voice of America) . . . Harold Christian, v.p. in charge of radio WXYZ, Detroit, promoted to v.p. in charge of merchandising & research dept. for WXYZ-TV & WXYZ; Harold Neal promoted to succeed him as radio v.p.; Page Heldenbrand, ex-Hearst Promotion Enterprises, N. Y., appointed TV-radio promotion mgr. . . . Arthur G. Rydstrom, senior v.p. of big N. Y. real estate firm of Webb & Knapp, named v.p. & director of KBTW, Denver, now owned 50% by Webb & Knapp . . . Gerhart D. Wiebe, noted psychologist, resigns as asst. to CBS pres. Frank Stanton to join Elmo Roper & Assoc. . . . Anthony C. Krayner Jr., ex-WPIX, N. Y., named business mgr. of NBC Spot Sales . . . John J. Cole, ex-western sales mgr. of Guild Films, named national sales v.p. . . . Walter Richartz, ex-KIEM-TV, Eureka, Cal., named gen. mgr. of upcoming KOTI, call changed from KFJI-TV, Klamath Falls, Ore. (Ch. 2), due in Aug. . . . Wm. Stiles, ex-KZTV, Reno, named gen. mgr. of KLRJ-TV, Las Vegas . . . Charles L. Glett, ex-CBS-TV v.p. in charge of network services, Hollywood, takes indefinite leave of absence as exec. v.p. & studio management director of General Teleradio's RKO Pictures to recover from recurrence of phlebitis . . . Richard B. Hull, on leave from Iowa State's WOI-TV, named director of WOSU-TV, Columbus, O., effective Nov. 1, replacing Robert C. Higgy, named associate director for engineering & transmission . . . Donald A. Pels appointed business mgr. of WABC-TV, N. Y., replacing Grady E. Jensen, resigned . . . Thomas F. Martin, ex-WEEU-TV, Reading, Pa., named sales mgr. of WFBG-TV, Altoona . . . Andrew Vladimir, ex-TV-radio plans director, Gotham-Vladimir Adv., N. Y., named sales mgr. of WAPA-TV, San Juan, P.R. . . . Wm. C. White,

ex-Procter & Gamble, named exec. asst. at WMUR-TV, Manchester, N. H. . . . John F. Antoniazzi, from management consultant firm of Lybrand, Ross Bros. & Montgomery, joins CBS Inc. as asst. management consultant . . . Fred Mueller, ex-KMOX & KWK-TV, St. Louis, named promotion mgr. of KSD-TV & KSD, succeeding David Pasternak, now asst. circulation mgr. of parent *St. Louis Post-Dispatch* . . . Wm. H. Steese upped to mgr. of radio promotion, research & sales development for reps Edward Petry; Jack Keiner promoted to director of radio adv. & sales presentations . . . Hal Davis, ex-pres. of West Coast Adv. Agency, onetime KVAR-TV, Phoenix & KLRJ-TV, Las Vegas, joins John A. Ettlinger Assoc., in charge of sales of syndicated films to agencies in Los Angeles and San Francisco . . . Dorothy Winter, TV-radio producer-director, BBDO, Hollywood, elected pres. of Radio & TV Women of So. Cal. . . . Geoffrey Barr, from several Broadway production firms, joins CBS-TV business affairs dept., working with story dept. as mgr.

Brig. Gen. David Sarnoff, RCA chairman, has accepted honorary chairmanship of American Museum of Immigration's Greater New York Committee. Group's goal is to establish \$5,000,000 museum at foot of Statue of Liberty.

Thomas F. O'Neil, chairman of MBS and RKO Tele-radio Pictures, appointed national chairman of Pius XII Library to be built at St. Louis U.

John Coburn Turner, 41, asst. director of Ford Foundation's TV-radio Workshop and administrator of its *Omnibus* show on CBS-TV, died June 15 at St. Luke's Hospital, N. Y., after brief illness. Despite confinement to wheel chair as result of auto accident that paralyzed his legs while an undergraduate at Princeton, he had extremely active TV-radio career, serving with CBS and ABC from 1940-1950, and as exec. of Goodson-Todman Assoc. before joining Ford Foundation's TV-Radio Workshop. He is survived by his widow and daughter.

Don George, 48, gen. mgr. of KSLA-TV, Shreveport, La., died June 5 of heart ailment.

**ADVERTISING AGENCIES:** Dr. Lyndon O. Brown, Dancer-Fitzgerald-Sample v.p. in charge of media, merchandising & research, elected pres. of Market Research Council for 1956-57 term, succeeding Carl H. Henrikson Jr., Crossley S-D Surveys; Paul E. Gerhold, v.p. in charge of media and research. Foote, Cone & Belding, elected v.p. . . . Robert A. Dearth, ex-McCann-Erickson, appointed v.p. in charge of creation & planning of all domestic adv., Morse International . . . Norman Glenn, ex-v.p. & TV-radio director, Doherty, Clifford, Steers & Shenfield, joins Young & Rubicam, N. Y., as account supervisor in TV-radio dept. . . . Edwin S. Reynolds resigns as TV-radio director of Fletcher D. Richards Inc. to join ABC Radio as account exec. . . . Lester Wunderman promoted to exec. v.p., Maxwell Sackheim & Co., N. Y.; Sherman P. Sackheim promoted to operations v.p., Irving Wunderman to v.p. & copy chief; Joseph Gans continues as v.p. in charge of TV-radio . . . Don Belding, chairman of Foote, Cone & Belding, will retire next Jan. 23, his 60th birthday, to be succeeded by Roy Campbell, exec. v.p. in charge of western operations . . . Terri Brady, TV-radio timebuyer, Raymond R. Morgan Co., Hollywood, promoted to media director, replacing Roy Curtis, now media director of Leo Burnett Co., Hollywood . . . Delmar Molarsky joins TV-radio dept., N. W. Ayer, N. Y.; Suzanne Bourdon and Wm. B. Weitman join TV-radio art dept. . . . Martin K. Speckter resigns as Bozell & Jacobs v.p. in charge of creative services to open own

agency, Martin K. Speckter & Assoc., 32 Broadway, N. Y. . . . David C. Loomis, exec. on American Chicle account, elected a v.p. of Ted Bates & Co., N. Y. . . . Mrs. Sally Boulon named TV-radio operations mgr., Dancer-Fitzgerald-Sample, succeeding Lyle B. Hill, now show production coordinator; Arnold Brown, ex-NBC-TV, joins Dancer-Fitzgerald-Sample TV-radio dept. as sound recording & transcription supervisor; Ernest B. Pittaro, ex-Biow, named film production supervisor.

C. E. (Bee) Arney Jr., retiring as secy.-treas. after 17 years with NARTB, honored at testimonial luncheon in Washington June 22 when he was presented with a check for \$2500 from TV-radio industry "as a certificate of good citizenship" to be used for round-the-world trip, a portable TV set & a transistor radio.

Condition of Victor F. Ridder, 70, v.p. of *N. Y. Journal of Commerce*, was reported little changed this week after he was injured in automobile accident June 16 in London, England. Ridder interests control WCCO-TV & WCCO, Minneapolis, and WDSM-TV & WDSM, Duluth.

Walter F. Kerr, drama critic of *N. Y. Herald Tribune*, joins staff of Ford Foundation's TV-Radio Workshop as drama consultant on *Omnibus*, on which he appeared last season with Stratford Players of Canada in analysis of "Hamlet."



**A** MENDMENT TO TV CODE to admit film producers to affiliate membership (Vol. 12:19, 23) was formally approved by NARTB's TV board this week, thus enhancing prospect of all-industry programming code. Another amendment gives Code Review Board authority to revoke or suspend affiliate subscription if it's felt that a program contains willful violation of code. Also approved was change in time standards for ad copy, prohibiting scheduling of more than 2 back-to-back announcements when combined with conventional 10-sec. ID. Other actions at board meeting:

Kenneth Carter, WAAM, Baltimore, newly-elected vice-chairman of TV board, reported that 308 TV stations and 3 networks are now NARTB members; TV v.p. Thad H. Brown Jr. reported that NARTB is continuing efforts to obtain recognition of TV's property rights in connection with community antenna systems (Vol. 12:24); board authorized pres. Harold E. Fellows to make fact-finding study in music licensing field.

Joint board meeting selected Chicago's Conrad Hilton Hotel as site of conventions March 15-19, 1959 and April 3-7, 1960. It had been previously decided to hold 1957 convention April 7-11 at Conrad Hilton, and 1958 convention April 28-May 1 at Hotel Biltmore and Statler, Los Angeles. Series of 8 regional conferences this fall will run from Sept. 17 to Oct. 26. Next board meetings will be held week of Feb. 4, 1957, at Hollywood, Fla. In another action, Ward Quaal, new v.p.-gen. mgr. of WGN Inc., Chicago, asked board to consider TV membership for satellite stations.

Interest in uhf translators seems to be substantial, judging from inquiries at FCC, but proof of seriousness awaits actual filing of applications and construction. None has been filed to date, largely because application forms were just issued and new rules aren't effective until July 1—although FCC will accept applications now. Another deterrent is fact that no transmitting equipment has been submitted to Commission for approval. Indicative of interest is request for copies of rules and forms from following, received at Commission: Voice & Vision of N. H. Inc., West Lebanon, N. H.; KELY, Ely, Nev.; WIBB, Macon, Ga.; Sunburst TV Assn., Sunburst, Mont.; Warren TV Corp., Warren, Pa.; City of Kingman, Ariz.; Dale K. Allison, Chester, W. Va.; City of Truth & Consequences, N. M.; Spearfish TV Club, Spearfish, S. D.; Lycoming TV Corp., Williamsport, Pa.; C. F. Dodgson, Winnemucca & Lovelock, Nev.; E. W. Roelle, Roseburg, Ore.; John Shorter, Carson City, Nev.; Video Service, San Diego, Cal.; Paul Griswold, Needles, Cal.; KNAK, Salt Lake City; Doug's Radio & TV, Barstow, Cal.

A champion of unauthorized vhf boosters, Rep. Don Magnuson (D-Wash.) this week issued statement complaining that FCC employed "completely illegal and unfair" methods to shut down booster in Hot Springs, Mont. He said Chairman McConnaughey wrote to Commissioner of Indian Affairs Glenn L. Emmons, stating that booster is illegal and recommending that its power be cut off—which was done. Magnuson said that FCC is required to start cease-&-desist proceedings first, or to start criminal action locally, and he noted that question of legality is still before courts. In an earlier case, vhf booster operated at Veterans Administration hospital was cut off in Hot Springs, S. D., after Commission notified Veterans Administration.

Edward Jarrett, chief clerk of Senate Commerce Committee, to take leave of absence to become asst. to J. Leonard Reinsch, exec. director of Cox stations, in handling Democratic convention in Chicago Aug. 13-16.

**"FILM NETWORKS"** have come and gone half a dozen times since inception of TV, without anybody ever noticing—but if any group can put one across it may well be the mushrooming National Telefilm Associates, which has risen sharply to prominence in the last year through series of top feature film deals. Pres. Ely Landau told Senate Commerce Committee this week that its new wholly owned subsidiary, NTA Film Network, operating "entirely on film at the outset," will be formally inaugurated Oct. 1.

NTA Film Network, headed by Ray Nelson, ex-TvB, actually has already signed up 40-50 station "affiliates," according to reliable trade estimates. It's feeding programming to 16 stations right now, Landau said. Basically, the operation is understood to be time-for-film swap arrangement, with NTA supplying member stations huge library of feature and series films in exchange for specified amount of time weekly, in which NTA presumably will slot top feature films with national sponsors. NTA's batch of high-grade features and shorts is seen as powerful inducement to stations to sign up.

Unlike some other film distributors' presentations, Landau's Senate testimony was strong defense of network practices. He attacked FCC for having "sired, fostered and perpetuated" station monopoly through scarcity of equal channels.

Of MGM's pre-1949 feature backlog (see p. 4), only one picture will be withheld from TV—the all-time high grosser "Gone With the Wind," which has already reaped \$50,000,000 via theatre showings. Among the 770 features due to go to TV are "The Yearling," "Easter Parade," "Mrs. Miniver," "Random Harvest," "Gaslight," "The Great Ziegfeld," "Boys Town," "Goodbye Mr. Chips," "Grand Hotel," "Merry Widow," "Mutiny on the Bounty," "Meet Me in St. Louis," "Boom Town," "Good Earth," "Little Women," "3 Musketeers," "David Copperfield," "Treasure Island," "Tale of 2 Cities," "San Francisco," "Broadway Melody," "Anna Christie," "Mata Hari," "Trader Horn," "Postman Always Rings Twice."

Year's biggest single-station sale, the \$5,400,000 transfer of WNHC-TV, New Haven (Ch. 8) with WNHC-AM & FM to Walter Annenberg's Triangle Publications, got FCC approval this week, as did Cowles' purchase of WHTN-TV, Huntington, W. Va. (Ch. 12) with WHTN for \$638,000. Also DeDominicis-Patrick J. Goode interests are getting \$5,400,000 in cash for New Haven stations (Vol. 12:12-22), with DeDominicis also signing 5-year contract at \$25,000 per year, Patrick and brother Michael Goode, each receiving \$10,000 a year salary for 10 years. In Huntington, Sol J. Hyman family (theatres) is getting \$535,000 cash (Vol. 12:18), Cowles Broadcasting Co. also assuming \$103,000 equipment obligations.

Publisher Herman Greenspun, of *Las Vegas Sun*, is acquiring control of KLAS-TV, Las Vegas (Ch. 8), according to application filed with FCC, increasing holdings from 22.77% to 67.525% by buying 124½ shares from R. G. Jolley for \$50,000. Jolley also is selling his remaining 500 shares back to company for \$270,000 (to be cancelled) and gets payment on \$20,000 promissory note. Station's net profit for March 1956 was \$7296, compared with \$5909 in March 1955; net profit for first 3 months this year was \$27,194.

WFIE, Evansville, Ind. (Ch. 62) has been sold for approximately \$580,000 to George W. Norton's WAVE Inc., operator of WAVE-TV, Louisville, Ky. (Ch. 3) & WAVE. Seller of the uhf NBC affiliate is Jesse D. Fine theatre family (Grand-Carlton Corp.). It's in all-uhf area which also gets service from CBS affiliate WEHT, Henderson, Ky. (Ch. 50).

**THE COLOR MARKET—A MANY-SIDED THING:** Industry's contrasting approaches to color market this year were forcefully demonstrated this week when RCA revealed details of its fall merchandising program, with heavy play on color -- while distributor conventions of Philco, Motorola and Emerson emphasized that mass merchandising of color is in the more distant future, certainly not this year.

Robert A. Seidel, RCA exec. v.p. for consumer products, told newsmen in N.Y.: "Our market surveys show that there are nearly 1,000,000 persons who are ready and able to buy a color TV set for their homes at the \$495 price level -- now. Since we announced RCA's new line of large-screen color sets at nationally-advertised prices ranging from \$495 to \$850 to our distributors 2 weeks ago, the response has been overwhelming. These distributors -- all tough sales-minded men -- have bought this line -- not with just words, but with signed orders exceeding our planned output.

"A few months ago, we announced that we would manufacture and sell upwards of 200,000 color TV sets this year. Because of the enthusiasm and optimism of our distributors, plus the known public interest, we are convinced that we were overly conservative. The tremendous pent-up demand that our surveys show now exists for color may very well mean that color receivers could be in short supply before Christmas."

Philco v.p. Larry F. Hardy's speech to 1200 representatives of firm's 120 independent distributors and 6 factory branches at Philadelphia convention typified other side of coin. Speaking almost at the same hour as Seidel, he said: "We are showing 9 color sets at this convention, but we urge you not to press us to produce them in quantity. Please minimize your efforts to sell color this year and urge your dealers to do likewise. The color sets which are now on the market will not, we are convinced, give top-quality performance."

Motorola exec. v.p. Robert W. Galvin, whose company left color sets unpriced pending further study of market, told his distributors: "From the beginning we have had but one basic TV concept -- the black-&-white TV set in the living room. With this concept, we've averaged 6,000,000 units annually the past few years. Meanwhile, in the laboratories, technological advances have brought to fruition 2 new basic concepts. One is the color receiver. The other is portable TV. Momentarily, these 3 concepts may seem to compete with each other for the consumer's attention, and to confuse him. This will change. These 3 types of TV receivers will learn to live together and to complement each other in the home." He went on to predict sales of 9,000,000 TV sets annually within 5 years.

Emerson pres. Benjamin Abrams, introducing a color console at \$678, said his company could not make money with \$495 color set, reiterated intention to scale down his original production target of 20,000-25,000 color sets this year.

(For details of new lines introduced this week, see p. 14.)

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Seidel said \$495 color set is being sold above cost, but noted: "It's going to be pretty difficult to make any further cost reductions. We now have all the water out of the price." Only a big increase in color production will bring down price further, he said, ruling out any reductions via engineering development.

RCA's over-all TV sales in first 6 months are ahead of last year while dollar volume "may equal last year," he said. He called outlook for third quarter "excellent," and said TV sales for full 1956 would exceed record 1955. Charles P. Baxter, v.p.-gen. mgr. of TV div., added that company was just barely able to keep pace with sales of its 8½-in. portables thus far.

Philco's bearish attitude on color reflects desire to buy time until "Apple" tube is ready for mass production. Later, at press conference, new Philco pres. James M. Skinner Jr. declined to comment on when "Apple" might be ready. "It's impossible to put a timetable on a laboratory research project like this," he said.



Philco is hoping to recapture profits in TV from unusually heavy mix of 24-in. receivers. Skinner said he hoped that 24-in. would account for 15% of Philco sales this year -- though RETMA statistics for first 4 months show that industry's combined sales of 24 & 27-in. sets at retail fell from 10% in Feb. to 5% in April (Vol. 12:23). In placing reliance on 24-in., priced from \$240 up, Philco is taking obvious risk that consumers will forego larger expenditure for color set.

Philco's convention was devoid of razzmatazz, evoked plenty of enthusiasm from its distributors, many of them second-generation wholesalers noted for their loyalty -- even in face of still-pending Justice Dept. anti-trust suit attacking legality of their distributor franchise agreements (Vol. 10:51, 11:2). After viewing new models, they placed "extremely heavy" orders, according to company spokesman.

Skinner insisted Philco is still No. 2 in TV industry ranking -- though he acknowledged that its TV sales at retail in first 6 months were 10% below first half of 1955. Radio & phono sales were up 40-50%, he said. Chiefly as result of lower TV sales and lower unit price of TV sets, Philco's first-half profits & sales will show declines from first half of 1955, he added.

"Somebody's going to get burned in this portable TV market," he commented. "Nobody knows what the right size portable is, and the guy who guesses wrong will really feel it. Personally, I would like to see not more than one-third of Philco's production and sales in portables this year."

Brief highlights of other major trade developments this week:

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**CBS-Columbia to Quit?** Though official confirmation was still lacking as we went to press, all indications pointed to the near-certain prospect that CBS would fold up its set production venture on or about July 1, when Long Island City plant of CBS-Columbia shuts down for vacation. Company made sharp cutbacks in personnel this week, releasing virtually its entire field sales force and much of its headquarters staff. Its entire TV inventory is being marketed at rock-bottom prices in effort to clear all stockpiles by July 1; all advertising contracts are cancelled. Pres. H.C. Bonfig was unavailable for comment -- and efforts to reach other company officials produced a chorus of "he's no longer with us." CBS pres. Frank Stanton, who had previously stated that 6 alternatives were being considered with respect to CBS-Columbia's future (Vol. 12:21), referred all questions to Bonfig.

**Appliance Warning:** "What appears to be sales sluggishness is actually top-heavy inventory caused by overproduction. In an effort to buy an out-of-proportion share of the market, a few selfish manufacturers have set off a whole chain of what might be called 'wheeling and dealing' price merchandising tactics." Thus did pres. Judson S. Sayre of Norge warn of serious problems facing appliance industry today. In press conference at opening of Chicago marts, Sayre ripped into price-cutting tactics in appliance industry, commenting: "Every day thousands are taken out of the appliance market for 10 years. Housewives are induced by price to buy \$199 refrigerators when they need the features of a model retailing for \$299. Families buy inexpensive dishwashers and are lost to the dealer as excellent prospects for luxury dishwashers that they easily can afford." By way of illustrating his theme of overproduction, he said that while retail sales of dryers in first 5 months of 1956 were 40% higher than same period year ago, current factory-distributor inventories of dryers total 500,000, as against 285,000 a year ago. He said that inventories of automatic washers at factory-distributor level are 750,000, compared to 525,000 year ago; electric range inventories jumped from 290,000 to 357,000, refrigerators from 884,000 to 900,000 in one year. He predicted that automatic dryer sales will exceed sales of automatic washing machines by 1958.

**Consumer Buying Plans:** Latest survey of consumer attitudes and buying plans, conducted in May for Federal Reserve Board by U of Michigan Survey Research Center, indicates less economic optimism by consumers than last Oct. -- though it was felt generally that prosperity would continue. Representing interviews with 1750 families, survey notes that buying intentions were expressed less frequently for autos and major household goods and that majority of consumers were fearful of any plans

for price increases. About 27% reported that installment debts were causing hardships, an increase of 1% from last Oct.; about 35% indicated they would postpone other consumer goods purchases until they cleared all installment debts. More hopeful view of business future was expressed by Dr. Emerson P. Schmidt, chief economist of U.S. Chamber of Commerce, at Chamber's midyear business symposium. He predicted that 1956 will be nation's biggest economic year and "this prosperity ought to carry over into 1957." He said economy currently is experiencing "rolling readjustment," predicted that fall will see conspicuous upturn. Somewhat contrasting opinion was voiced by Justin Bowersock, exec. v.p. of Union Trust Co., Washington, who said that "the economy will shortly need a shot in the arm if a business recession is to be avoided," suggested that tax reductions or easier credit policies were needed.

**Production:** TV output totaled 117,423 week ended June 15, compared to 136,020 preceding week and 94,578 in Memorial Day holiday week ended June 1. It was year's 24th week and brought production for year to date to about 3,110,000, as against about 3,650,000 in same period year ago. Radio output totaled 240,509 (67,321 auto) in week ended June 15, compared to 245,155 preceding week and 208,224 week before. Radio output in 24 weeks was 6,340,000, as against 6,150,000 in same 1955 period.

**Trade Personals:** Ira J. (Ike) Kaar, serving with GE since 1924, most recently as mgr. of engineering dept. in its electronics div., in charge of color system technical project, joins Hoffman Electronics Aug. 1 as v.p. & engineering director . . . James Carmine, who retired in April as Philco pres. after 33 years with company, named Chrysler consultant on merchandising & marketing; he'll continue to serve on Philco board and finance committee and as its special consultant on merchandising & marketing . . . James O. Burke, one of founders of Standard Coil Products in 1935, serving since 1954 as exec. v.p., elected pres., succeeding Glen E. Swanson, who becomes chairman . . . Harry Schecter, ex-sales v.p. of CBS-Columbia & gen. sales mgr. of Motorola-N. Y., resigns as distribution v.p. of Emerson Radio after only 6 weeks with firm . . . George C. Isham promoted to gen. merchandising mgr. of Sylvania electronic products; Donald J. Hughes promoted to adv. mgr. of electronic products . . . Howard A. Oliphant promoted to western regional mgr., GE appliance & TV receiver div., succeeding Harry P. Gough, joining GE Appliances Inc. . . . Thomas G. Fielder promoted to adv. & sales promotion mgr. of GE's TV receiver dept., replacing Harold McCormick, now Motorola adv. mgr. . . . Frank L. Marshall, Aerovox v.p. in charge of manufacturers' sales, New Bedford, Mass., appointed v.p.-gen. mgr. of west coast operations, with Robert A. Hoagland promoted to succeed him at New Bedford; James Luther promoted to engineering v.p.; Louis Kahn promoted to technical asst. to pres. W. Myron Owen . . . Frank B. Walker, gen. mgr. of MGM Records, elected pres. of Record Industry Assn. of America, replacing James B. Conkling, who recently resigned as pres. of Columbia Records . . . James B. McMurphy, Philco Texas sales mgr., promoted to gen. sales mgr. of accessory div., succeeding Rayford E. Nugent, now gen. mgr. of accessory div. . . . Norman J. Sims resigns as gen. sales mgr., RCA Victor Co. Ltd., Toronto, named sales director of Canadian Aviation Electronics Ltd., Montreal (DuMont); Norman Skier continues as gen. sales mgr., reporting to Sims . . . Robert C. Digges named asst. to Morgan Greenwood, mgr. of Philco's Firestone accounts, headquartering in Akron; John Ryan promoted to succeed him as regional mgr., Philadelphia; Reese Llewellyn transfers from Minneapolis to Kansas City as regional mgr.; H. Guy Haggerty from Memphis to Dallas regional mgr.; George Daumn from Denver to Portland, Ore. . . . Wm. Sauter resigns as gen. mgr. of receiving tube div., RCA Victor of Canada, Montreal, to become mgr. of Westinghouse's receiving tube plant in Bath, N. Y. . . . Harley T. Litteral, ex-Stromberg-Carlson & Raytheon, named Hoffman Electronics district

mgr. for Ind., Mich., Ohio & Ky., headquartering in Indianapolis . . . W. R. Arbuckle promoted to mgr. of Westinghouse refrigerator-freezer dept., R. P. Brook to mgr. of range dept. . . . Van M. Stevens Jr., ex-Westinghouse, appointed adv. & sales promotion supervisor, Raytheon equipment marketing dept. . . . V. J. Cooper promoted to chief TV engineer, British Marconi; G. E. Partington promoted to deputy chief TV engineer . . . Edward Maher, onetime radio news analyst for old *Liberty Magazine*, promoted by National Assn. of Manufacturers to v.p. in charge of public relations . . . Sam Newman promoted to Magnavox asst. purchasing agent . . . Arthur N. Paul, ex-U of Kansas assoc. professor, appointed director of technical personnel, Stromberg-Carlson.

Frank A. Poor, 76, one of founders of Merritt Electric Mfg. Co. in 1901 as first predecessor company of Sylvania, serving since 1950 as vice-chairman of Sylvania, died June 17 at Huggins Hospital, Wolfeboro, N. H. after brief illness. Survivors are his brother, Edward J. Poor, director and ex-pres. of Sylvania; 3 sons, 2 daughters & 18 grandchildren.

**DISTRIBUTOR NOTES:** Admiral appoints Treasure State Gas & Electric Co., 827 S. Montana St., Butte (Dr. J. J. Kirby, pres.) . . . Sylvania appoints Tom Holloway Distributing Co. Inc., 708 Linden Ave., Memphis and Southern Minnesota Supply Co., 2nd & Main Sts., Mankato, Minn. . . . Hoffman Electronics appoints Midwest Appliance Distributors Corp., St. Louis, and Crouch Appliance Co., El Paso . . . DuMont appoints Independent Distributors Inc., Denver, replacing B. K. Sweeney Co., now GE's TV outlet; GE Supply Co., Denver, takes on Hotpoint TV line . . . DuMont, continuing foreign expansion, appoints Almacen Mundial, S.A., Calle 90 No. 9-41, Maracaibo, Venezuela, where station is due this summer . . . Magnavox appoints H. C. Poad Corp., Syracuse, as district merchandiser for Spartan TV-radio line . . . Boyd Distributing Co., Denver, relinquishes Philco line . . . Carter Johnson Co., Crosley-Bendix Seattle distributor, has purchased Robert L. Rice Co., Crosley-Bendix outlet in Portland, Ore., with Robert D. Lawrence staying on as Portland branch mgr. . . . Admiral Detroit appoints D. P. Mahin, ex-Buhl Sons Co., Detroit (Philco), as gen. sales mgr.

Edward Lamb's Air-Way Industries has acquired Alumatic Corp. of America, Milwaukee manufacturer of aluminum doors, etc., latter's directors and stockholders approving stock exchange this week.



**Topics & Trends of TV Trade:** Why a new TV line each year? Magnavox v.p.-gen. mgr. Leonard F. Cramer is one who believes there's no reason for it unless there's something "really revolutionary" to show. Addressing NARDA "bull session" June 17 prior to opening of mid-year furniture marts in Chicago, Cramer said:

"Annual model introductions merely force overproduction. There are dumps before the new lines are brought out."

He felt portable TV business will be good this year, though he foresaw possibility it may cause some slump in middle and high-end console volume in summer only. "Very few people will replace a small-screen set with a portable," he said. "They'll buy a large-screen set as a replacement, with a portable as a second set around the house."

Cramer opined that color will not be an important factor in TV market for several years. "There are very few places around the country where color has excited the public," he commented. "Color won't be big business for dealers in 1956 even if the public should suddenly start to demand the product, so small is current production."

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Trial of Zenith's patent infringement suit against RCA, GE, Western Electric, AT&T, Bell Labs & Westinghouse began June 19 in Wilmington (Del.) Federal Court, with first 2 days of testimony devoted to highly technical explanation by Dr. Frederick Llewellyn, Western Electric engineer, of radio industry background in early 1920s. His testimony centered around development of so-called Anderson patent for tuning radio receiver circuits, developed in 1923 by S. E. Anderson while working as a Western Electric engineer. Judge Leahy has divided trial into 8 separate phases, or "categories" involving individual patent classifications.

Westinghouse plans expansion of its receiving tube production facilities at Bath, N. Y. plant to include design, development and pilot work on new types of tubes. New equipment will also be added to increase production of all types of existing tubes. Richard T. Orth, v.p.-gen. mgr. of electronic tube div., commented: "What we have been experiencing in our industry is a temporary condition and we believe it is not indicative of any permanent setback. The long-range outlook for the receiving tube industry is good."

**Paint-it-yourself promotion:** Olympic Radio offers several unpainted TV sets, at slightly lower price than finished models, along with special coupon by Martin-Senour Paint Co. entitling consumer to own choice of paint color, masking tape and color guide for do-it-yourself painting. Big campaign will support promotion starting in Sept., when sets will be available.

Sylvania signs hotel deal for installation of 1050 specially-designed TV-radio combinations this summer in Toronto Royal York Hotel, largest hotel in Canada. Master antenna system is being installed to receive stations in Toronto, Hamilton & Buffalo. Sylvania will start installation of 500 sets this week in Statler Hotel, Buffalo.

Public tour of plant every Wed. afternoon is new wrinkle being started in Aug. by Packard-Bell, Los Angeles, proud of model facilities currently being expanded to include new \$400,000 plant in Orange, due to be ready in July, and 55,000-ft. headquarters addition for service div.

New Hallicrafters ad agency, effective Sept. 1, is Manchester-Williams-Kreer Inc., Chicago, replacing Walker B. Sheriff Inc. and Burton Browne Co.

Admiral plans institutional-type ad program for second half of 1956, featuring ads in leading financial journals, thru Cruttenden & Eger Assoc., Chicago.

TV sales by Canadian factories totaled 168,635 in first 4 months, when production was 208,193, reports RETMA of Canada. They compare with sales of 197,183, production of 262,900 in first 4 months of 1955. Average unit price in April was \$294, as against \$304 in April 1955. Combined factory-distributor inventory on May 1 was 157,058, compared to 113,601 on same date year ago. Projected production estimate is for 116,507 more sets in May-July period. Montreal led in 4-month sales, with 30,279; Toronto, 24,318; other Ontario, 17,169; British Columbia, 13,305; Alberta, 12,119; Quebec City, 11,205; Manitoba, 11,024; Ottawa & eastern Ontario, 10,704; Nova Scotia, 8704; Hamilton-Niagara, 7977; New Brunswick & Prince Edward Island, 5782; Saskatchewan, 5235; Windsor, 4680; other Quebec areas, 3461; Newfoundland, 2673.

CBS-Hytron has shut down its Kalamazoo, Mich. CR tube plant for indefinite period, transferring all production to Newburyport, Mass. factory. Charles F. Stromeyer, pres. of CBS-Hytron, said Kalamazoo plant will be held in reserve for possible output of color tubes. "The productive load is being placed in Newburyport since this plant's equipment can produce small tubes as well as large ones," he said. "Should the demand for large tubes develop again to overtax Newburyport's capacity, Kalamazoo may be reactivated before it is needed for color tubes."

TV shipments to dealers totaled 2,059,129 in first 4 months, when production was 2,394,264, according to RETMA state-by-state and county-by-county tabulations released this week and available to members on request to RETMA. They compared with shipments of 2,329,449, production of 2,771,426 in first 4 months of 1955. New York led as usual, with shipments of 230,023; California second, 186,485; Texas third, 144,894. Pennsylvania ranked fourth, with 140,422—first time in several years that it has yielded third place.

Receipts of TV-radio repair shops totaled \$313,000,000 in 1954, increase of 211% from \$100,000,000 reported in 1948, according to preliminary results of Census Bureau's 1954 Census of Business released last week as state-by-state tabulation (Series PS-3-6). Annual payroll of TV-radio repair shops increased to \$62,000,000 in 1954 from \$19,000,000 in 1948. Copies of report are available from Census Bureau for 10¢ each, or we'll get one for you.

IUE TV-radio parts conference board, at meeting in Philadelphia June 21-22, adopted resolution authorizing creation of a committee to meet with RETMA to ease "dislocations" caused by automation and called on employers to set up fund to assist workers losing jobs as result of automation. Board reported that 55,000 workers have lost jobs in last 3 years because of automation.

"Venetian blind" interference eliminator, attachable to receiver and priced under \$20, is due to be placed on market next month by Jerrold Electronics Corp. Jerrold declines to supply details, but a successful device of that nature could have considerable significance in station coverage and allocations.

RCA offers 2 new TV receiver tubes: 6CH8, designed particularly for low-frequency oscillator, sync-separator, sync-clipper and phase-clipper circuits; 6CP5-A beam power tube especially designed as horizontal-deflection amplifier tube in color sets.

Radio shipments to dealers in first 4 months, excluding auto sets, totaled 1,920,683, compared to 1,577,483 in first 4 months of 1955, reports RETMA in state-by-state tabulation. April shipments totaled 449,810, compared to 530,349 in 5-week March and 413,021 in April 1955.

New line of 8 Spartan phonos & radio-phonos, ranging from \$90 to \$270, was introduced this week by parent Magnavox.

Philco's new line, introduced at distributors convention in Philadelphia this week, comprises 25 black-&-white models and 9 unpriced color sets. One of features of monochrome line are two 21-in. "runabout" sets on wheels, one equipped with 4-speed phono within cabinet. Many of sets have improved "top touch tuning" device which Philco introduced last year. Many also have new tuning arrangements whereby all controls are consolidated in panel on front of set near top. Monochrome line comprises 14-in. portables, \$110 & \$140; 17-in. portable, \$160; 21-in. tables, \$180, \$200; 21-in. consoles, \$200, \$230, \$240, \$250, \$260, \$270, \$280 (2), \$300 (2), \$325, \$330; 24-in. consoles, \$240, \$300, \$330, \$350, \$400. The 21-in. TV-phono combinations are priced at \$260 & \$280. Also introduced were 6 table radios at \$20, \$25, \$30, \$35, \$60, \$93; 3 clock radios, \$30, \$37, \$50; 7 portable phonos at \$30, \$40, \$50, \$60, \$80 (2), \$100.

Emerson Radio introduced a novel twist in its TV line this week—an 8½-in. 25-lb. TV-radio portable with facilities for phono jack attachment for record player. Retailing for \$124, set can be operated on car battery by use of inverter (which will not be marketed by Emerson). "Another outstanding feature of this history-making combination is an additional jack for plugging in an under-the-pillow attachment which permits listening in bed without disturbing anyone else in the room, a boon to hospitals, sick rooms and bedrooms," commented pres. Benjamin Abrams. Also introduced were a 14-in. portable at \$128; 17-in. portable, \$138; 21-in. table, \$158; 21-in. console, \$198; 21-in. console, unpriced. Emerson also introduced a 21-in. color console at \$678, but Abrams reiterated that color sets would be produced only to demands of market this year. Also introduced were 2 transistorized radios at \$68 each, a clock radio at \$50, and 3-speed portable phono, \$58.

DuMont's new 14-in. CR tube (14RP4A), providing viewable area of 108-sq. in., was sampled to set makers this week, with "volume production" expected to start in July.

Motorola's new line, introduced at distributors convention in Chicago this week, comprised 29 black-&-white models and several 21-in. color sets which were unpriced. Big talking point was a wireless remote control unit, called "Transituner," transistor-equipped, and powered by a battery. Another feature was "silent search circuit" which adjusts fine tuning automatically. Though no prices were announced for color sets, spokesman said they would be priced "in the \$500-up range." Monochrome line comprises 14-in. portables, \$110 & \$140; 17-in. tables, \$150 & \$160; 21-in. tables, \$170, \$190, \$200, \$220; 21-in. consoles, \$250, \$260, \$280, \$300, \$330; 24-in. tables, \$250, \$300; 24-in. consoles, \$300, \$350. In addition, several 21-in. models were unpriced. Optional uhf tuners are \$30 extra. Also introduced were table radios at \$16, \$20, \$25, \$30, \$39, \$40; portable radios, \$30, \$35, \$40, \$45, \$50, \$70; clock radios, \$25, \$30, \$35, \$40, \$50; phonos, \$33, \$60, \$80, \$100, \$150, \$230.

Hoffman Electronics' new line, introduced this week at distributors' convention in Beverly Hills, comprises 3 basic series among 21 black-&-white and 4 color models. Biggest talking point is a "Magic Press-Button" tuner, which Hoffman called "the first completely automatic TV tuning method," permitting instantaneous tuning of channel, volume and brightness controls on selected models. Color sets are priced at \$595 & \$615 for table, \$695 & \$715 for open-face console, \$775 & \$795 for "lowboy" console, \$795 & \$815 for console with "Soundarama" sound system. Black-&-white series comprises 14-in. portable, \$130; 17-in. table, \$160; 21-in. tables, \$180, \$220, \$240, \$250, \$270, \$300; 21-in. consoles, \$230, \$260 (2), \$325, \$330, \$350, \$360, \$370, \$380, \$445; 24-in. console, \$380. In addition, two 21-in. tables were unpriced. Also offered were 5 remote control devices at \$10, \$15, \$20 (2) & \$50. Two table radios at \$30 & \$50 were also introduced, along with clock radio at \$40, portable radio, \$40, 2 phonos, \$53 & \$150.

Hallicrafters has added 10-in. portable weighing 17½ lbs. and a 14-in. portable weighing 28 lbs., both unpriced, to be shipped starting in Aug.

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**ELECTRONICS PERSONALS:** Rear Adm. J. I. Taylor, ret., appointed coordinator of plans & programs of Magnavox govt. & industrial products div., under v.p. Richard A. Wilson . . . Hugh F. Colvin, ex-v.p.-gen. mgr., elected pres., Consolidated Electrodynamics Corp., Pasadena, succeeding Philip S. Fogg, who continues as chairman & chief exec. officer . . . Henry F. McKenney, ex-chief engineer, Ford Instrument Co. (Sperry Rand), named v.p. for engineering, Electronics Corp. of America . . . Wm. R. van Gemert, Raytheon attorney, named asst. to equipment operations v.p. David R. Hull (communications & military equipment) . . . Brig. Gen. Wm. D. Hamlin, commandant of Ft. Monmouth Army Signal School, July 1 becomes commanding general, Army Signal Supply Agency, Philadelphia, succeeding retiring Brig. Gen. Wm. L. Bayer . . . Carl J. Knorr named v.p.-service sales mgr., Remington Rand Univac div. . . Donald S. Kellogg promoted to chief engineer of General Precision Lab avionics engineering div., Wm. H. Heath to asst. chief engineer, Dr. George R. Gamertsfelder to research director, Otto J. Kolb to chief product engineer . . . Mal Parks Jr., ex-publisher of *Parts Jobber Magazine*, promoted to gen. mgr. of magazine div. & *PF Reporter*, Howard W. Sams & Co.; Glen Slutz promoted to editor of *PF Reporter*; Joseph Morin named circulation mgr., continuing as sales mgr. . . M. L. (Bud) Muhleman, ex-J. Walter Thompson, previously radio trade editor, now asst. publisher of *Electronic Equipment*.

Air Force's Office of Scientific Research moves July 1 from Baltimore to Temporary T, 14th St. & Constitution Ave., Washington.

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Grainless phosphor screens for CR tubes, including TV, are subject of article in April *Journal of the SMPTE* (55 W. 42nd St., N. Y.) by Sylvania's Frank J. Studer. He says that principle of applying uniform layer of luminescent material, still experimental, offers prospects of reducing scattering of light, makes possible higher contrast and resolution. Same issue includes "Colorimetry, Film Requirements and Masking Techniques for Color TV," by RCA's H. N. Kozanowski & S. L. Bendell.

New RCA airborne radar system has been certified by CAA—the first such unit certified for commercial use. Designed to enable pilots to "see" storms up to 150 mi. ahead, system has already been purchased by 5 U. S. airlines and 7 foreign companies, according to RCA exec. v.p. Theodore A. Smith.

New 700-mi. RCA multi-circuit microwave system planned by Texas Gas Transmission Corp., at cost of more than \$750,000. Turnkey installation will link Texas Gas' Owensboro, Ky. headquarters to La. div. offices in Lake Charles, connecting with company offices and installations between.

Navy has ordered several Bludworth Marine-GPL portable underwater TV systems for marine research and deep sea salvage. Diver-carried camera may be submerged to depth of 200-ft., all other equipment being stationed on research vessel or land.

General Precision Equipment Corp., whose subsidiaries encompass TV, military electronics and motion picture fields, plans to acquire Graflex Inc., Rochester, N. Y. maker of photographic equipment through exchange of stock.



**Electronics Reports:** Dr. W. R. G. Baker, newly elected RETMA pres. and longtime industry leader in electronics & telecommunications, leaves GE vice-presidency next year under company's mandatory retirement program, GE disclosed this week in announcement of reorganization of its electronics businesses into 3 separate divisions as result of "rapid expansion and future growth prospects."

Under realignment, Dr. Baker will serve until his retirement as v.p. & consultant to C. W. LePierre, exec. v.p. of GE's electronic, atomic & defense systems group. General managers of company's new electronics divisions are: industrial electronics, Harold A. Strickland Jr., ex-consultant in engineering services div.; electronic components, L. Berkley Davis, ex-gen. mgr., receiving tube sub-dept.; defense electronics, George L. Haller, ex-gen. mgr., labs dept.

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Greater use of women in engineering and physical sciences was urged this week by RCA v.p. Dr. Charles B. Jolliffe. Speaking in Newark, he noted that in Russia, 20% of all engineers are women, compared with less than 1% in U. S. electronics industry, which employs about 50,000 scientists and engineers, could use 8000-12,000 more, he said, and will require 75,000-100,000 by 1964.

Avco has leased 240,000 sq. ft. plant formerly owned by American Woolen Co. in Lawrence, Mass. for defense projects, will move research & development div. from Stratford, Conn., plans eventually to establish permanent facility in nearby Wilmington, Mass.

Consolidated Electronics Industries Corp. directors last week approved acquisition of Technical Electronics Corp., Culver City, Cal., makers of system analyzers, packaged circuits, precision electrical equipment. Consolidated, N. Y. company, is result of reorganization of Reynolds Spring Co. in 1954 and integration of A. W. Haydon div. of North American Philips Inc.

Richard C. Sogge, GE mgr. of engineering standards, heads 50-man U. S. delegation to International Electrotechnical Commission's annual meeting in Munich, June 25-July 6; he also will represent AIEE as U. S. delegate to Nikola Tesla Centenary which Pres. Tito of Yugoslavia is sponsoring in Belgrade July 9.

New predictions of external radio noise are presented in National Bureau of Standards circular, *Worldwide Radio Noise Levels Expected in the Frequency Band 10-kc to 100 mc* (36 pp., 30¢), available from Govt. Printing Office, Washington.

Raytheon has bought 15-acre site in Goleta, Calif., near Santa Barbara, for new 35,000-sq. ft. engineering lab for design & development of airborne electronics and infra-red equipment, to be in operation in spring 1957.

Radio astronomy rule-making has been started by FCC, with comments from everyone interested due Sept. 28. Document is Notice 56-577, Doc. 11745, copies available from Commission.

Negotiations for merger of IT&T and Underwood Corp. have been terminated.

**Color Trends & Briefs:** Speaking for telecasting's largest independent entity, Storer Broadcasting Co., exec. v.p. Lee B. Wailes probably expressed views on color of substantial segment of industry in his recent speech to Cleveland Society of Security Analysts. Salient excerpts:

"The next biggest development in the TV industry will be color, which, after getting off to a shaky start, currently shows signs of operating on a sounder base . . . The advertising in color of automobiles, fabrics, foods, furniture, fashions, cosmetics, paints, resorts, etc.—in short, practically all consumer products—will be immeasurably more effective if shown in their natural colors . . .

"From an advertising standpoint, color will be a factor only when a sufficient number of American families own color sets to constitute a real market for the various advertised products. This will come about when and if the manufacturers produce a satisfactory color set at a price which will appeal most to Mr. Average American Citizen—possibly around \$400. Our rates charged to advertisers will probably be 20-25% higher . . .

"While I personally believe that 1956 will bring us increased and improved color programs, the full development of color TV as a major factor in the industry will be a gradual process of some years. The TV stations of Storer are equipped to handle network programs in color, and will be so equipped for handling non-network programs if and when it seems desirable to do so from a competitive viewpoint.

"In my opinion, local TV stations have no alternative except to permit the development of color programming to be primarily a responsibility of the TV networks. There is very little color film available and it hardly seems worthwhile for local stations to put on live color programs at considerably extra cost, which programs certainly would not be competitive with the magnificent network shows. Some local stations, however, are experimenting with color for the purpose of gaining knowledge in the operation of color equipment and to acquaint local and regional advertisers with color techniques, and our company is making plans to do so at an early date."

**Network Color Schedules**  
(June 25 - July 8, 1956)

- June 25—NBC: *Matinee Theatre*, 3-4 p.m.; *Producers' Showcase*, "Happy Birthday," 8-9:30 p.m.
- June 26—NBC: *Matinee Theatre*, 3-4 p.m.; *Dinah Shore Show*, 7:30-7:45 p.m. CBS: *Bob Crosby Show*, 3:30-4 p.m.
- June 27—NBC: *Matinee Theatre*, 3-4 p.m.
- June 28—NBC: *Matinee Theatre*, 3-4 p.m.; *Dinah Shore Show*, 7:30-7:45 p.m.
- June 29—NBC: *Matinee Theatre*, 3-4 p.m. CBS: *Bob Crosby Show*, 3:30-4 p.m.
- June 30—NBC: *U. S. Olympic Finals*, 5-7 p.m. CBS: *Gene Autry Show*, 7-7:30 p.m.
- July 1—NBC: *Zoo Parade*, 5-5:30 p.m.
- July 2—NBC: *Matinee Theatre*, 3-4 p.m.
- July 3—NBC: *Matinee Theatre*, 3-4 p.m.
- July 4—NBC: *Matinee Theatre*, 3-4 p.m.; *Jaye P. Morgan Show*, 7:30-7:45 p.m.
- July 5—NBC: *Matinee Theatre*, 3-4 p.m.
- July 6—NBC: *Matinee Theatre*, 3-4 p.m.
- July 7—CBS: *Gene Autry Show*, 7-7:30 p.m. NBC: *Patti Page Show*, 8-9 p.m.
- July 8—NBC: *Zoo Parade*, 5-5:30 p.m.

Leading color film enthusiast Ziv has quit shooting color for several reasons: (1) Slow emergence of color-casting. (2) Technological obsolescence of color film techniques. (3) Inferiority of black-&-white prints from 16mm color film, compared with 35mm black-&-white.

Planning switch of all owned stations to all-color operation eventually, NBC will have WRCA-TV, Philadelphia, equipped for local live originations by fall, station v.p.-mgr. Lloyd E. Yoder announced this week.

Some 12,000,000 color sets-in-use by 1960 are predicted by NBC v.p. Harry Bannister in speech to Houston TV-Radio Executives Assn. this week. He predicted 300,000 color sales this year, more than 1,000,000 in 1957.

Polk Bros. expects to sell 10,000 color sets this year, plans to put station wagons on street to demonstrate color sets, pres. Sol Polk of big Chicago appliance chain said this week.

DuMont has shipped equipment to WABT, Birmingham, for conversion of Multiscanner to handle color film & slides.

The indefatigable Mr. Charles Birch-Field is at it again. *Film Daily* recently had long story reporting that he has now invented system of putting color on black-&-white film via simple camera attachment, then receiving transmissions on TV sets which have been converted to color through substitution of a \$20 picture tube. In Oct. 1948 (Vol. 4:44), Birch-Field obtained tremendous publicity by announcing invention of device to convert AM sets and transmitters to TV, using only AM bandwidth. In Nov. 1950 (Vol. 6:47), he "challenged" FCC to look at his \$45-\$50 "filter" for converting black-&-white transmitters and receivers to compatible color. According to *Film Daily*, he's now associated with Julian A. Martin, 227 W. 45th St., N. Y.

Five color sessions will be included in NBC-Northwestern U annual TV Institute in Chicago, June 26-Aug. 4. Lecture-demonstrations, to be conducted in WNBQ studios, are titled: "When Your Station Goes Color," "The Technical Aspects of Color TV," "Production Problems for Color TV," "Problems in Converting Existing Black-&-White Programs to Color," "Commercials for Color TV."

Top-notch TV topics included in Sept. 14-15 fall symposium of IRE's broadcast group in Mellon Institute Auditorium, Pittsburgh: FCC's mobile TV monitoring unit—by unspecified Commission engineer. (1) Color test equipment—J. R. Popkin-Clurman, Telechrome Inc. (2) Coverage and field strength—Robert M. Crotinger, WHIO-TV, Dayton; Robert S. Kirby, Bureau of Standards; A. Earl Cullum & T. A. Wright, consulting engineers. (3) Modern studios—W. J. Purcell, WRGB, Schenectady; J. B. Epper-son, WEWS, Cleveland; C. F. Daugherty, WSB-TV, Atlanta; D. W. Weise, WTTW, Chicago. (4) Color kines on embossed film—C. H. Evans & H. B. Smith, Eastman Kodak. (5) Video tape—speakers undesignated. (6) Picture quality improvement—Arthur Anderson, Westinghouse Research Labs. (7) Prevention of IO tube burn-in—J. T. Wilner, Hearst stations.

First commercial "scatter" transmission authorized by FCC was granted to AT&T this week, commercializing experimental 716-890-mc 180-mi. Florida-Cuba link which has been operating since Dec. 1954. Used for telephone now, link will add TV at unspecified "later date." AT&T has 6 submarine cables to Cuba, giving 40 telephone channels. Scatter facility handles 36. Minimum bandwidth is 20-mc; transmitters, made by Federal Telecommunications, have 10-kw output. Transmission is between Florida City and Guanabo.

KVVG, Tulare-Fresno, Cal. (Ch. 27) is being sold to movie producer James Stacy, who is paying \$10,000 for stock & assuming equipment obligations, according to application filed with FCC. Sellers getting \$5,000 each are movie producer Joseph Justman and adman Milton B. Scott, who acquired station year ago, paying Sheldon Anderson \$1 and assuming about \$350,000 in liabilities (Vol. 11:12).

TV has come to Korea on experimental basis, with 40 receivers in public places attracting huge crowds and stopping traffic. Station in Seoul, HLKZ-TV, operating on U. S. standards, was set up by RCA distributor Joseph Miller (Korcad Corp.) to interest Korean govt. and private entrepreneurs in TV. Ch. 9 station has 100-watt RCA transmitter, ERP of 250-watts.

Kinescopes of high school & college-level courses being offered by Pittsburgh's educational WQED will be shown at military installations in connection with U. S. Armed Forces Institute courses, using armed forces TV stations wherever possible, film projectors where there are no stations.

Color clinics at KRON-TV, San Francisco, have hit "boom proportions," station reports. Among groups to be color-oriented this summer: San Francisco Academy of Advertising Arts, art teachers & students of San Francisco State College, SMPTE and Society of Advertising Art Directors, Cal. School of Fine Arts, Rudolph Schaeffer School of Design, art students from city's high schools. For station's own personnel, lecture-demonstration on color & vision will be presented by Dr. Gordon L. Walls, U of Cal. professor of optometry.

No letup in color schedule at NBC-TV this summer, analysis of color log showing 32 hours due in July, compared with 44½ hours in typical April which included daily ½-hour *Howdy Doody*.

To improve color techniques, WBAP-TV, Ft. Worth, sets aside hour each Mon. for bull session of production, operations, engineering & art staffs.

Canadian RETMA has belatedly approved color engineering standards, same as U. S., adopting recommendations of Canadian Radio Technical Planning Board.

Radio sales approved this week by FCC: (1) KGIL, San Fernando, Cal. for \$475,000 (Vol. 12:20) by Dolph-Petty group to Texas evangelist Dr. Pierce Brooks. (2) WAAB, Worcester, Mass. for \$188,000 (Vol. 12:17) by George F. Wilson (retaining CP for WAAB-TV on Ch. 20) to Bernie Waterman, ex-sports director of WMAY, Springfield, Ill. (3) WCMI, Ashland, Ky.-Huntington, W. Va. for \$165,000 by Charles Sawyer to George Clinton, gen. mgr. of WBLK, Clarksburg & WPAR, Parkersburg, both W. Va. (4) WKBS, Mineola, N. Y. for \$116,000 by Lee Hollingsworth to Flamingo Films' Seymour Weintraub. (5) WTCW, Whitesburg, Ky. for \$85,000 (Vol. 12:15) by Kenneth J. Crosthwait to Folkways Bestg. Co., owned by hill-billy stars Ernest Tubb & Hank Snow. (6) KLYN, Pampa, Tex. for \$20,000 (Vol. 12:22) by R. G. Hughes to Kenyon Brown.

Significant move of Wyoming Public Service Commission this week was to order community antennas to file their first annual report by July 1. Operators, who have been contesting Commission's authority, are studying order. State is only one in nation to assume jurisdiction over CATV. California commission has sought to do so but State Supreme Court has blocked its action pending review this fall.

Steve Cisler's radio KEAR, San Francisco, padlocked May 31 for non-payment of taxes (Vol. 12:24), resumed operation June 22, having given lease on real property to Mid-America Bestrs. Inc. for \$25,000 and also having received \$31,712 loan from Mid-America pres. & 90% owner David Segal. Segal, now operating KEAR, also controls radios WGVM, Greenville, Miss.; KLEE, Ottumwa, Ia.; KOSI, Denver.

Gen. Curtis E. LeMay, chief of Strategic Air Command, is now under FCC's jurisdiction, having taken and passed examination for amateur's license last week. Examination was for "general class," which requires ability to copy 13 words of code per minute and a knowledge of basic amateur regulations and procedures. Another VIP ham, but of some 30 years' standing, is Herbert Hoover Jr., Undersecretary of State.

Reorganization of FCC's Safety & Special Radio Services Bureau: (1) Abolishes Authorization Analysis Div. and Industry & Commerce Div. (2) Sets up new Land Transportation Div. with Glen E. Nielsen chief, new Industrial Div. with Daniel H. Arnold chief. (3) Places Charles R. Weeks, current chief of Authorization Analysis Div. under Nielsen, in charge of Application Processing Branch.



**Financial & Trade Notes:** James H. Carmine, who retired in April as Philco pres., continuing to serve as merchandising consultant, is revealed by SEC to have sold 17,700 shares of Philco common in May, reducing his holdings to 13,738. Carmine, largest single stockholder among officers & directors at time of annual meeting in April, retains his equity in Philco Profit Sharing Fund, which holds largest block of Philco stock. His equity as of last Dec. 31 amounted to nearly \$340,000 (Vol. 12:11). Last week, SEC revealed that Larry E. Gubb, Philco director and its pre-war exec. v.p., sold 10,800 Philco common in April, reducing his holdings to 15,448.

Other changes in stock ownership reported by SEC for May: Titus Haffa bought 5500 Webcor, holds 33,675, of which 25,000 are owned jointly with sister and 3175 with wife; Nicholas Malz bought 10,000 Webcor, holds 12,800 directly and with wife; H. D. Vonjenef sold 1000 Webcor, holds none; Charles G. Munn sold 2300 Consolidated Electronic Industries, holds 3000.

\* \* \* \*

Daystrom Inc.'s sales of \$63,748,000 during fiscal year ended Mar. 31 were 86% in electrical, electronic & atomic instrumentation fields, pres. Thomas Roy Jones reported to stockholders June 13—representing virtual completion of transition to new operations. Last Aug., its American Type Founders was sold for \$9,000,000, taking company entirely out of printing equipment business; during year, also, integration of Weston Electrical Instrument Co., Heath Co. and Daystrom Pacific Corp. was completed. Sales compared with \$74,749,000 in preceding fiscal year, the decline due largely to completion of military contracts. Profits were \$1,784,000 (\$2.01) vs. \$1,716,000 (\$2.61). Working capital March 31 was \$18,482,000, up from \$12,009,000 at end of preceding fiscal year, with backlog of military orders \$18,100,000.

\* Packard-Bell expects to exceed its earlier estimate of \$23,000,000 in sales in fiscal year ending Sept. 30, exec. v.p. Robert S. Bell telling stockholders in letter: "It was also indicated that our earnings before taxes for the coming year would be 23% higher, or above \$1,300,000. I believe that Packard-Bell will not only meet this projected estimate, but that it will be exceeded by a substantial margin." He said Packard-Bell would market a color set this year "in the competitive \$600 bracket."

Standard Coil Products will show a net loss for 3 months ending June 30, but less than the \$615,285 loss reported for first quarter, said chairman Glen O. Swanson after annual meeting this week. He added that company has started retrenchment program designed to tailor tuner production to TV output.

Varian Associates reports sales of \$4,749,579, net income of \$153,970 (14¢ per share) in 6 months ended March 31 vs. \$3,141,368 & \$127,817 (12¢) in same 1955 period. In quarter to March 31, sales were \$2,470,497, net \$88,008 (8¢) vs. \$1,526,372 & \$68,145 (6¢).

Consolidated Electrodynamics Corp., Pasadena, Cal., should achieve record sales of \$21,100,000 in calendar 1956 and earnings may exceed \$1.30 per share as against \$17,100,000 & 85¢ last year, chairman Philip S. Fogg told annual meeting.

Consolidated Electronic Industries Corp. earned \$1,174,441 (\$1.70 per share) on sales of \$13,722,497 in 6 months ended March 31, compared to \$26,700 on \$2,933,774 in corresponding period of preceding fiscal year.

Decca Records reports consolidated net income of \$890,444 (55¢ per share) in first quarter of 1956, compared to \$816,339 (50¢) in first 3 months of 1955. Included is company's share of undistributed earnings of subsidiary Universal Pictures Co.

Electronics Investment Corp., San Diego, in annual report of April 30, lists these portfolio additions since Jan. 31, 1956 (Vol. 12:9): 4000 AB-PT, now holds 10,000; 1000 AT&T, new; 4000 Burroughs, now 8000; 4000 Clevite, now 10,000; 4100 Daystrom, now 10,000; 2000 Douglas Aircraft, new; 1000 Eastman Kodak, now 2000; 400 Magnavox (div.), now 8400; 2000 Mallory, new; 1000 Philco, now 8000; 1000 RCA, now 5000; 2000 Sprague, now 5000; 400 Stewart-Warner, now 6200; 200 Sylvania, now 5500; 2000 United Aircraft, new; 400 Western Union, now 7000; 2500 Westinghouse Air Brake, now 5000. Sold during quarter were these total holdings: 7140 CBS "A," 2500 General Railway Signal, 1500 Minnesota Mining, 8000 Standard Coil Products, 3000 Thompson Products, 1500 Zenith. Also sold were 1000 Corning Glass, leaving 1000. Common stockholdings as of April 30 were valued at \$9,145,481; preferred holdings (4000 P. R. Mallory 4½% conv.) had market value \$212,000; U. S. govt. bonds, \$1,995,000. Total portfolio was \$11,353,630. (For previous report, see Vol. 12:20; for report on portfolio of Television-Electronics Fund Inc., see Vol. 12:21.)

General Precision Equipment Corp., whose subsidiary Kearfott Co. has just entered licensing agreement with R. B. Pullin & Co. Ltd., London, to manufacture its electronic and other products in United Kingdom, has called stockholders meeting July 10 to consider increasing preference stock from 25,000 to 1,500,000 and common from 2,000,000 to 3,500,000 for purpose of acquiring Graflex Inc., Rochester. GPE proposes to issue ¼ share of its new preferred and ¼ common for each Graflex common, GPL preferred to carry dividend of \$1.60 per share, redeemable at \$42 and convertible to ⅔ GPE common. Graflex has 229,288 common outstanding plus 1,689 pfd. convertible into 5 common. Its 1955 sales were \$11,300,000 profit \$366,000. GPE's 1955 sales were \$133,338,000, profit \$2,531,000.

First-quarter earnings of TV-radio-records manufacturers, as represented by 13 unidentified companies, declined by average of 2% from first 3 months of 1955, according to June 17 *New York Times*, based on own survey of 560 manufacturers. Decline was in contrast to average profit increase of 11% for all manufacturing concerns. Auto manufacturers, as represented by 12 companies, had profit decline of 20%. Home appliance and machinery manufacturers, represented by 10 companies, increased profit by 81%. Note: Commerce Dept. this week reported that publicly-owned corporations paid \$3.7 billion in cash dividends in first 5 months of 1956, up 15% from same period year ago.

Hycon Mfg. Co. earned \$80,217 (1¢ per share on 2,329,990 common shares outstanding) on sales of \$8,946,386 in fiscal year ended Jan. 31, compared to \$443,592 (21¢ on 2,075,190 shares) on sales of \$11,943,793 in preceding fiscal year. Annual report also revealed plans to build new 136,000-sq. ft. plant and administrative facility this year in La Verne, Cal.

Dividends: Emerson Radio, 1% stock in lieu of usual 10¢ quarterly, payable Aug. 1 to stockholders of record July 5; Webcor, 25¢ July 12 to holders July 2; Amphinol Electronics, 25¢ July 27 to holders July 13; Warner Bros., 30¢ Aug. 4 to holders July 13; Aircraft Radio, 20¢ Aug. 15 to holders Aug. 1.

Belock Instrument Corp. sales were \$6,780,657 and net income \$258,112 (33¢ a share) in 6 months to April 30 vs. \$7,362,147 & \$336,414 (42¢) in same 1955 period, pres. Harry D. Belock reporting backlog of electronic & electro-mechanical systems on April 30 was at record high of \$19,600,000 vs. \$17,700,000 year ago.

Servomechanisms Inc. reports March 31 quarter sales of \$3,359,806, net income of \$137,569 (18¢ per share) vs. \$3,032,458 & \$105,432 (14¢) in 1955 quarter.

The studies of blacklisting in TV-radio and movie industries, sponsored by Fund for the Republic, were released this week, presenting detailed reports on history of blacklisting and its effects. Studies were directed by John Cogley, ex-editor of Lay Catholic magazine *Commonweal*. Fund chairman Paul G. Hoffman states in foreword: "[Cogley] has brought in no indictments and has offered no recommendations. The [Fund] offers none, believing that progress in resolving the conflicts of interests, viewpoint and principle involved must and will come in the first instance from the industries affected. But even progress must ultimately turn upon public knowledge and understanding of the actual situation and its problems. This report seeks only to supply the data on which such knowledge and understanding may be established." The reports (TV-radio, 287-p.; movies, 312-p.) are available from Fund for the Republic, 60 E. 42nd St., N.Y. A major court test of blacklisting shaped up this week, meanwhile, when TV-radio performer John Henry Faulk started \$500,000 libel suit against AWARE Inc., Vincent Hartnett and Laurence A. Johnson. AWARE Inc. identifies itself as an organization designed to combat "the Communist conspiracy in the entertainment world." Hartnett and Johnson are members of AWARE. Faulk charges that defendants have sought to link him with Communist fronts, drastically cutting his TV-radio earning power. He has radio show on WCBS, N.Y., says AWARE's efforts have lost him 19 sponsors.

"Code of cooperation" with TV was adopted by New York City this week, laying down rules for municipal agencies. Rules provide (1) All TV producers are welcome on first-come-first-served basis. (2) Each department is sole authority on its TV relationships. (3) Applications will be accepted beginning July 9. (4) Compensation to city will be determined when "cooperation" is granted. (5) City personnel will not be employed "except in extraordinary circumstances." (6) Material must be submitted to department concerned before public release. (7) Producers will have priorities on particular subjects once they have projects approved, with priority to last until project is finished or abandoned. (8) City must be indemnified against legal claims. Code is upshot of furor created last Oct. when Mayor Wagner granted Ted Granik rights to dramatize work of any department and Police Commissioner Kennedy refused to comply. Wagner then appointed committee to draw up ground rules.

Robert E. Sherwood TV awards, granted by Fund for the Republic for best programs on theme of freedom and justice, were presented June 22 to: *Armstrong Circle Theatre's* "I Was Accused" and *Alcoa Hour's* "Tragedy in a Temporary Town," both NBC-TV. WAAM, Baltimore, received the individual-station award for "Desegregation: Baltimore Report." Awards for the network shows, \$20,000 each, were divided among writer Jerome Coopersmith, director Wm. Corrigan and producer David Susskind for "I Was Accused"; among writer Reginald Rose, director Sidney Lumet and producer Herbert Brodtkin for "Tragedy in a Temporary Town." The \$15,000 award to WAAM went to writer Mrs. Gray Johnson Poole, director Kennard Calfee, producer Herbert B. Cahan.

Perjury conviction of Mrs. Marie Natvig, turnabout witness in FCC's hearings on license renewal of Edward Lamb's WICU, Erie (Ch.12), was upheld this week by Court of Appeals in Washington. She has been sentenced to 8 months to 2 years in prison. Disposition of Lamb case still awaits final decision by FCC, hearing examiner having recommended license renewal.

Certain identification: Sale of radio WSUH, Oxford, Miss., from Ole Miss Broadcasting Co. to Colonel Rebel Radio approved by FCC this week.

Republican National Committee will launch TV campaign on networks Sept. 19 with 30-min. program, to be repeated Sept. 25. After that, it plans to buy two 30-min. programs in each of next 2 weeks, 3 each in following 3 weeks, and big wrap-up, either 30 or 60 min., Election Eve. As another aspect of campaign, GOP will buy last 5-min. of top-rated network shows starting third week in Oct. Meanwhile, Democratic National Committee chairman Butler said his party hopes to raise at least \$2,000,000 for TV-radio purchases, but would not sacrifice whistle-stopping. Most of Democratic funds will go for 30-min. and 5-min. programs. NBC-TV has scheduled new political feature, *Cross-Country Caucus*, as part of its convention coverage—featuring switches to newsworthy spots for background information. As example, NBC says that if crucial issue involving South develops at convention, show might switch to Montgomery for on-the-spot interviews with experts. CBS-TV has scheduled *Bandwagon '56* as new summer series starting July 15, Sun. 4:30-5 p.m., designed to give background information on conventions and campaigns.

Separate Senate & House TV-radio-recording studios will be established under bill passed this week and sent to White House. Meeting "outside work" criticisms aimed at Joint Recording Facility director Robert Coar (Vol. 12:18, 22), new measure stipulates that all money received by the studios from outside sources shall be placed in special revolving fund established to operate each studio, and that no employe of either studio shall be engaged in any similar business. Coar, a Senate employe, is slated to head the Senate facility.

Two applications for TV stations were filed with FCC this week, bringing total to 140 (26 uhf). Week's applications were for Salem, Ore., Ch. 3, by C. H. Fisher, who owns tower sales firm, 2 Ore. AMs and interest in KVAL-TV, Eugene & KPIC-TV, Roseburg, Ore.; for Aberdeen, S. D., Ch. 9, by Joseph E., Wm. D. & F. F. McNaughton, who have interests in Pekin & Effingham (Ill.) newspapers and AMs in Ft. Madison, Ia. and Elgin & Effingham. [For details, see *TV Addenda 22-X* herewith.]

Films of Charlotte Ch. 9 oral argument before FCC June 25 will be made by WBTB, Charlotte (Ch.3), first such in Commission history. Charlotte hearing has 3 competitors—Carolinas' TV Corp., Piedmont Electronics & Fixture Corp., WSOC. Piedmont holds initial decision, is 40% owned by Wolfson-Meyer theatre interests, which interlock with WTVJ, Miami (Ch. 4). Station says it will telecast unedited film in prime time.

Summer DX-ing: KING-TV, Seattle (Ch.5) reports 2 letters acknowledging reception June 5 in New Mexico—over 1000 mi. Last Sept., station was received in Wilson, N. C. Propagation experts expect rash of DX reports for next 3 years, as sunspot cycle attains new highs (Vol. 12:24).

NBC-Chicago's unused roof space atop Merchandise Mart will be used as heliport in new air taxi service between downtown Chicago and outlying points. Network will make heavy use of service to shuttle equipment between its studios and International Amphitheatre during Democratic Convention in Chicago next Aug.

Senate confirmed T.A.M. Craven to be member of FCC for 7-year term June 22, day after unanimous approval by Senate Commerce Committee. He'll be sworn in as successor to Comr. Webster week of July 1.

No new FCC asst. secy. has been appointed to fill vacancy created by retirement of Wm. Massing, but rumors have it that a contender for position is Eric G. Stewart, of Commission's Office of Administration.



# Television Digest

with **ELECTRONICS REPORTS**

PUBLISHED WEEKLY BY RADIO NEWS BUREAU • WYATT BLDG. • WASHINGTON 5, D.C. • TELEPHONE STERLING 3-1755 • VOL. 12: No. 26

## SUMMARY-INDEX OF THE WEEK'S NEWS — June 30, 1956

FCC SERIOUSNESS about deintermixture and all-uhf study indicated by prohibition of construction of new vhf grants in Peoria & Springfield (pp. 1 & 6).

BLUNDERBUSS HEARINGS by Celler subcommittee to cover entire TV waterfront. NBC-Westinghouse swop probed by subcommittee and U. S. grand jury (pp. 2 & 9).

TV REVOLUTION IN SCHOOLS foreshadowed by 5-year Maryland experiment, which may lead to new equipment designs, changed teaching methods (p. 3).

NEARLY 3000 AM STATIONS now on air, new starters outnumbering new TVs 3-to-1 in first half of 1956. FM stations now total 532, down slightly (p. 4).

MANY SEEK TO BUY TV stations, but slowdown is evident. Deal for Boston's WNAC-TV denied. Tampa vhf and Evansville uhf sales detailed in applications (p. 4).

THREE VHF DECISIONS issued by FCC—in Peoria, Springfield & Raleigh—but Peoria & Springfield can't build until deintermixture rule-making ends (p. 7).

NO CONGRESS ACTION to curb networks seen by Senate Commerce Committee counsel, predicting surveillance by Congress & Justice Dept. (p. 7).

7,328,000 TVs SCRAPPED to date, 38,550,000 sets-in-use currently, according to new tabulation, indicating great importance of replacements (p. 11).

RECORD TV YEAR predicted for 1956 by Sylvania's Don Mitchell. Pickup also foreseen by Admiral's Wolly Johnson. RETMA opposes pricing bills (p. 11).

SERVICING OF PORTABLE TVs may be more extensive, more costly than conventional sets due to rougher handling, cheaper parts, temperature changes (p. 13).

30 TV-RADIO-ELECTRONICS firms in Fortune's new tabulation of 500 top industrial firms, ranked by assets, profits, stockholders, employes (p. 15).

ANTI-TRUST INDICTMENT charges 10 Philadelphia radio stations and their association with illegal agreement to maintain cord rates in sole of time (p. 8).

VHF STARTS IN 3-UHF Madison, Wis., 477th station on air. Conodo's 35th begins operating. News about upcoming new stations (p. 10).

CBS-TV NETWORK BILLINGS reach all-time high for May; PIB report shows other networks up, too, and outlook is for combined \$500,000,000 year (p. 16).

**DEINTERMIXTURE & UHF—FCC MEANS BUSINESS:** FCC's allocations proposal issued June 26 -- almost precisely as anticipated herein last week (Vol. 12:25) -- brought this universal question: Does the Commission really mean business? Answer: Yes.

What FCC said in its decision is this, to put it in simplest terms: 12 vhf channels are not enough for TV's future. More vhf can't be obtained, so uhf must be used. We'll explore uhf to determine whether its 70 channels can do the complete job; if it can, we'll switch everything to uhf. Meanwhile, we must keep uhf alive. Best way to do so is to create "islands" where we assure survival of a healthy uhf nucleus. At same time, we'll add vhf channels in a few predominantly vhf markets to provide for increased competition.

Complete text of FCC decision is included as a Special Report herewith, sent to all subscribers so you can get full flavor of Commission's thinking.

But degree of FCC's seriousness couldn't be discerned in the decision alone. Test came next day when it finalized 3 vhf decisions, 2 of them for channels which it proposes to remove from uhf markets. In granting Peoria's Ch. 8 to WIRL and Springfield's Ch. 2 to WMAV, it said that neither could build until deintermixture rule-making is concluded -- because it's proposing to move Ch. 8 to Rock Island and Ch. 2 to St. Louis. It also finalized grant of Ch. 5 to WRAL, Raleigh -- but put no restriction on construction because it hasn't proposed to delete the channel. (For details of the 3 final decisions, see p. 7.)

Interdiction on Peoria & Springfield construction shows Commission isn't kidding; that it isn't proposing deintermixture frivolously or to placate Sen. Magnuson & Co.; that it believes there's real probability of finally deintermixing.

Real showdown is yet to come, for Commission made the tough decision of proposing to take channels away from 2 operating stations -- KFRE-TV, Fresno (Ch. 12) & WISC-TV, Madison (Ch. 3) -- plus one due on air in Sept., WTVW, Evansville (Ch. 7). Fights to keep these channels may turn out to be among bitterest in FCC annals.

Here are all the channel changes proposed: Elmira, delete Ch. 9; Evansville, make Ch. 7 educational; Fresno, shift Ch. 12 to Santa Barbara; Hartford, shift Ch. 3 to Providence; Madison, make Ch. 3 educational; New Orleans, shift Ch. 4 to Mobile; Peoria, shift Ch. 8 to Rock Island; Springfield, shift Ch. 2 to St. Louis; Albany, delete Ch. 10 from nearby Vail Mills; Charleston, S. C., add Ch. 4; Duluth-Superior, make Ch. 8 commercial; Miami, add Ch. 6; Norfolk, add Ch. 13. A number of uhf channel shifts accompany these; all are listed on p. 12 of Special Report.

Though FCC proposed changes in only 13 areas, it invites petitions for similar changes -- and it's expected dozens will be filed. Some are bound to be sufficiently like these "Original 13 Colonies" to get same treatment. Whether Commission will also freeze prospective vhf grants in these new areas is question it hasn't determined, will consider as cases arise.

FCC has laid down a number of ground rules outlining criteria it will use to determine whether to delete or add vhf channels -- but these are so broad as to give Commission plenty of discretion in each case, something well illustrated by the dissents in original 13. Commission also supplied new engineering criteria for petitioners to use in determining coverage and interference; these are based on propagation data it believes to be more accurate than that now in use. Petitioners will make calculations on basis of maximum power and 1000-ft. antennas. Though uhf power ceiling was raised to 5000 kw in this week's decision, coverage will be computed on basis of 1000 kw because of equipment availability. The 1000-ft. antenna figure was set after Commission dropped idea of raising Zone I ceiling to 1250 ft.

Aside from petitions to come, Commission has quite a few still pending -- including some vhf drop-ins which could aggravate vhf-uhf intermixture. Action on these is expected soon, for Commission is pressuring staff to complete work.

\* \* \* \*

Full text of decision in our Special Report should be read carefully for FCC's reasons for adopting or rejecting proposals considered in its long deliberations. All in all, decision was definitely a surprise, despite fact that trend has been known. Reason is that Commission has reversed itself so violently so many times in last few months. Just 2 weeks ago, vote would have been 6-1 against what was finally adopted. Not too long before that, Commission almost voted to drop whole allocation table -- something totally different from this week's action -- and came so close that people still wonder why it didn't.

There are vast uncertainties before whole thing is wound up. Comr. Webster is succeeded July 2 by T. A. M. Craven; there may be other replacements. Comments on deintermixture are due Sept. 10, on all-uhf move Oct. 1. After that, FCC will take at least several months to weigh final action. Many things can happen in interim. Nonetheless, Commission's proposal isn't just talk; it is a decision arrived at by majority which had plenty of time to think over what it was doing.

Industry and govt. reaction was what you'd expect it to be -- running to the extremes, including violent. On p. 6, we've summarized a cross-section of those we believe to be most significant.

**NO LIMITS SET ON NEW HOUSE TV PROBE:** The TV industry's investigation troubles on Capitol Hill may be just beginning, instead of ending. This was indicated by the apparently limitless scope of Rep. Celler's Judiciary anti-trust subcommittee hearings which opened this week with grilling of FCC members. Line of questioning pursued by subcommittee's 3 attorneys at 2-day hearing suggests Celler's investigation will be far more detailed than previous Congressional TV inquiries.

Blunderbuss hearings apparently will cover every TV field under the sun, according to Celler's own outline. In opening statement, he mentioned these phases: Network affiliation contracts, including option time and must-buy practices; FCC's chain broadcasting regulations; uhf & allocations problems. He later told press further hearings may be held in New York next Sept. on network talent contracts, on "the tyranny of ratings," racial discrimination by networks, station ownership by magazines & newspapers, "the power of advertising agencies and preemption of time," problems of film producers & syndicators and "national spot problems."



This week's hearings were devoted mainly to demanding that FCC justify its approval of NBC-Westinghouse swap of Philadelphia & Cleveland stations (see p. 9). FCC was also quizzed on ABC-United Paramount merger and uhf-allocations problems.

Celler prides himself on reputation as a trust-buster, and his staff of diligent attorneys headed by chief counsel Herbert Maletz has spent months delving into network files, confidential FCC memoranda, records of other Congressional investigations to find evidence that FCC is tool of big "TV monopolies." TV probe is third in series of exhaustive inquiries into regulatory agencies -- FTC and CAB having already received the treatment.

Some think Celler is looking for a major scandal in the Republican-controlled FCC. But beyond that, he's pushing for far tighter Justice Dept. reins on such regulated industries as TV-radio -- and has already introduced bill to accomplish this (HR-9762). He and his staff are said to feel that FCC's licensing function grants broadcasters too much immunity from anti-trust action by Justice Dept. They can be expected to delve into many old FCC cases in hopes of finding evidence of wrongdoing or laxity by Commission in its responsibility to uphold anti-trust laws.

FCC members will be in witness chair again for 3-day session July 11-13, to discuss allocations and anything else subcommittee's attorneys decide to throw at them. FCC's network study chief Roscoe Barrow will also be put on stand to give progress report on his investigation.

**TV—REVOLUTION IN PUBLIC EDUCATION?** Will TV change educational techniques as radically as it has changed the nation's recreational habits?

The 5-year closed-circuit experiment in Washington County, Md. (Vol. 12:25) is an attempt -- on an unprecedented scale -- to determine to what extent a technological revolution in education can help meet the nation's school crisis.

It will undoubtedly lead to new designs in equipment and evolution of new techniques for improving quality of education through use of TV.

"TV will take its place alongside the textbook, as the most important educational advance of the century." This statement in one form or another was repeated by the many speakers June 26 at formal announcement in Hagerstown, Md. of the start of the closed-circuit experiment.

Basic facts of the experiment: Washington County Board of Education will hook up all of its 47 public schools in next 3 years, incorporating TV into curriculum in every conceivable way. Ford Foundation's Fund for Advancement of Education -- biggest backer of closed-circuit school TV -- will underwrite exhaustive study and evaluation of project. Equipment makers -- coordinated by RETMA school committee under GE's Ralph Yeandle -- will donate all gear required. Operating costs will be borne by the local school system.

Approaching closed-circuit with open mind, Washington County School Supt. Wm. Brish told group of educators, civic leaders and newsmen:

"There is no doubt that TV offers opportunities to do things in education which are now impossible. We mean to find out just how far we can raise our sights with this new technological invention. For example, will TV permit us to use the best talents of our teachers on a much wider basis than at present? School systems need more really top-notch teachers, but we have never figured out how to use the ones we do have to maximum advantage. TV may provide ways of doing this and at the same time raise the status of the teacher. We may indeed make the profession of teaching so challenging and desirable that teaching will compete favorably with other professions for the most capable minds in our society."

RETMA pres. W.R.G. Baker defined project as "a piece of research on a system basis." He stated: "The industry is going to learn a great deal as to the requirements of the system. We don't know what education needs in the way of equipment. Like any research project, it's impossible to evaluate the end results, impractical to estimate the cost. All we can do is start."

Cost of 5-year experiment will be well over \$1,000,000, it was indicated -- but nobody wanted to go out on a limb with an estimate. Treas. John K. Weiss of Fund for Advancement of Education explained that initial experiment won't be impeded

by budgetary requirements -- as far as equipment and evaluation of results are concerned. "Nobody ever sat down to find out just how far you can go with educational TV," he said. "This project offers the best possible chance in this country to see what TV can really do in the school."

As prototype for all U.S. education, Washington County school authorities will actually watch pennies closely, even though experimentation and equipment budgets are unlimited. Idea is to develop school TV program that is within financial reach of any school board, one that will effect economies while enriching learning.

First closed-circuit TV use in Washington County Schools will begin July 9, when some 40 teachers participate in summer TV workshop in Hagerstown, at which outside TV consultants and experienced TV teachers will help train local teachers.

Eight Hagerstown schools will be equipped for use of TV in learning by time school opens next Sept., with all of county's schools wired and connected by Sept. 1958. Two modern high school buildings now under construction have been designed around TV from ground up, with built-in distribution system, studio, etc.

Among areas of TV use in schools -- to be expanded each year -- will be: direct classroom instruction; supplemental instruction (dramatics, student council, films, school sports, network shows, etc.); in-service teacher training; public relations with parent & civic groups (special programs showing school work, etc.); and a continuing TV training program (use of TV to train teachers in using TV).

**NEARLY 3000 AMs NOW ON AIR vs. 477 TVs:** They continue to multiply, the AM stations, despite TV's great growth -- and as first half of 1956 ends they total 2893 stations actually on the air as against 477 TVs. Moreover, new AMs authorized by FCC during first 6 months outnumbered TVs 80 to 35. New AMs that actually started during that period totaled 75, new TVs only 24. And only one AM license was turned in, 4 CPs dropped, as against 8 TVs that quit operating and 9 CPs dropped.

July 1 count is based on our 1956 annual AM-FM Directory, which is kept current with weekly Addenda covering FCC grants, changes, withdrawals, etc. It actually shows 3021 AM stations authorized as against 2941 last Jan. 1 and 2846 July 1 year ago. Thus, 128 AMs are still in CP status.

There were exactly 1056 AM stations in U.S. & possessions in late 1945, when wartime freeze on radio construction ended. Since then, the total has grown steadily and by end of 1946 it was 1579; 1947, 1961; 1948, 2131; 1949, 2246; 1950, 2351; 1951, 2410; 1952, 2516; 1953, 2644; 1954, 2782; 1955, 2941. Applications still pending for new AMs total 284 on June 30, up from 222 last Jan. 1.

FMs continue to dwindle, though not as rapidly as might be supposed: There are 549 FMs authored as of mid-year (532 on air) as against 557 last Jan. 1 (536 on air) and 552 in mid-1955 (540 on air). Peak was 706 FMs at end of 1950.

**E**AGER BUYERS are shopping for TV stations more intensely than ever these days—but the supply isn't anywhere near the demand and you can look for a slowing down of station sales during the rest of this year. Thus far this year, there have been exactly 21 transfers of TV station ownerships, in whole or part, which will be detailed with all others since 1946 in our forthcoming Fall-Winter *TV Factbook*.

Report this week that RKO Teleradio's WNAC-TV, Boston (Ch. 7) might be sold either to Storer or Crowell-Collier drew strong denials from all principals. RKO Teleradio pres. Tom O'Neil has been approached, it was learned, but has stated flatly station isn't for sale.

Latest big deal involves sale of WTVT, Tampa (Ch. 13), founded in April 1955 by ex-Gov. Doyle E. Carlton as pres. and W. Walter Tison as v.p.-gen. mgr., to *Oklahoma City Oklahoman* interests (WKY-TV & WKY) for \$3,500,000 plus assumption of \$491,490 obligations, of which \$328,472 is owed RCA for equipment. May 31, 1956 balance sheet shows total assets of \$1,074,789, of which \$763,084 are fixed, and current liabilities of \$118,017. Station's 1955 deficit was \$54,021; for 8 months to May 31, 1955 it was \$162,583.

No radio adjunct is involved in Tampa deal. Last year, *Oklahoman* interests bought WSFA-TV, Montgomery, Ala. (Ch. 12) with radio WSFA (5-kw D, 1-kw N, 1440 kc, NBC) for \$562,598 plus certain obligations (Vol. 11:8).

George W. Norton's WAVE Inc., which is buying uhf WFIE, Evansville, Ind. (Ch. 62), is paying total of \$586,937, according to transfer application filed with FCC this week; \$63,880 is being paid for stock, remainder representing assumption of obligations. Balance sheet as of May 31, 1956 shows total assets of \$588,497, of which \$478,535 are fixed. As of July 31, 1955 WFIE showed \$93,382 deficit, but profitable operation to May 31 of this year had reduced this to \$16,454.

Steve Cisler, who last week leased tax-troubled KEAR, San Francisco, to broadcaster David Segal for \$25,000 and \$31,712 loan (Vol. 12:25), this week sold his radio KXXL, Monterey, Cal. (1-kw, 630 kc) for \$125,000 to Pacific Ventures Inc. in deal handled by Blackburn-Hamilton.

Maui Pineapple Co.'s 41.26% interest in semi-satellite KMVI-TV, Wailuku, Hawaii (Ch. 12) is being acquired for \$30,950 by equal owner J. Walter Cameron, who also publishes *Maui News*.



**Personal Notes:** Robert D. Levitt, ex-Screen Gems, named gen. mgr. of NBC-TV films & merchandising div., reporting to Alan W. Livingston, pres. of NBC's Kagan Corp. subsidiary; Carl M. Stanton, v.p. in charge of NBC-TV films and a director of Kagan, will devote full time to NBC duties . . . Gene Deitch, in animated film field for many years, most recently with Robert Lawrence Productions, named creative supervisor of Terrytoons, div. of CBS-TV Film Sales, reporting to gen. mgr. Wm. M. Weiss . . . Tom Judge named eastern sales mgr. of CBS-TV Spot Sales, reporting to John Schneider, promoted from eastern sales mgr. to gen. mgr.; Arthur C. Elliot shifted from New York to Chicago, where he succeeds Judge as midwest sales mgr. . . . Robert E. Curran promoted to asst. regional mgr., ABC-TV stations relations dept., serving also as gen. administrative asst. to Alfred R. Beckman, director of station relations . . . Joe Cunningham, ex-RKO Pathe N. Y., named asst. supervisor of RKO's TV operations, Hollywood, reporting to supervisor Fred Ahern . . . E. P. H. (Jimmy) James, v.p. of A. C. Nielsen Co. and ex-MBS v.p., will be in London for next 3 months to meet with British clients of Nielsen TV Index (99 Park Lane); he returns to land of his birth, which he left exactly 30 years ago to come to N. Y. to become NBC's first sales promotion, merchandising & adv. director . . . Albert R. Tyrrell, formerly in charge of Washington office, elected Teleprompter Corp. v.p. & asst. to pres. Irving B. Kahn at N. Y. headquarters . . . Ben A. Hudelson, production supervisor of WBZ-TV, Boston, takes leave of absence to produce new Westinghouse group program project in educational TV, working out of headquarters in N. Y. . . . Milton Pickman, ex-Columbia Pictures, named programming v.p. of Briskin Productions Inc., in charge of new TV series for Briskin and Screen Gems . . . Wm. Koblenzer, ex-Ziv and MCA, promoted to ABC-TV general sales staff, and John R. Porterfield, ex-gen. mgr. of WGLV, Easton, and WNET, Providence, assigned to ABC-TV special project sales staff . . . Henry V. Greene Jr., ex-Forjoe and Weed, named national spot sales rep for WBZ-TV, Boston . . . Louis Dorfsman named CBS Radio adv. & sales promotion director, continuing as art director . . . Charles Bishop named program mgr. of WSUN-TV, St. Petersburg, Fla., succeeding Robert Gilbert; Ted McDowell promoted to succeed Bishop as program-public service mgr. of WMAL-TV, Washington . . . Pierre Bruneau, ex-CJBR-TV, Rimouski, Que., named program director of upcoming CHLT-TV, Sherbrooke, Que. (Ch. 7), due by Aug.; L. E. Gilbeau, ex-CKSO-TV, Sudbury, Ont., chief engineer . . . Martin Barsky promoted to national sales mgr., Wm. Latham to local sales mgr., WGLV, Easton, Pa. . . . LaMar Smith, ex-WOI-TV, Ames, Ia., named production mgr. of KUTV, Salt Lake City . . . Robert Shoaff resigns as program director, KBTB, Denver . . . Alexander W. (Bink) Dannenbaum Jr., national sales mgr., promoted to sales v.p., Westinghouse Bestg. Co.

**Counsel at the altar:** Paul A. Porter, ex-FCC chairman, partner in law firm of Arnold, Fortas & Porter, was married June 26 in New Haven, Conn. to Kathleen Winsor, noted as author of *Forever Amber*. They're honeymooning in Spain. Frank U. Fletcher, partner in Washington law firm of Spearman & Roberson, and Miss Billie Warren, onetime secy. for Dow, Lohnes & Albertson, will be wed July 19 at Army-Navy Country Club, Arlington, Va.

George B. Storer, pres. of Storer stations, considered by sports writers as most likely purchaser of Detroit Tigers baseball team, being sold by Briggs family (auto bodies). But he hasn't said he will buy.

Fred Todaro, plant supt., has purchased Circle Film Labs, expanding its operations and changing name to Criterion Film Labs, 33 W. 60th St., N. Y.

### Map of TV Cities & Network Routes

**B**ROUGHT UP-TO-THE-MINUTE, our new 42x29-in. map, in color and suitable for wall-mounting, accompanies each copy of our latest *TV Factbook* (Fall-Winter edition, due off presses about Aug. 1). Map shows all stations in operation or expected to be operating by end of Sept. (U.S., Territories, Canada, Mexican border); all cities with TV applications pending or CPs granted; all cities over 10,000 population; present and projected AT&T microwave & coaxial circuits, accurately drafted by AT&T engineers; all station-owned microwaves and off-air pickups; handy table of stations with call letters and channels. Extra single copies of map are \$1.50; 10 copies, \$11.25; 25 copies, \$18.75.

Transcontinent Television Corp. is selling WHAM, Rochester, N. Y. (50-kw, 1180 kc, NBC) with WHFM for \$500,000, according to FCC application filed this week. Sale is contingent on FCC approval of Transcontinent's purchase of WHAM-TV (Ch. 5) with AM & FM for approximately \$5,000,000 from Stromberg-Carlson div. of General Dynamics Corp. (Vol. 12:14, 24). TV call letters are to be changed, but buyer Riggs & Greene Bestg. Corp., Elmira, N. Y., will retain WHAM & WHFM. Its co-equal owners are attorney John S. Riggs and adman F. Robert Greene, also co-owners of radios WAIR, Winston-Salem & KVOR, Colorado Springs. Riggs also owns 28.57% of WELM, Elmira and is exec. v.p. & 16% owner of Television Associates of Elmira, applicant for Ch. 9 there.

With Gerald C. Beadle's accession to BBC director of TV July 23, succeeding Sir George Barnes, there will be other changes in executive setup, disclosed this week by BBC as follows: Cecil McGivern, deputy director of TV; Simon J. Lotbiniere, controller of program services; Stuart G. Williams, controller of administration; Frank Gillard, controller, West Region; Robert McCall, controller, Northern Ireland; Richard D. Marriott, chief asst. to director of sound broadcasting with rank of controller. On BBC board of management, Hugh Carleton Greene has been appointed director of administration, immediately under director-general Sir Ian Jacob, succeeding Sir Norman Bottomley, who retires this year.

Beverly T. (Bevo) Whitmire, 53, gen. mgr. of WFBC-TV, Greenville, S. C. and one of its founders, died June 28 at Ramey Air Force Base Hospital, Puerto Rico, after suffering a heart attack while en route to Ramey Field on an Army plane. He was scheduled to go to Panama with a civilian party invited to board the carrier *Franklin D. Roosevelt* to observe naval maneuvers. One of founders and first mgr. of *Greenville News-Piedmont's* WFBC, he has been prominent in the broadcasting industry since 1933; before that, he was on the newspaper staff. He is survived by his wife and a married daughter.

Mrs. Anne Styles Smith, 49, wife of Carleton D. Smith, NBC v.p. in charge of WRC-TV & WRC, Washington, died at her home in Washington June 25 after a short illness. She and her husband had been planning to go to Europe this month, he having recently won trip as award in NBC o-&o competition. Surviving, besides Mr. Smith, is 15-year-old son Carleton Craig Smith.

Charles Page, 84, father-in-law of FCC Comr. John C. Doerfer, died June 27 while on vacation in Antigo, Wis. He was a retired mechanical engineer, lived in Milwaukee. Surviving are Mrs. Doerfer and her brother.

Thomas W. Varnon, 66, formerly on legal staff of ABC & Paramount, died in his Charlotte (N. C.) office June 26.

**A** LLOCATION PROPOSALS issued by FCC this week (p. 1) cut across whole TV manufacturing-telecasting industry, and reaction of spokesmen for many segments was much as expected.

Senate Commerce Committee is generally pleased with direction FCC is going, but Senators are holding off extensive comment because they expect to have own report issued in week or two. Chairman Magnuson (D-Wash.) couldn't be reached but it's understood he likes the deintermixture move.

Subcommittee Chairman Pastore (D-R.I.) said he hadn't studied decision but added: "At first blush, it looks like a step in the right direction. We must have some selective deintermixture. There must be nothing to inconvenience the viewer, and the long-range approach won't hurt him." Asked about cases wherein FCC proposes to move operating vhf's to uhf, Pastore said: "If that brings an extra cost to the viewer suddenly, it might be serious—but I'll have to study it more."

Report will be circulated among Senators next week, but it's rather dubious whether it will be issued before July 11 meeting. Sen. Bricker has been circulating his own draft of an allocations report, and it's understood that he goes along with FCC action and really doesn't differ too much with draft of staff report. There are substantial indications Committee's report will recommend that FCC extend its deintermixture plan to more markets. It's considered unlikely that all-uhf move will elicit much support from Committee, inasmuch as its hearings produced very few such recommendations.

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Top officials of networks either had no comment or said they're still studying decision. However, their positions have been stated so often that it's not difficult to surmise their reactions. ABC probably feels Commission has made a good start in deintermixture and in adding 3rd vhf channel to certain markets, but hasn't gone far enough. CBS undoubtedly considers proposal neither effective nor damaging; in past, it has indicated it sees little future in uhf, would try to make better use of vhf. NBC has long favored deintermixture but never any all-uhf move; it has high hopes, incidentally, for its Buffalo uhf, WBUF-TV (Ch. 17), plans all-out conversion program built around new \$20 RCA converter.

RETMA is in the limelight, since Commission pins hopes on uhf study and research that may show a move to uhf is feasible. But new RETMA pres. Dr. W. R. G. Baker says he can't comment for RETMA until he consults membership. However, speaking for himself and uhf-enthusiastic GE, he states:

"It's a very excellent proposal—constructive. But there's a lot of work to be done. It's up to the industry, but I can't understand why FCC never accepted RETMA's Oct. 20, 1955 offer to collect technical uhf data. On many other industry problems—like black-and-white and color standards and TV allocations—FCC has invited or even sponsored industry participation. I hope they accept our offer."

Ever since RETMA made offer, its members have been puzzled about Commission's attitude. Manufacturers' position is that they see no percentage in devoting high-priced engineering manpower to projects which may be accepted merely casually by FCC.

RCA senior exec. v.p. Elmer W. Engstrom noted that Commission's deintermixture and 5000-kw uhf proposals go along with RCA's recommendations but he said RCA never endorsed an all-uhf move. Regarding the proposed

program of research into feasibility of all-uhf shift, he said:

"I don't understand it. I don't see how you can have cooperative research on this. High-powered transmitters are available or can be made available. Receiver improvements are up to the tube men. For the collection of data, RETMA does that effectively."

Uhf operators' Committee for Competitive TV called FCC proposal "a promising blueprint for establishing an all-channel TV system" and added that "it now remains to be seen whether the Commission will develop the system according to the plan. To carry out the Commission's deintermixture plan it would seem mandatory that the Commission immediately institute proceedings to shift vhf to uhf in these markets in order that the deintermixture proposals may become deintermixture in reality."

\* \* \* \*

TV-radio attorneys came up with incisive evaluations, because they've done the infighting for years. Regardless whether they're pro or con, they generally feel that the 13 deintermixture proposals show pattern of inconsistency. Here are some of questions they raise:

Why leave New Orleans with one vhf and not do the same in Pittsburgh? Why delete a vhf station almost on the air in Evansville and not remove ungranted Ch. 9 in nearby Hatfield? Why haven't they issued show-cause orders to the stations they propose to shift to uhf, and are these stations entitled to evidentiary hearings?

Here are some sample comments: "They haven't set up any standards. I really don't think they know what they adopted." "It's trial balloon. But after a couple years I think that about 60% of these proposals will stand. After making this move, God help the Commission if they don't finally do something." "If they don't go ahead with this, they've perpetrated the most shameful kind of fraud on everyone." "It's the beginning of the same thing we had before. It will take years to settle. It may bring another general hearing." "The all-uhf idea has no real impact. They must act fast or the whole thing will be made moot by the passage of time." "No one is going to give up a V without a fight. This thing is just starting."

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Newspapers played up the all-uhf angle, probably because it's easier to understand than deintermixture. Net effect was to give public impression that their sets may soon be obsolete. Few of the largest manufacturers had any immediate comment, but several others were quick to point out that transition, if it comes, would and should be gradual—preserving full use of current sets. Some manufacturers were concerned lest some areas lose coverage because of uhf's shorter range. Some objected to the proposal because it would make sets more costly.

One aspect of decision is bound to bring further repercussions, and that's paragraph 24 (see Special Report), dealing with problem of getting uhf sets into hands of public. Suggesting that Congress might have to "pass a law," FCC states:

"Such legislation might take the form of special tax relief, such as that already suggested, to equate all-channel receiver costs with those of VHF-only sets, or perhaps more drastic remedies, such as the prohibition of the shipment in interstate commerce of other than UHF-equipped receivers, might be found to be necessary. We can make no definite recommendations at this time as to specific legislation; we do believe, however, that this is an important facet of the over-all problem which cannot be overlooked."

Set manufacturers have never stood by silently when anyone suggested that Govt. tell them what kinds of receivers they can make.



**T**HREE BIG VHF decisions were knocked off by FCC during Comr. Webster's last week in office—but there's no telling when or whether 2 of them will be permitted to build. The grants: Peoria, Ch. 8, WIRL (over WMBD); Springfield, Ill., Ch. 2, WMAY (over Sangamon Valley TV, 40% owned by WTAX); Raleigh, Ch. 5, WRAL (over WPTF). One initial decision was issued, KDSJ being favored for Ch. 5 in Deadwood, S. D. after competitor pulled out.

Proposing to remove the vhf channels from Peoria and Springfield, FCC attached provisos to their grants forbidding them from building until rule-making proceeding is concluded. This is done, Commission said simply, "for reasons of sound policy." It added, however, that "equities of the situation" dictate that choice between applicants be made and a CP issued.

There's no block to WRAL construction—unless FCC acts favorably on petition filed this week by Raleigh's WNAO-TV (Ch. 28), asking that Ch. 5 be moved to Rocky Mount.

Grant to WIRL over WMBD was based on "small" preferences in local ownership, civic participation, diversification of business interests, ownership-management integration, plus mass media diversification. Vote was 4-3, Comrs. Hyde, Bartley and Doerfer dissenting.

Major stockholders of WIRL (22% each) are Timothy W. Swain, his wife and her brothers John H. & Edward J. Altorfer. The 3 men are former directors of Altorfer Bros. Co. (ABC washers & ironers). Swain is lawyer, also owns farms. John H. Altorfer is v.p.-adv. mgr. of Perma-Starch Co. Edward J. Altorfer owns Cobaloy Mills, manufacturer of corn cob products.

WMBD is 2/3 owned by Charles C. Caley, 1/3 by John E. Fetzer. Caley also owns 25% of radio WDZ, Decatur, Ill. Fetzer also controls WKZO-TV, Kalamazoo (Ch. 3) & WKZO; KOLN-TV, Lincoln, Neb. (Ch. 10) & KOLN; radio WJEF, Grand Rapids.

In Springfield case, Commission held that WMAY-TV Inc. was entitled to "clear preference" because of broadcast experience and ownership-management integration. Vote

was 5-1-1, Comr. Doerfer dissenting, Mack abstaining.

WMAY-TV Inc. is 50% owned by radio WMAY, 28.5% by Lee Ruwitech, 18% by Richard S. Cohen. WMAY, in turn is owned principally by 4 ex-employees of WEW, St. Louis; pres. Gordon Sherman is largest stockholder, with 36.12%. Ruwitech, to be gen. mgr. of TV, is exec. v.p. of WTVJ, Miami; though he resigned in Sept. 1953, he has remained at WTVJ pending choice of successor.

Sangamon Valley TV is headed by Oliver J. Keller, 55% owner of WTAX, which owns 40% of Sangamon. He was editor-gen. mgr. of *Pittsburgh Post-Gazette* from 1927 until 1946 when he bought control of WTAX.

In Raleigh decision, FCC chose WRAL over WPTF because of "significant" ownership-management integration, business-interest diversification, mass media diversification. Commission was impressed by fact that A. J. Fletcher, 90.27% owner of WRAL, planned to give 75% of time to station. On other hand, principal stockholders of WPTF planned to spend much less time in day-to-day operations. WPTF is owned by Durham Life Insurance Co., of which chairman S. B. Coley owns 13.5%, v.p. D. L. Cozart 10.25%. Vote was 4-2-1, Comrs. Hyde and Webster dissenting, Bartley abstaining.

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There were several petitions for channel changes, some stimulated by FCC's big allocations decision this week: (1) WJHP-TV, Jacksonville (Ch. 36) asked either that Ch. 7 be made commercial or that Ch. 46 be substituted for Ch. 12. (2) WNOK-TV, Columbia, S. C. (Ch. 67) requested assignment of Ch. 5 to Sandy Run, S. C., with Ch. 4 or Ch. 7 to be substituted for Ch. 5 in Charleston, S. C. (3) WNAO-TV, Raleigh (Ch. 28) sought move of Ch. 5 from Raleigh to Rocky Mount. (4) KHOL-TV, Kearney, Neb. (Ch. 13) requested addition of Ch. 3 to Ainsworth, Neb. (5) Storer Broadcasting Co. dropped attempt to get Ch. 3 moved from Salem, Ore. to Portland, asked dismissal of petition.

UHF Industry Coordinating Committee filed petition requesting that Commission continue extending CPs of uhf grantees, saying it's "extremely desirable that the Commission reaffirm the liberal policy reflected by its action of Feb. 9, 1956." Extension of uhf CPs has been virtually automatic.

**C**ONGRESSIONAL action to curb networks is not contemplated by Senate Commerce Committee as result of its investigation, its special TV counsel Kenneth Cox indicated this week in talk before Academy of TV Arts & Sciences in New York. Substituting for Chairman Magnuson (D-Wash.), Cox said there is presently no inclination to subject networks to direct control. After 29 days of hearings, he said the Committee's investigation is nearly over—though a few more witnesses may be heard.

Expressing what he felt to be attitude of most Committee members, he said networks had made "able" defense of their practices, with strong backing from their affiliates. Networks' basic problem, he added, seems to be shortage of facilities. However, he warned that entire TV industry can expect continuing close scrutiny by Congress and perhaps Justice Dept.

As to allocations problem, he said deintermixture is "not a complete solution, but a first and essential step," adding that uhf problem has been aggravated by FCC's long delay in taking action.

He stressed responsibility of broadcasters to devote "substantial and good time" to public service programs and to segregate news from editorial and advertising matter—and suggested that FCC has not been strict enough in checking on public service programming.

As to subscription TV, he said: "I rather suspect that if action is taken it will be on an experimental basis."

FCC's 6 regional offices of Field Engineering & Monitoring Bureau are abolished as of June 30—Congress having declined to authorize funds for them, stating they merely duplicate district offices. Hereafter, all district offices will report directly to Washington. Move affects 12 employees who will be shifted to other jobs, mostly in district offices.

Subscription TV still on his mind, Lou Poller filed application for transfer of CP for WOPT, Chicago (Ch. 44) to his TV Exhibitors of America, proposing to give 7500 of his 100,000 Class B shares in return. He says he plans to operate 8 hours daily, 2 of them pay-TV—if Commission will permit it. Poller recently said he has similar plans for grantee WCAN-TV, Milwaukee (Ch. 25).

July 1 is 15th anniversary of start of TV broadcast service and 4th anniversary of lifting of freeze—and FCC saw fit to commemorate occasion with special release reviewing progress of TV from July 1, 1941 when regular TV broadcast service was first authorized by FCC to today's 477-station system.

Pulitzer Publishing Co. has purchased 18-acre plot opposite Forest Park on which it proposed to build new plant for *St. Louis Post-Dispatch* and its stations KSD-TV & KSD, replacing present downtown structure.

Another bill to legalize currently unlicensed boosters — HR-12019—introduced this week by Rep. Berry (R-S.D.).

**Network Accounts:** General Motors, in high-cost decision which has been subject of wide speculation in press, this week renewed full sponsorship of *Wide Wide World* on NBC-TV this fall, time undetermined, thru Campbell-Ewald, Detroit . . . Sheaffer Pen to sponsor *The Brothers* on CBS-TV this fall, Tue. 8:30-9 p.m., thru Russel M. Seeds Adv., Chicago, with *Herb Shriner Show* reduced to half-hour following at 9 p.m. . . . Union Carbide & Carbon Corp. to be partic. sponsor of *Omnibus* on ABC-TV starting in Oct., Sun. 9-10:30 p.m., thru J. M. Mathes Co. . . . Liggett & Myers and Sunbeam each buys one quarter of NBC-TV's regional football games in East, Big 10 and Pacific Coast, thru Dancer-Fitzgerald-Sample and Perrin-Paus Co.; Minneapolis-Honeywell buys one quarter in East, thru Foote, Cone & Belding; American Machine & Foundry buys one quarter in Big 10 and Pacific Coast, thru Fletcher D. Richards Inc. . . . Instant Maxwell House Coffee to sponsor *Vic Damone Show* on CBS-TV starting July 2, Mon. 9:30-10 p.m., thru Benton & Bowles . . . Norwich Pharmacal to sponsor 9-week partic. schedule on *Afternoon Film Festival* on ABC-TV starting July 2, Mon.-thru-Fri. 3-5 p.m., thru Benton & Bowles; Lipton Tea buys 3 partic. a week starting in Oct., thru Young & Rubicam . . . Procter & Gamble to sponsor *Sneak Preview* series of new dramatic films as summer replacement for *Jane Wyman's Fireside Theatre* on NBC-TV starting July 3, Tue. 9-9:30 p.m., thru Compton Adv.

Pitch for more auto advertising on TV, in face of sponsorship retrenchment by car manufacturers (Vol. 12:21), came this week from TvB pres. Oliver Treyz in special presentation to automotive executives and ad agencies in Detroit. Less than 10% of national TV ad dollars last year came from auto sponsors, he noted, adding: "It is apparent that one of the nation's most dynamic industries—the automotive—views the nation's most dynamic medium, TV, as a supplementary rather than a primary sales vehicle . . . Automotive advertisers stand virtually alone in the allocation of the minor portion of their budgets to TV. Among all national advertising categories, they stand alone in the failure to follow the trend toward heavier and heavier TV advertising, and the public trend toward heavier and heavier TV viewing." Note: Trendex survey of auto dealers in 16 major cities, conducted for ABC-TV and released this week, shows that 48% of dealers prefer TV for bringing most showroom traffic, 36% prefer newspapers; 46% said they would prefer newspapers if only one medium were to be used, 43% TV. Asked to judge order of preference if they were making up national ad budget of factory, 49% said they would recommend TV first. Chrysler dealers were found most favorable to TV, General Motors dealers least.

New 2-hour radio program, *NBC Bandstand*, Mon.-thru-Fri. 10 a.m.-noon starting July 30, was proposed this week to NBC Radio affiliates executive committee. Details will be presented on special closed-circuit radio hookup July 2. Featuring top orchestras and big names, *Bandstand* would replace *Weekday*, which goes off air July 27. Still to be resolved is replacement for *Weekday's* Mon.-thru-Fri. 2-3:45 p.m. period. Lester W. Lindow, WFDF, Flint, chairman of executive committee, said *Bandstand* "offers many interesting possibilities for giving new life to morning radio." At same meeting, NBC pres. Robert W. Sarnoff reviewed commercial success of weekend *Monitor*, saying it had increased NBC's weekend revenues by 278% in first year.

Edward Petry & Co. moves N. Y. headquarters July 9 to 4 E. 54th St. (Murray Hill 8-0200), where it will occupy entire 6th floor.

**GOVT. CRACKED DOWN** unexpectedly this week on one phase of broadcasting operation never before questioned by anti-trust people—maintenance of rate cards. Grand jury in Philadelphia returned criminal indictment June 27 charging Philadelphia Radio & TV Broadcasters Assn., 10 radio stations and 9 of their officers with entering into illegal agreement to "maintain and refrain from deviating" from published rate cards in sale of time. Conviction carries fines, jail terms, or both. TV practices are not involved.

Govt. attorneys apparently convinced grand jury of specific collusion, and Govt. contends "agreement" has been in force since 1952. But Morris Wolf, attorney for WPEN's Wm. B. Casky, who is president of the association, absolutely denied existence of any such agreement but said the stations do encourage compliance with rate cards. Source of complaints isn't disclosed, but guessing is that proceeding was prompted by a disaffected advertising agency.

Indictments were announced by Asst. Attorney General Stanley N. Barnes with this statement: "It has been established for many years that agreements to maintain rates or prices violate the Sherman Act. Such agreements are directly opposed to the free play of competitive forces. Persons who enter into such agreements do so with ample warning that their conduct violates the anti-trust laws and renders them liable to prosecution."

On behalf of association, Attorney Wolf issued this statement: "The radio stations at Philadelphia are shocked that the Govt. has decided to proceed against them under the anti-trust laws. Everyone is aware of the keen competition that exists among these stations. The stations do not believe that their effort to keep the competition among them on a dignified basis by encouraging the fair treatment of their clients violates any law. The Govt.'s action will be contested vigorously, with confidence that the stations will be vindicated."

Defendants include Independence Broadcasting Corp. (WHAT) and pres. Wm. A. Banks; Wm. Penn Broadcasting Co. (WPEN) and v.p. Wm. B. Caskey; Pennsylvania State Broadcasting Co. (WIP) and pres. Benedict Gimble Jr.; Franklin Broadcasting Co. (WFLN) and gen. mgr. Raymond S. Green; Max M. Leon Inc. (WDAS) and secy. Robert A. Klein; Seaboard Radio Broadcasting Corp. (WIBG) and gen. mgr. John Mahoney; WJMJ Broadcasting Corp. (WJMJ) and pres. Patrick J. Stanton; WCAU Inc. (WCAU) and pres. Donald W. Thornburgh; Westinghouse (former licensee of KYW) and ex-sales mgr. Robert Teter; Triangle Publications Inc. (WFIL).

**ADVERTISING AGENCIES:** Frank G. Silvernail, BBDO, reappointed chairman of AAAA's broadcast media committee; Jane Daly, Earle Ludgin & Co., vice-chairman; John F. Devine, J. Walter Thompson Co., reappointed chairman of TV & radio administration committee; C. Burt Oliver, Foote, Cone & Belding, vice-chairman . . . Thomas F. McAndrews Jr., asst. v.p. of Ted Bates & Co., named operations director of TV-radio dept., supervising all programming and live commercials; Herbert Gunter named director of commercial film production . . . Jack S. Petterson, onetime Motorola adv. mgr., resigns as Norge merchandising director to join Kenyon & Eckhardt, Chicago, as merchandising exec., principally on Whirlpool-Seeger account . . . Albert A. Sessions, ex-Biow, heads TV-radio-media dept., Rockmore Co., N. Y. . . . Gene Killham appointed TV-radio director, Chambers & Wiswell Inc., Boston.



**Telecasting Notes:** Competition is one big reason TV programming has consistently improved during the past 10 years—as the network presidents told Senate’s TV investigators—but it sometimes can be annoying as hell to TV viewers. With their policy of “fighting fire with fire,” it could be that the big networks, in their competitive zeal for ratings, are arousing more audience resentment than they can afford over the long run . . . Take, for example, the eager efforts of NBC-TV to catch up with Ed Sullivan’s continuing Sun. 8-9 p.m. popularity. Steve Allen’s first effort June 24 upped NBC’s Trendex for that hour to 13.3 (33% of audience) from usual 5 or 6; Ed Sullivan got 24.6 Trendex (59.5%). Both shows offered topnotch variety, especially good that night, and both were acclaimed by the critics . . . But—listen to this comment by *Washington Daily News* TV columnist Dave Reque, which articulates what a lot of people feel about identical type “opposite programming.” Reque chose to tune in Steve Allen’s debut, which he praised effusively. “I’ve been told,” he wrote June 25, “that Ed’s show, celebrating its 8th anniversary, was a whizbanger. I wish I’d seen it. This maddening situation in which the viewer is given the choice of watching one or the other of 2 of the half-dozen best shows the industry has to offer is as wrong as robbery. Examined from any angle, it’s a crummy deal for the consumer” . . . Even more irritating, Reque goes on, is fact that at 9 p.m. Sun. there are competing drama shows on NBC & CBS. “If only to demonstrate their deep, often expressed, devotion to public service, couldn’t the networks get together and move either Steve or Ed to 9 o’clock? Or would that be a manifestation of horrid monopoly?” . . . He might have mentioned, too, the oft-expressed resentment over the Mon. night overlap of 2 top drama shows—*Robert Montgomery Presents* on NBC-TV 9-10, and *Studio One* on CBS-TV 9:30-10:30. Or CBS-TV’s avowed intention to lure the kiddies away from the ABC-TV *Disneyland* cartoons 7:30-8:30 p.m. Wed. next season with a 7:30-8 p.m. showing same night of network’s newly ac-

quired Terrytoons cartoons . . . Vitapix’s sale of co-sponsorship of new *Blondie* show to Wesson Oil on 100 stations, and Colgate-Palmolive’s interest in buying other half, looks to *Billboard*’s Gene Plotnik like the beginning of a real film network—or at least, he sees sale as the closest anyone has come to putting a film network into operation, in interesting story in June 30 issue chronicling all previous and present attempts at film networking . . . Two stage hits of the 1930’s—“Three Men on a Horse” and “Green Pastures”—have been acquired by CBS-TV for TV use, presumably as spectaculars . . . Windfall for music publishers is seen by June 27 *Variety* in wholesale releases of old feature films to TV. Since music in films is licensed only for theatrical distribution, publishers expect an additional licensing fee for use on TV, but—says *Variety*—“situation is still very much in the exploratory stage and nobody knows how much money is involved for the music men.”

More details about NTA Film Network (Vol. 12:25) were revealed this week at N. Y. press conference by Ely A. Landau, pres. of both parent NTA and the film network subsidiary. Among points made by Landau: (1) “Affiliation agreements have already been signed with more than 50 stations, exclusive of the 12 top markets having 4 or more stations” and when operations start next Oct., 75 stations will be in lineup, covering 60-65% of U.S. TV homes. (2) Stations will allot 1½ hours weekly for film programming from which NTA will derive sole revenue. In exchange, they will have available for their own use entire library of 500-800 hours of film except for 20th Century Fox & Selznick pictures, which will continue to be sold by NTA. (3) NTA expects eventually to program live sports events and news film. (4) “The films to be offered on our initial network time will be first-run super-spectaculars of a quality never before available to TV on a continuous programming basis.” (5) NTA hopes to “be involved in multiple station ownership” before end of 1956.

**WESTINGHOUSE-NBC** swap of stations in Philadelphia & Cleveland (Vol. 11:53 & 12:3) was subject of Federal grand jury investigation this week in Philadelphia, to determine if civil anti-trust indictment is warranted. Though it was conducted in secrecy, some of evidence Justice Dept. is using was made public for first time by Rep. Celler’s anti-trust subcommittee in its 2-day grilling of FCC members. Subcommittee counsel inserted in hearing record confidential reports on transaction by FCC staff investigators.

Rep. Celler made it clear he felt coercion was involved in the station sale after subcommittee lawyers read portions of staff reports quoting Westinghouse officials as saying they were forced to agree to deal under threat of loss of NBC affiliation in Pittsburgh. One part of staff report detailed that Chris Witting, then pres. of Westinghouse stations, personally called on Gen. Sarnoff while negotiations were being conducted, “and asked him whether this muscling job was company policy.”

Gen. Sarnoff was said to have replied that “his primary interest was protection of company stockholders; they had to have Philadelphia and this was no muscling job.” Another section of report indicated that NBC initially approached Westinghouse on exchange of its Philadelphia & Boston stations for NBC’s Cleveland & Washington outlets, but “did not expect Westinghouse to agree to this.”

Chairman McConnaughey and other commissioners were grilled on why transfer was approved without hearing in face of warnings that duress was involved. McConnaughey said Westinghouse’s reply to McFarland Letter

did not indicate duress, and Broadcast Bureau advised that witnesses probably wouldn’t be as candid in testifying at hearing as they had been in talking with investigators.

“I can’t conceive why that formal hearing was not held,” snapped Celler. “I should think that the danger signals were significant enough to warrant some further inquiry.” Comr. Doerfer disagreed, told subcommittee he saw nothing illegal—merely the “legitimate exercise of strong bargaining power by NBC.”

At one point during the hearing, Celler suggested that “the Commission take pause” before permitting CBS & NBC to acquire more stations. “If you make them stronger and stronger you are going to make it more difficult for a new chain to get started,” he added. In network program control and network spot sales organizations he saw “deadly parallel” to the Paramount case, in which Govt. divorced motion picture production and distribution from exhibition.

During 2-day hearing, Comr. Hyde was questioned about anti-trust aspects of ABC-United Paramount merger and about allocations, and subcommittee lawyers quizzed McConnaughey and FCC counsel Warren Baker closely about FCC-Justice Dept. liaison.

Rate increases: WBBM-TV, Chicago, July 1 raised Class A base hour from \$3700 to \$3900, Class AA min. only rate from \$750 to \$875. WDAF-TV, Kansas City, Aug. 1 raises base hour from \$960 to \$1060, min. \$192 to \$212. WLAC-TV, Nashville, July 1 raised hour from \$650 to \$750, min. \$140 to \$150. KGMB-TV, Honolulu, July 1 raised base hour from \$300 to \$350, min. \$60 to \$75.

**MADISON'S FIRST VHF, whose channel would** go to an educational station if current FCC proposals are carried out (see story p. 1 & Special Report herewith), has been running limited program tests all this week and is slated for full-time operation as secondary CBS affiliate starting July 1 and for primary affiliation in Sept. It's WISC-TV (Ch. 3) and enters area where 3 uhf's are operating—WKOW-TV (Ch. 27) & WMTV (Ch. 33), which went on air 3 years ago, and U of Wisconsin's WHA-TV (Ch. 21, educational), which started in early 1954.

WISC-TV brings on-air total to 477 (98 uhf). It uses 25-kw RCA transmitter, 6-section superturnstile antenna on 605-ft. Ideco tower. Principal owner is Morgan Murphy, holding 15.2% personally while his *Superior* (Wis.) *Telegram* owns 34.8%. He and family also control WEAU-TV, Eau Claire, Wis. (Ch. 13), and he has interests in Minn. radio stations WEBC, Duluth; WMFG, Hibbing; WHLB, Virginia, and in radio KVOL, Lafayette, Ind. Ralph O'Connor, from radio WISC, is gen. mgr. and 5% stockholder; Richard S. Nickeson, also ex-WISC, sales mgr.; Richard P. Kepler, ex-KXLY-TV, Spokane, operations mgr.; Walter Hariu, ex-KRNT-TV, Des Moines, chief engineer. Base hourly rate is \$400, due to go to \$500 in Sept. Rep is Peters, Griffin, Woodward Inc.

Canada's newest starter—its 35th on air—is CFCL-TV, Timmins, Ont. (Ch. 6) which has been testing this week and goes on schedule July 1. It opens up new TV area, being nearly 200 mi. NE of Sault Ste. Marie. It has 5-kw GE transmitter, 300-ft. Wind Turbine tower, 4-bay batwing antenna. Owner is J. Conrad Lavigne, operator of French-language radio CFCL. Coming from CFCL is Rene Barrette, gen. mgr.; Jean DeVillier, program director; Roch Demers, chief engineer. Base hour is \$160. Reps are McGillvra (U. S.) and Omer Renaud & Co. Ltd.

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In our continuing survey of upcoming stations, these are latest reports from principals:

WCKT, Miami, Fla. (Ch. 7) has set July 29 target for start with NBC, reports mgr. James M. LeGate, also mgr. of radio WCKR, formerly WIOD. It has 50-kw RCA transmitter ready. It will use 12-section superturnstile antenna on 900-ft. Ideco tower, have studios at site of WCKR transmitter on North Bay Causeway. Owners, headed by ex-NBC pres. Niles Trammell, include John S. Knight and James M. Cox broadcasting-publishing interests. Base hour will be \$950. Rep will be NBC Spot Sales.

KVIP, Redding, Cal. (Ch. 7) has signed with NBC and plans Aug. 1 programming, following test patterns July 23, reports asst. mgr. Russ K. Olsen, ex-KPTV, Portland, Ore. It has RCA transmitter scheduled to arrive by July 1 and 6-bay GE antenna ordered for July 15 delivery. It will use 50-ft. tower, being fabricated locally, on Mt. Shasta. Pres.-gen. mgr. & 19 3/8% owner is Redding mayor George C. Fleharty, also publisher of weekly *Anderson Valley News*. Base hour will be \$225. Rep will be Branham.

KFXJ-TV, Montrose, Colo. (Ch. 10) now hopes for start "sometime in July," writes operations director Carl Q. Anderson, ex-KOA-TV, Denver. Road to Flat Top Mesa site has been completed and tower crew is installing 75-ft. tower with 6-bay RCA antenna. Minor equipment also is being installed in prefabricated transmitter house, but shipment of 100-watt Gates transmitter is still uncertain. Operating as satellite, it will pick up signal of parent KREX-TV, Grand Junction, Colo., 50 mi. away. At start it will be sold as bonus with KREX-TV (\$120 base hour), later will have local facilities. Rep is Hal Holman.

KWGB-TV, Goodland, Kan. (Ch. 10) plans Sept. 15 test patterns, Oct. 1 programming, reports owner-mgr. Jim Blair. It's working on 782-ft. Andrews tower, Alford antenna. GE transmitter is due shortly. New building, which already houses radio KWGB, has 2 studios ready for TV; equipment includes 2 GE camera chains, 2 film projectors. Jack Walkmeyer, from KWGB, will be commercial mgr.; Bob McEvoy, program director; Herb Stegman, chief engineer. Base hour will be \$200. Rep not chosen.

DuMont shipped 50-kw transmitter this week to WDBJ-TV, Roanoke (Ch. 7) replacing its 5-kw and giving it full 316-kw ERP. GE reports order for 35-kw transmitter with 3-bay batwing antenna to be shipped in Aug. to upcoming WCYB-TV, Bristol, Va. (Ch. 5). GE also reports shipping 10-kw transmitter to KLAS-TV, Las Vegas (Ch. 8) and 6-bay antenna to WMBR-TV, Jacksonville (Ch. 4). RCA shipped 12-section superturnstile antenna June 22 to upcoming WBIR-TV, Knoxville (Ch. 10), due in July, and 50-kw amplifier to WIBW-TV, Topeka (Ch. 13).

Complete equipment for El Salvador's first TV station—YSEB-TV, San Salvador (Ch. 6)—was shipped by DuMont this week on chartered plane. It includes transmitter, live & film cameras, studio equipment, 3-bay antenna. Owned by Television Salvadorena S.A. (Boris Eserski, pres.), station is due on air this summer.

Canadian TV application for Ch. 4 in Rouyn, Que. by Northern Radio-Radio Nord Inc. (David A. Gourde, pres.) was deferred for further study by CBC at June 22 meeting. At same time it denied Norman Roebuck's application for Ch. 3, Yorkton, Sask.

### Network Color Schedules (July 2-15, 1956)

- July 2—NBC: *Matinee Theatre*, 3-4 p.m.
- July 3—NBC: *Matinee Theatre*, 3-4 p.m.; *The Chevy Show*, 8-9 p.m.
- July 4—NBC: *Matinee Theatre*, 3-4 p.m.; *Jaye P. Morgan Show*, 7:30-7:45 p.m.; *Kraft Television Theatre*, 9-10 p.m.
- July 5—NBC: *Matinee Theatre*, 3-4 p.m.
- July 6—NBC: *Matinee Theatre*, 3-4 p.m.
- July 7—CBS: *Gene Autry Show*, 7-7:30 p.m. NBC: *Patti Page Show*, 8-9 p.m.
- July 8—NBC: *Zoo Parade*, 5-5:30 p.m.
- July 9—NBC: *Matinee Theatre*, 3-4 p.m.
- July 10—NBC: *Matinee Theatre*, 3-4 p.m.
- July 11—NBC: *Matinee Theatre*, 3-4 p.m.; *Kraft Television Theatre*, 9-10 p.m.
- July 12—NBC: *Matinee Theatre*, 3-4 p.m.; *Lux Video Theatre*, 10-11 p.m.
- July 13—NBC: *Matinee Theatre*, 3-4 p.m.
- July 14—CBS: *Gene Autry Show*, 7-7:30 p.m.
- July 15—NBC: *Zoo Parade*, 5-5:30 p.m.; *The Sunday Spectacular*, "The Bachelor," 7:30-9 p.m.

Losing engineers regularly to industry and other govt. agencies, FCC is hoping announcement of new Civil Service examination July 24, with higher starting salaries, will bring in recruits. GS-5 position (no experience) will start at \$4480, up from \$3670, and GS-7 (1 year graduate study or 6 months experience) will be \$5335 vs. \$4525. Engineers who left Commission recently: Paul B. Duncan, TV Applications Branch; Chester R. Kirkevold, Aural New & Changed Facilities Branch; Daniel B. Hutton, Hearing Branch.

FCC's AM ground propagation curves, no longer available from FCC or Govt. Printing Office, have been reprinted by W. H. Seabrooke & Assoc. Inc., 411 Carey Bldg., Washington, and are offered at \$2.80 each.

Time for comments on AM-FM remote-control rule-making has been extended to Aug. 2 at request of NABET, which told FCC it had obtained reactions of transmitter operators in key stations.



**SCRAPPAGE RATE OF TV SETS GOING UP:** Growing share of TV set sales represented by replacements is pointed up once again by the industry's Mr. Statistics -- Frank W. Mansfield, Sylvania sales research director and chairman of the RETMA statistical policy committee. In updated table of statistics prepared for inclusion in our upcoming fall-winter Television Factbook, he presents quarterly data from 1954 through first half of 1956 on sets produced and sold by distributors and dealers and on the number of sets scrapped -- all by screen sizes. Also set forth are accumulative data on sets-in-use, likewise broken down by screen sizes.

Mansfield estimates 7,328,000 sets have been scrapped in TV's 10½ years -- roughly equivalent to last year's total TV sales, or nearly one-sixth of the cumulative 45,878,000 sets which Mansfield estimates have been sold to the public. In the first half of 1956 alone, 1,234,000 sets were scrapped -- as against 2,864,000 estimated to have been sold at retail in same period.

That many of the sets are being discarded even before their accepted 8-year life span seems evident. If first half resulted in 1,234,000 scrappage, it can be assumed that second half will run even higher -- so that total of over 2,500,000 would represent very substantial proportion of Mansfield's predicted production and sale of more than 7,500,000 receivers for this year.

"We've been hearing a lot of talk about recession in the TV industry lately," he said. "Well, I'm going to take the opposite tack and say that from where I sit, the TV industry could have its best year in 1956 in units, and the worst thing that could happen is that we could have our second best year [to 1955's 7,756,521 production, 7,421,084 sales]. If that's a recession, I say let's have more of 'em."

Further indicating replacement potential, table shows that 42.3% of all sets-in-use (16,528,000) are 17-in. and under, and 11.3% (4,355,000) are 15-in. & under. Many of these sets, of course, are prime candidates for replacement.

Mansfield estimates 38,550,000 sets-in-use as of July 1, including 110,000 color sets. Total compares with 36,920,000 (including 40,000 color) at start of year. He admits that his estimate of 110,000 color sets is a "personal opinion" because RETMA hasn't started collecting color set data yet. "I can't prove that I'm right, but nobody can officially say I'm wrong, either," he said.

**UPCOMING TV MARKET—SOME OPTIMISTIC VIEWS:** Several encouraging forecasts for the fall-winter selling season came out of this week's distributor conventions -- as if to counteract the summer blues and doleful prophecies of recent weeks.

Sylvania chairman-pres. Don G. Mitchell, stating positively that his company has no intention of following those who have quit the TV business, predicted that retail sales this year will reach record 7,500,000, with production of 7,600,000 black-&-white & 275,000 color sets exceeding 1955's record 7,756,521. This despite fact that first 25 weeks' production is running behind last year's (see next page).

Color set production will climb to 900,000 next year, Mitchell further predicted, with black-&-white declining to 6,700,000. He foresees 1957 retail sales of 750,000 color sets, 6,700,000 black-&-white. "After an understandably slow start, as is the case in any new technological development, color definitely is on the way," he said. "However, it will be some time before color sets will be marketed in relatively large quantities and it will be 4 or 5 years before color sales catch up to black-&-white." He predicted gradual reduction in price as output increases.

Admiral is looking forward to a boom fall-winter demand, and is producing 2500 portables a day at its Bloomington, Ill. plant, according to sales v.p. Wallace C. Johnson. He told his distributors to look for a "substantial increase" in color sales this fall. He said: "With the \$500 color set and increased programming, the color logjam definitely is going to be broken." As for current business, he said

Admiral's TV shipments in first half of this year were up 12% from first half 1955.

Both Mitchell and Marion E. Pettegrew, Sylvania operations v.p. in charge of TV-radio div., asserted that in face of the "intensively competitive" conditions now prevailing in TV they intend to increase volume "substantially." Said Pettegrew:

"Our success in this business lies in our ability to be different and to be right. Sylvania must continue to stand as a 'prestige' line of the industry, and its reputation must continue to be built on inherent quality."

Sylvania has research and engineering facilities and "electronic know-how" to succeed under highly competitive conditions, he continued, and its experience in radio automation has given it a head start in the use of automatic equipment on TV assembly lines. On this point, he stated:

"We are already very enthusiastic about the benefits we are deriving in the form of improved product quality, increased output and lower costs from this automatic equipment. The equipment is especially notable in that it promises a high degree of adaptability. The need is for automatic equipment that would not be materially obsoleted when product designs change, as they do so rapidly in the electrical-electronics industry. We feel we have such equipment."

At Motorola convention's windup last week end, v.p. Edward R. Taylor told his distributors that 50% of today's sets-in-use are obsolete -- besides which about 11,000,000 homes are still without TV. Allan G. Williams, gen. sales mgr., said Motorola is seeking to strengthen its dealer organization both numerically and qualitatively for the intensive selling season ahead. "The nation's dealer structure is growing at the rate of 10% per year in this industry and we must keep pace," he said.

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**RETMA Protests:** Opposition to 2 pending bills (S. 11 and H.R. 1840), which would forbid a manufacturer from lowering his price to one customer to meet competition without lowering price to all other customers, was expressed by RETMA June 29 in testimony before Senate anti-trust and monopoly subcommittee. RETMA counsel Glen McDaniel stated that bills would reduce competition in electronics industry and would "fall with a specially serious impact" on smaller manufacturers. He gave this illustration of how bills would affect TV-radio-electronics industry:

"If I am a small manufacturer selling to a distributor who is my customer and a competing manufacturer seeking to strengthen himself in that territory offers a lower price to my customer, under the law as it now exists I could lower my price to that customer to meet the price offered by my competitor, without reducing my price to all my other customers, if I could prove my good faith and all the other elements required by Section 2(b) of the Clayton Act. If, however, S. 11 and H.R. 1840 are enacted into law I could not lower my price solely to that customer in order to hold his business because my doing so might lessen competition. If I have to lower all my prices or lose the customer, I am confronted with a hard choice. In many cases I will not feel able to afford the financial risk involved in lowering all my prices. So I choose to lose the customer -- a course that is the lesser of 2 evils."

Number of TV manufacturers has been reduced from about 100 to 50 in last 6 years, said McDaniel -- naming Arvin, Capehart-Farnsworth, Fada, Sentinel, Spartan, Stewart-Warner, Stromberg-Carlson and Raytheon among companies which have "retired" from TV business in last 2 years. "Casualties are unavoidable in any truly competitive system, and I am not suggesting that these companies should have been protected by law from the circumstances which made advisable their retirement from the [TV] business," he said. "The health and vigor of the smaller companies in our national economy, however, is important to the public interest. I believe that enactment of S. 11 & H.R. 1840 would make it more difficult for smaller companies...to prosper."

**Production:** TV output totaled 105,947 week ended June 22, compared to 117,423 preceding week and 136,020 week ended June 8. It was year's 25th week and brought production for year to date to about 3,215,000, as against about 3,800,000 in same period year ago. Radio output totaled 229,041 (63,813 auto) in week ended June 22, compared to 240,509 preceding week and 245,155 week before. Radio production in 25 weeks totaled about 6,570,000, as against 6,450,000 in same 1955 period.



**Topics & Trends of TV Trade:** Portable TVs may require more servicing and cost more to service than conventional receivers because they're likely to get rougher handling, have less expensive components, develop more heat per volume, and be subject to greater variations of temperature. That's thesis of interesting article on portables in July *Radio & Television News* by Walter H. Buchsbaum.

"The customer will object to the cost of repairing these sets even more than he does for his present large-screen set since the original purchase price for the portable model is usually lower," he writes. "This is reminiscent of the prewar radio days when the customer often refused to pay a legitimate \$6 service charge on the grounds that the whole set had cost only \$9.95."

He said it's doubtful that many portables will be sold in weak signal areas because most portables don't have the "full gain-bandwidth capability usually found in larger models." As still another factor which may cause trouble for servicemen, he says that many portables contain harder-to-service printed circuits. Article describes in detail the circuitry and components of portables introduced thus far without passing upon relative values of any.

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Sylvania's new line, introduced at distributors convention this week in Buffalo, comprises 15 black-&-white and 2 color models, latter priced at \$595 for table, \$695 for console. Big feature of black-&-white line is "Magic Touch" power tuning, which replaces on-off knob and channel selector with levers in 11 sets. Another feature is a 21-in. table model which Sylvania says is so constructed as to permit owner to install it himself in wall, bookcase, room divider or cabinet. Monochrome line consists of 14-in. portables, \$120, \$130; 21-in. tables, \$170, \$190, \$230, \$250, \$260, \$280; 21-in. consoles, \$250, \$280, \$350, \$380; 24-in. table, \$280; 24-in. console, \$420. One 21-in. console will be priced later. Marion E. Pettegrew, operations v.p., said color sets have "the most up-to-date circuitry and the most compact cabinets in the industry." Also introduced were portable hi-fi phonos, \$80, \$100; 2 table radios, each \$40; clock radios, \$30, \$40, \$50, \$55; portable radio with built-in geiger counter, \$65.

Admiral's new line, introduced at distributors convention this week in Chicago, comprises 13 black-&-white and 4 color sets. They are in addition to the 5 receivers introduced in April (Vol. 12:15). Among features are 14-in. portable weighing 26 lbs. and a 17-in. 32-lb. portable. A step-up 10 $\frac{3}{8}$ -in. portable at \$150 is added to the same-size set introduced in April at \$90, \$110 & \$120. Tuning controls are on top of all portables. Three new chassis, using advanced automation techniques, are featured in black-&-white line. A new color consolette at \$500 is added, along with consoles at \$700 and \$800. A third console is unpriced. Black-&-white line is composed of 10 $\frac{3}{8}$ -in. portable, \$150; 14-in. portable, \$110; 17-in. portable, \$130; 21-in. tables, \$150, \$180, \$230; 21-in. consoles, \$200, \$240, \$280, \$290, \$330; 24-in. consoles, \$290, \$360.

Packard-Bell's new line features remote control selector as standard equipment with all deluxe models, which it claims to be first to include at no extra charge. Also introduced was custom remote control unit at extra cost with self-contained speaker and with switch allowing viewer to use either it or speaker in set; idea is that one member of family may localize audio without disturbing others in room. Prices of monochrome models range from \$129 for 14-in. portable to \$495 for 21-in. deluxe combination. Two 21-in. color sets are priced at \$495 for table model, \$599 for console. Packard-Bell offers unlimited 30-day service contract at \$8.95 when set is purchased, with option to renew at \$3.95 a month thereafter.

**DISTRIBUTOR NOTES:** Hoffman Electronics appoints Sanford Electronics Corp., 157 Chambers St., N. Y. (Charles Ollstein, pres.) . . . Whirlpool-Seeger appoints as laundry equipment distributors RCA Victor Distributing Corp., Chicago (Ned A. Corbett, v.p. in charge); Taylor Electric Co., Milwaukee (J. A. Taylor Jr., pres.); Klaus Radio & Electric Co., Peoria (Henry Klaus, gen. mgr.) . . . Packard-Bell appoints newly formed Jack Berryman Co., 1157 Post St., San Francisco . . . Post & Lester Inc., Hartford (Peter J. Carr, pres.), which relinquished Motorola line few weeks ago, goes out of business after 66 years of operation . . . Bendix Radio appoints Chasemark, Dean Co., Dallas, and Schell-Munday Co., Amarillo, Tex. . . . Telefunken appoints Yale Radio Electronics, Hartford, and Beacon Electronics Inc., Utica, N. Y. . . . Olympic Appliances Inc., N. Y. factory branch of Olympic Radio, appoints David H. Rubinger as v.p.-gen. mgr., replacing Jack Haizen, resigned . . . Simon Distributing Co., Washington (Zenith, Hotpoint) reports resignation of Richard B. Phillips as white goods sales mgr.

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"More work for less profit is what the appliance dealers see ahead for themselves as they compare the next 6 months of 1956 with the same period of 1955." That was NARDA pres. Don Gabbert's comment in summarizing results of survey of 15,000 dealers conducted for NARDA by Leo J. Shapiro & Assoc. research firm. One of most important findings, said NARDA, was fact that 3 out of 4 dealers felt it would be desirable if major appliances were not covered by govt. residential mortgages. Survey also revealed that 37% of dealers have own programs to sell directly to small home builders.

Employing "obsolescence" theme again, Zenith is telling distributors and dealers that rectangular color tube "will make every color TV set on the market today as out of date as a 1948 black-&-white receiver." In letter to the trade, signed by pres. Eugene F. McDonald, Zenith said that it would offer rectangular-tube sets when public is ready; that new \$500 price won't help sales; that "premature exploitation of color by a few manufacturers" produced few color sales but hurt black-&-white market; that rectangular tubes will be in mass production in a few months.

Color market in Minnesota, according to poll of 600 by *Minneapolis Tribune*: (1) Within next year, 7% plan to buy color sets, 89% don't, 3% are undecided and 1% said it depends on reception. (2) Majority believe color will add substantially to their TV enjoyment, while approximately 40% think it will make little difference. (3) Some 15% of have seen color, and their purchasing plans are same as those of people who haven't; plans are also substantially same among those who have black-&-white sets and those who don't.

Delivery on RCA color mobile unit (Vol. 12:8) was taken this week by Smith, Kline & French pharmaceutical house, Philadelphia, pioneer medical color-TV demonstrator. The \$200,000 unit includes 3 cameras and associated equipment permitting color originations from virtually any hospital.

Reprints of Sylvania booklet, *A Guide to Good Business*, giving service dealers tips on cost-cutting operations, are available free from Sylvania distributors or from Sylvania adv. distribution dept., Buffalo.

CBS-Columbia shut down all factory branches this week, though there has been no official announcement of departure from TV-radio production.

Magnavox has introduced its first portable TV—17-in. model called "Town 'n Country," using 15 tubes, weighing 32 lbs., retailing at \$160.

**Electronics Reports:** Milestone in application of automation and electronics to industrial record-keeping and communications was observed June 26 in Camillus, N. Y., when Sylvania's nationwide 18,000-mi. private communication network and data processing system was placed in formal operation. Leased Western Union network links 71 Sylvania operations (45 plants, 19 labs, 27 sales offices, 17 warehouses, 10 divisional headquarters, executive offices) in 61 cities and towns in 20 states. Operations center is company's new 50,000-sq. ft. data processing center in Camillus, near Syracuse, equipped with Remington Rand Univac computer.

Sylvania chairman-pres. Don G. Mitchell said over-all purpose of center "is to supply the entire Sylvania organization with a wide variety of vital information on the many phases of our operations in more detail, more accurately and more quickly than ever before possible." Network will make possible the centralization of gathering, recording, computing and classifying information concerning volume, sales, billing and many other types of business activity. As example of what system can accomplish, Mitchell said it would take only a day or so to get information in from the field and devise a valuable market research program that previously might have taken weeks.

"A complete payroll can be processed in a few hours," including automatic preparation of checks, compared with several days under previous methods, he said. "Scientific and engineering staffs are provided solutions to complex technical problems in a few minutes instead of several days. Production can be geared far more closely to inventory by furnishing instantaneous information concerning exact inventory positions throughout the company." Data is fed to Camillus center from all branch centers by means of electrical impulses, which are converted to punched cards and magnetic tape, then fed to Univac.

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Entirely new turret tuner being pushed by Standard Coil for vhf & uhf is the "Neutrode"—hailed as both better and cheaper than cascode tuner it replaces. According to Standard, field tests show more than 32db gain and less than 7db noise on Ch. 2-6, more than 28db gain and less than 8db noise on 7-13, and "noise figures equal to or better than those obtained with continuous tuners" on uhf channels. Tuner uses printed circuits and 2 new tubes—first stage being single triode said to have many times longer life than twin triodes used with cascode tuner. For uhf tuning, special strips are installed, along with auxiliary bracket which slips in top of tuner. On uhf channels, single conversion is used, providing greater sensitivity and less noise than previous uhf strip tuners featuring double conversion (converting uhf signal to vhf before converting to IF.)

First close-up look at secret high-powered weapons in action was made possible this week by TV. High ranking Navy, Air Force & Marine officers were able to observe performance of advanced weapons from distance of 3 ft.—by way of GPL "ruggedized" industrial TV camera—while looking at large projection TV screen 150 ft. from firing bay at aircraft weapons dept. of Naval Aviation Ordnance Test Station, Chincoteague, Va. Previously, only way to observe the weapons in action was through peephole in 2-ft. thick concrete wall.

Big Gen. Stephen H. Sherrill, USA ret., ex-commanding general at Ft. Monmouth and since 1945 v.p. of First National Bank, Arlington, Va., died in Walter Reed Hospital, Washington, June 28. He was one of founders of Armed Forces Communications Assn., was first editor of its magazine *Signal* and for time its executive secy. Surviving are his widow, son, 2 brothers.

**Trade Personals:** Thomas B. Hunt resigns as pres. of Philco's Dexter laundry equipment div. to become exec. v.p. of Fairfield Aluminum Casting Co., Fairfield, Ia.; Robert Austin, factory mgr. of Dexter div., promoted to new position of gen. mgr., assuming Hunt's duties . . . Norman C. Owen resigns as CBS-Columbia sales v.p. . . . F. B. (Ted) Ostman, ex-Capehart-Farnsworth service operations director, named staff consultant to Maj. Gen. Francis H. Lananhan, exec. v.p. of IT&T's Federal Electric Corp. . . . Van M. Stevens, ex-Donald W. Gardner Adv., named adv. & sales promotion supervisor, Raytheon equipment marketing dept. . . . Wm. L. Ungar, asst. chief engineer of Packard-Bell, promoted to asst. to Richard B. Leng, v.p. of technical products div. . . . George H. Prutting placed in charge of international sales of products of RCA Victor record div. . . . Charles A. Reinbolt Jr., director of Steel Kitchen Cabinet Mfrs. Assn., named gen. mgr. of kitchens, Whirlpool-Seeger . . . Frank R. Buchanan promoted to controller, RCA semiconductor div., Harrison, N.J. . . . Richard G. Evans resigns as Motorola mideast district mgr., Pittsburgh, to become sales v.p. of Motor Radio Co., Motorola distributor in Kansas City . . . James A. Tilson, asst. mgr. of Sylvania's Kansas City sales office, named mgr. of its new Denver sales office . . . Jack Ruitter resigns as adv. & sales promotion director, DuMont technical products div., to join Will C. Copp Assoc., N.Y. public relations firm handling IRE accounts . . . Wm. C. Hoverman promoted to mgr. of sales, GE semiconductor products dept.

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**ELECTRONICS PERSONALS:** Dr. Carlo L. Calosi, former mgr. of Raytheon research div., more recently with Microlambda (Italy), named Raytheon v.p. & consultant in management of microwave & power tube operations . . . Richard R. Guenett, ex-Lincoln Electric Co. of Canada Ltd., joins Canadian Westinghouse electronics div. in special market development for industrial electronic controls related to automation . . . Donald E. Pierce promoted from asst. mgr. to mgr., equipment sales dept., Brush Electronics Co., Cleveland . . . George J. Schwartz appointed v.p. & gen. mgr. of Doelcam div., Minneapolis-Honeywell, manufacturing electronic & magnetic controls . . . T. Robert Vaucher appointed v.p. of Precision Mfg. Co., Dover, N. J., maker of fabricated metal products for TV-radio industry . . . Aldon M. Asherman, ex-American Cyanamid Co., appointed adv. mgr. for Sylvania parts, tungsten & chemical, atomic energy and electronic systems divisions.

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Cornell-Dubilier and subsidiaries earned \$529,849 (98¢ per share) on sales of \$17,480,107 in 6 months ended March 31, compared to \$1,036,649 (\$1.96) on \$19,026,350 in same 1955 period. Chairman Buell Hollister and pres. Octave Blake attributed declines to "recession" in production of TV sets and autos, long strike by one of its customers, increase in production costs, higher expenditures on research & development of automation equipment.

Nickel was put under govt. control this week by Business & Defense Services Administration (BDSA Order M-1B), adding that metal to steel, copper & aluminum under defense materials system. Order applies to defense contractors.

Heralding further price reductions in semi-conductor devices such as transistors, diodes and rectifiers, duPont this week announced \$30-a-pound cut in price of pure silicon to \$350 a pound.

Navy's famed Radio Arlington, across Potomac from Washington, once most powerful radio station in the world, is decommissioned July 1 after 43 years service—displaced by more modern facilities at Annapolis and Cheltenham, Md.



Full Text of Report and Order

**NEW FCC PROPOSALS FOR TV CHANNEL ALLOCATIONS**

**Public Notice No. 56-587 Initiating Rule-Making to Consider Long Range and Interim Plans for Expansion of TV Services**

Involving Shift to UHF, Deintermixture in Specific Markets, Additional VHF Assignments, UHF Power Increase Adopted June 25, 1956. Comments on Deintermixture Proposals Due Sept. 10, 1956. Comments on Shift to UHF Due Oct. 1, 1956. For Specific Channel Shifts Proposed, see last page.

In the Matter of

Amendment of Part 3 of the Commission's Rules and Regulations Governing Television Broadcast Stations.

Docket No. 11532

**REPORT AND ORDER**

By the Commission: Commissioners Hyde, Webster, Bartley and Mack concurring and issuing statements; Comr. Doerfer dissenting and issuing a statement.

1. Prior to November 10, 1955 when this proceeding was initiated (Notice of Proposed Rule Making, FCC 55-1124), television broadcasters and other elements of the television industry had submitted numerous suggestions and, in some cases, formal petitions for revisions of the television allocation plan.

2. The scope of these proposals and the methods employed varied widely. They ranged from channel reassignments affecting a single city to major revisions affecting the entire country. The methods included such diverse and mutually inconsistent approaches as conversion to an all VHF system, conversion to an all UHF system, and continued use of both bands under a wide variety of proposals. Some of the latter envisaged the more or less extensive increase of the number of VHF channel assignments through the use of new VHF channels, the use of the present 12 VHF channels under reduced spacings, or both. Others contemplated the elimination or transfer elsewhere of VHF commercial channels and the substitution, locally, of UHF channels. Some proposals were based on the revision of the existing engineering standards and policies, notably with respect to minimum spacings, maximum antenna heights and powers, the directionalizing of antennas, and the use of cross polarization. Other proposals advocated the maintenance of present standards. In short, the Commission was called upon to consider an extensive array of widely differing remedies for the difficulties which had hindered the further expansion of the nation's television service and the fuller achievement of the objectives of the Sixth Report and Order.

3. Briefly stated, those objectives were to encourage the development of a nationwide, competitive television system in which:

- (a) All areas would have at least one service;
- (b) The largest possible number of communities would have at least one local television station; and
- (c) Multiple services would be available in as many communities and areas as possible to provide adequate program choice to the public and encourage the development of competition—among broadcasters, networks and other elements of the industry.

4. Among these three basic objectives, the greatest progress has been made in achieving the first. It is estimated that over 90% of the population can receive service from at least one television station. Less progress has been

realized toward achievement of the second objective. Of the 1260 communities to which at least one television channel is assigned, fewer than 300 have one or more stations on the air. As for the third objective, approximately 75% of the population receive service from two or more television stations. Slightly over 100 communities have two or more television stations in operation, as compared with 348 communities to which 2 or more TV channels are assigned.

5. The foregoing reflects substantial progress during the four years which have elapsed since the present television allocation plan and engineering standards were adopted. Serious problems have arisen, however, which are impeding the continued expansion of the nation's television services. There is general agreement on the sources of these problems. In brief, they are:

- (a) The limitation to 12 channels in the VHF band; and
- (b) Difficulties which have been experienced in achieving fuller utilization of the 70 UHF channels. These difficulties have been ascribed chiefly to:
  - (1) The large numbers of VHF-only receivers in use and the high proportion of VHF-only receivers which continue to be manufactured.
  - (2) Performance deficiencies of UHF transmitting and receiving equipment during the initial 4-year period of the utilization of UHF for TV broadcasting.
  - (3) The consequent preference of program and revenue sources for VHF outlets.

6. While some of the numerous suggestions, proposals and petitions before the Commission last November appeared to merit consideration, none was sufficiently free from disadvantage and difficulty to warrant adoption without extensive study and evaluation. Therefore this proceeding was initiated on November 10, 1955, to provide an orderly basis for examining and comparing the proposals and comments of all interested parties. Because the problems were nationwide in scope, and because widely divergent approaches to their solution required evaluation initially on a broad, nationwide basis, the Commission stated, in its Notice of Proposed Rule Making, that it would be premature at the outset to consider proposals whose scope was limited to action affecting only single communities or local areas.

7. Accordingly, the Commission requested the submission of proposals and comments relating to overall solutions on a broad, nationwide basis. At the same time the Commission terminated five rule-making proceedings which had been initiated earlier on petitions for the deintermixture of five individual communities (Report and Order, November 10, 1955, Dockets 11238, 11333, 11334, 11335 and 11336, FCC 55-1125), and denied a number of other similar petitions on which rule making had not been initiated (Memorandum Opinion and Order, November 10, 1955, FCC 55-1126).

8. Aided by the proposals, comments and data submitted in this proceeding, the Commission has now had an opportunity to examine and compare the different basic approaches which are advocated by members of the television industry. The material filed has been painstakingly studied and evaluated in the endeavor to accomplish the object of the proceeding, which was to reach a decision as to the basic lines on which it would be in the public interest to revise the nationwide television system, and thus provide a basis for determining the specific re-assignments which could usefully be made in individual communities in conformity with the nationwide policies adopted herein.

9. In evaluating the proposals before us it has been necessary to recognize that, while actions by this Commission determine the numbers of channels which are available for television broadcasting, the extent to which they are actually utilized depends upon the construction and operation of stations by qualified broadcasters who are able and willing to enter this field of private, free enterprise and to cope, as entrepreneurs, with the conditions of the marketplace. The opportunity for profit is accompanied by the risk of loss. Whether broadcast operations yield one or the other is dependent on economic and technical factors, many of which are beyond the Commission's control. One important economic factor is the high cost of the construction, operation and programming of television stations as compared with similar costs for radio stations. Because of this, under the present economics of television, fewer communities are able, at this stage, to support television stations than can support radio stations. Also, because of the dependence of television stations on network and other nationally distributed programming, the techniques, developed over the years in the aural broadcasting service, which enable numerous radio stations to operate successfully with a high proportion of local, non-network programming, have not so far been developed to as great an extent in the television field. This has meant that both VHF and UHF stations which have not been able to secure their principal programs from a major network have found survival difficult, if not impossible. But since it has also meant that the stations able to offer the largest viewing audience in any given community will normally secure the principal network affiliations, many UHF stations which normally cannot provide a viewing audience comparable to those of their VHF competitors have been forced to operate on a marginal or submarginal basis or cease operation.

10. Disparities which occur frequently between the audiences which VHF and UHF stations are able to offer advertising program sponsors and national spot advertisers have resulted from the serious problem of receiver incompatibility and from limitations which have been experienced to date in the power of UHF transmitters and in the sensitivity and selectivity of UHF receivers as well as the different propagation characteristics of the UHF band.

11. While we are cognizant of the jurisdictional and practical limitations which restrict the extent to which the Commission can ameliorate the foregoing economic and technical conditions, we have endeavored to determine the realistic possibilities for improvement through revision of existing television allocations. It has become apparent that the construction and successful operation of a larger number of stations has been impeded in numerous markets by the absence of a greater number of more nearly competitive facilities, despite the need for and the capacity of such markets to support a larger number of television outlets. Accordingly, in our evaluation of the numerous, diverse proposals before us, and in our determination of the course which in our judgment offers the best possibilities for both the immediate and long range expansion of the nation's television services, we have kept in mind the paramount need for more competitive services.

#### Remedial Action Proposed by the Parties

12. Some of the proposals submitted under this proceeding were based on the allocation of additional VHF spectrum space to television broadcasting and on the assignment of new VHF channels which this would make possible. Before this proceeding was initiated the Commission had undertaken negotiations with the Office of Defense Mobilization to ascertain whether any of the VHF frequencies allocated to governmental services might be made available for television broadcasting. The Office of Defense Mobilization made a careful study of the matter but concluded, in a report issued by that Office on April 13, 1956, that "national security requirements and the needs of air navigation and air communications preclude the release for non-Government use of any of the very high frequencies now utilized by the Federal Government". Moreover, this Commission has concluded that it would not be practicable to obtain a significant number of additional VHF channels using VHF frequencies under our control and now allocated to other services. In these circumstances, the proposals looking toward revision of the allocation plan on the basis of additional VHF channels must now be rejected. Moreover, the fact that additional VHF frequencies cannot be made available for television broadcasting precludes revision of the allocation plan looking toward an all-VHF television system. As the Commission has recognized from the outset, and has frequently reaffirmed, the 12 VHF channels alone, are not adequate to make possible sufficient outlets for a fully competitive television system.

13. Other proposals before the Commission are based on the widespread use of additional VHF assignments, particularly in the larger markets, using the 12 VHF channels now available, but at spacings substantially shorter than the present minimum spacings. While this method appears to offer limited possibilities for meeting present needs for more stations in some areas, careful analysis of these proposals discloses difficulties which raise very serious doubt that this method would adequately serve our long range objectives. VHF stations at sub-standard spacings would reduce the service areas of existing VHF stations and create new interference areas within which satisfactory signals might not be received either from existing stations or from the new stations. Our studies disclose that, unless the existing minimum spacings were reduced very substantially, the number of additional outlets which could be provided over the country by this method would be very limited. Thus, in order to permit the construction of a significant number of new VHF stations it would be necessary to make very substantial in-roads in the service areas of existing stations. We recognize as urged by parties to this proceeding that the interference problems might be limited to some extent by requiring the "squeezed-in" stations to employ lower heights and powers and directional antennas, and by the use of cross polarization. But we do not believe that the creation of numerous small VHF stations with very limited service areas would further the objectives of our nationwide television system. Similar proposals were submitted to the Commission when the present television allocation plan was under consideration. They were rejected, for reasons set out in the Sixth Report and Order (Paragraphs 136 et seq). In our opinion those reasons remain essentially valid today. There is little likelihood, moreover, that even with the maximum possible utilization of VHF "squeeze-ins" assignments could be made available in sufficient numbers to accommodate the maximum number of television stations for which it may be expected there will eventually be economic support in the United States. Yet it is clear that the widespread use of new VHF assignments at sub-standard spacings would discourage the building of additional UHF stations, and in many instances would reduce the opportunities for successful



operation of UHF stations now on the air. Thus in most of the larger markets the assignment of a VHF station at sub-standard spacings would operate to place an artificial ceiling on the number of stations which could eventually be established. For all of these reasons we have been unable to find that the addition of new VHF assignments at sub-standard spacings would serve the public interest. For reasons which are discussed later, we believe, however, that it may be desirable to relax the present rules concerning minimum assignment separations to the extent necessary to permit the assignment of additional channels which do not meet the separation from the new city, provided all separations will be met from the new transmitter on these channels.

14. Some of the proposals before us advocate the deintermixture of VHF and UHF channel assignments in order to more nearly equalize competitive opportunities in individual markets while at the same time utilizing both the VHF and UHF bands in the nationwide television system. Citing competitive difficulties of UHF broadcasters, particularly in markets which are served by two or more satisfactory VHF signals, the proponents of deintermixture have advocated the elimination of some or all of the VHF channel assignments in designated cities. It is contended that this would improve the opportunities of the local UHF broadcasters to obtain, or in some cases to retain sufficient network programming and national advertising revenue to support successful station operation which, it is alleged, would be impossible for a good many UHF stations obliged to compete with two or more VHF broadcasters. The deintermixture proposals also envisage, at least in some instances, the transfer of some VHF channels to other cities where they could be used to increase the number of local VHF services. Thus, deintermixture has the dual aspect of reducing or eliminating VHF assignments in some communities and of increasing the number of VHF assignments in others.

15. It does not appear, however, that deintermixture at this stage would be practicable in a sufficient number of communities representing a sufficiently large segment of the total population to provide significantly enhanced opportunities for the fuller utilization of the UHF channels on a nationwide basis. We believe that in some types of situations, which are discussed later, deintermixture merits careful consideration as a means of increasing the opportunity for effective competition among a greater number of stations in certain individual areas. Most of the deintermixture proposals<sup>1</sup> have been confined to communities where UHF stations commenced operating before the advent of one, and in some cases before the advent of a second VHF service, and where a high percentage of receivers in the hands of the local residents can receive UHF signals. There are serious obstacles to a more extensive nationwide program of deintermixture at this stage. Thus there is little support for the elimination of VHF assignments in areas with little UHF set saturation. In other instances the elimination of local VHF channel assignments would not accomplish effective deintermixture owing to the local reception from VHF stations located in neighboring communities. In still other cases the elimination of local VHF assignments would be impracticable at this stage owing to the fact that substantial "white areas" would be created. It seems doubtful for these reasons that the elimination of VHF channel assignments would be practicable at this stage in a sufficient number of communities to encourage significantly increased nationwide use of the UHF band. Nor would this technique alone satisfy the need for increasing the number of outlets in many markets, both large and small, which are at present

<sup>1</sup> A petition filed on April 18, 1955, by Mr. Albert J. Balusek of San Antonio, Texas, proposed that the Commission deintermix UHF and VHF channel assignments in all communities throughout the United States. We are obliged to deny this petition for the reasons set out in paragraph 15.

inadequately served, and which accordingly offer only limited opportunities for competition among stations, among networks and among other program and revenue sources.

16. Because deintermixture, alone, cannot solve the entire problem, we have found it necessary to consider additional means for making possible the full utilization of the UHF band for television broadcasting. As early as 1945<sup>2</sup>, recognizing the inadequacy of 13 VHF channels for a fully developed nationwide television system, Commission policy has looked toward the extensive use of the UHF band for television broadcasting. The expectation that ultimately the major part of television broadcasting would be carried on in the UHF band was implicit in the allocation, in the Sixth Report and Order, of 70 UHF channels to supplement 12 previously available VHF channels. But so far this expectation has not been realized owing to difficulties which none of the proposals already discussed can sufficiently overcome. One of the proposals whose consideration has been recommended in this proceeding and has been advocated in the past by industry representatives in submissions to the Commission and to Congress, should be examined. That is the proposal to shift all television broadcasting in the United States, or in a substantial portion of the country, to the ultra-high frequency band.

17. Although it would be premature at this stage for the Commission to adopt final conclusions concerning the feasibility of transferring television to the UHF band throughout the United States, or, alternatively, in a major portion of the country, we believe that our effort to find a solution to the nationwide television allocation problem should not be concluded without a careful and thorough exploration of this approach. Another major consideration is involved. As discussed later in more detail, there are growing indications that the needs of other services for additional spectrum space are increasing rapidly. The fact that the lower part of the VHF spectrum seems well suited to their needs indicates the likelihood that it will be possible to make effective use of the VHF frequencies now allocated to TV, for other non-broadcast services.

18. If suitable means could be found to overcome the difficulties inherent in so major a frequency reallocation as moving television to UHF, and if UHF could be sufficiently developed to permit the elimination of VHF channels without loss of service, a number of basic advantages would result. All stations would be able to compete on a much more nearly comparable basis technically, since there is much less disparity between the lower and upper UHF channels than between the VHF and UHF television channels. Thus the coverage of competing stations would be much more comparable than at present, and competitive opportunities among broadcasters, among networks and among other program and revenue sources would be considerably enhanced. It may be expected that this would encourage the building of numerous additional stations which would bring a first local service to some communities and much needed additional services in others. These achievements would be aided by the fact that broadcasting in a single band would, after a suitable transition period, eliminate the crucial problem of receiver incompatibility. As compared with alternative solutions which have been considered, the use of the UHF band exclusively would raise the ceiling of the maximum number of television stations which could eventually be built and successfully operated. And, as stated above, after the discontinuance of VHF television broadcasting, additional VHF frequencies would be made available to meet the growing needs of other services for VHF spectrum space.

19. Before it would be possible, however, to achieve these impressive advantages it would be necessary to find solutions for numerous problems which a transition to all

<sup>2</sup> Report of Allocations from 25,000 kc to 30,000,000 kc, May 25, 1945, Docket No. 6651.



UHF television would involve. These problems fall into several major groups. The first group relates to the technical transmission and reception potentialities of UHF. It will be necessary to ascertain the extent to which UHF transmission and reception can be improved, in order to make a realistic determination as to whether conversion to all-UHF television throughout the United States or in a major portion of the country would or would not result in the loss of services available now or potentially available with the use of VHF channels. In order to ascertain the capacity of UHF transmitting and receiving equipment to render satisfactory service without the concurrent use of the VHF band for television broadcasting, the Commission believes that a program of expedited research and development should be launched without delay with the object of achieving the maximum possible increase in the range of, and the reduction of the shadow areas of UHF stations. This research and development program should be concentrated on:

- (a) *UHF transmitters*, with emphasis on increased transmitting power and the feasibility of the use of such techniques as UHF boosters and satellites.
- (b) *Receivers and receiving antennas*, with the object of increasing the sensitivity of and reducing the noise factors of receivers; and improving their selectivity in order to permit the reassignment of UHF channels with a minimum number of restrictions on station separations.

20. The Commission will cooperate fully with all interested groups in organizing the orderly conduct of the foregoing research and development program. While it would be premature to anticipate the results of this program, the Commission believes that considerable encouragement is offered by recent notable advances in increasing the power of UHF transmitters and in tubes for improving the characteristics of UHF receivers. Notwithstanding the disadvantages frequently associated with UHF broadcasting there are some respects in which the UHF band is superior to the VHF channels allocated to television. UHF reception, for one thing, is freer than VHF from interference caused by local noise generators such as ignition systems, electrical appliances and switches, and is less susceptible to interference due to multipath reflections. Also, if future developments result in the production of single-band UHF receivers they could be simpler in design, less costly, and more efficient than present VHF-only or combination UHF-VHF receivers, owing to the fact that the ratio between the top and bottom UHF television frequencies is smaller than between the top and bottom VHF frequencies now allocated to television. The Commission believes, therefore, that despite disappointments that have been experienced during this initial four year period of development of UHF transmitting and receiving equipment, it would be erroneous to base our policies on an assumption that UHF transmission and reception is not susceptible of significant improvement. On the other hand, additional facts and data are needed in order to make a sound determination as to whether the fullest possible exploitation of UHF's technical potentialities will enable UHF to render a service which will justify elimination of VHF broadcasting in a major part or throughout the United States.

21. The answer to this question will not depend on whether all the disparities between UHF and VHF transmission and reception can be completely eliminated. We recognize that some differences inhere in the essential characteristics of the two frequency bands and that it may never be possible to eliminate them entirely. The problem is not, however, whether these disparities can be totally eliminated, but whether UHF transmission and reception can be perfected sufficiently to enable an all UHF system to render service to the public at least as good as or better than the service that can be provided

to the public under the present system. It may very well be that owing to the opportunities which a one band system with 70 channels will open up for increased competition, and for the construction and operation of a greater number of stations and successful operation of more networks and other program sources, a one band system would permit more communities to have local service and would provide a larger number of multiple services to a greater portion of the population than would be possible with the combined use of the UHF and VHF bands. This may be possible despite certain advantages in the use of VHF frequencies for television broadcasting. The critical factor is that there is an inadequate number of these frequencies, and the use of the 12 VHF channels has discouraged the utilization of more than a fraction of the UHF assignments which were made available for television broadcasting in 1952.

22. When we learn the results of the suggested program of UHF research and development, we will be better able to ascertain the full practical capabilities of UHF. On that basis we will then be able to evaluate UHF's capacity to supplant VHF broadcasting without loss of service. We will also be in a better position to determine whether UHF alone would render adequate service throughout the country, or whether it would be necessary to confine all-UHF television to areas, such as east of the Mississippi River, where owing to the greater population density, and the larger number of cities able to support stations, service areas need not be as large as in the less densely populated areas to the west.

23. The second major group of problems involved in an all-UHF television system concerns the need to establish methods and timing for transition from the present system which will minimize cost and dislocation to the public and to the television industry. It would appear that a transition period would have to be sufficiently long to cover the useful life of VHF-only receivers in the hands of the public, and to permit the amortization, over a reasonable period, of VHF transmitting equipment whose use would be discontinued when VHF broadcasting would be terminated in designated portions of the United States. One method which may merit consideration is to require VHF stations to broadcast simultaneously on UHF channels during all or some part of the transition period. It would seem probable that if it should be decided to go to an all-UHF system, the announcement of a decision that VHF broadcasting would be discontinued on a fixed future date, coupled with interim simultaneous UHF broadcasting by VHF stations, would lay the necessary basis for discontinuance of the manufacture of VHF-only receivers.

24. The problem of getting UHF equipped sets into the hands of the public is not, however, subject to complete control, under existing law, by either the Commission or the industry. For even if it were to be determined that on a mass production basis improved all-channel sets can be developed at only a moderate cost differential from VHF-only sets, the forces of price competition in the industry are such as to magnify the effects of such slight differentials and in the absence of some additional spur or protection, to have the cheaper, less-complete set drive out the all-channel sets. Any private agreement among manufacturers to manufacture only UHF equipped sets would run the risk of violating the anti-trust laws. And in view of this fact, and the public's reluctance to spend additional sums in anticipation of future developments in the television art, we believe it may be essential for the Congress, contemporaneously with our explorations of the technical problems of UHF operation, to examine the advisability of legislation to relieve the situation. Such legislation might take the form of special tax relief, such as that already suggested, to equate all-channel receiver costs with those of VHF-only sets, or perhaps more drastic remedies such as the prohibition of the shipment in inter-



state commerce of other than UHF-equipped receivers might be found to be necessary. We can make no definite recommendations at this time as to specific legislation; we do believe, however, that this is an important facet of the overall problem which cannot be overlooked.

25. For all the foregoing reasons the Commission is convinced that it should now undertake a thorough, searching analysis of the possibilities for improving and expanding the nationwide television system through the exclusive use of the UHF band throughout or in a major portion of the United States. In order, however, to lay the basis for the formulation of a definite plan or proposal in a form suitable for consideration in a formal rule making proceeding, it will be necessary first to obtain facts and data relating to the basic problems, discussed in paragraphs 19 through 24 concerning UHF's capacity to provide a complete television service without the concomitant use of VHF channels, and the best means of effecting a transition to an all-UHF system. The Commission will welcome the submission of comments and data on these problems by all interested parties. The comments should refer to "FCC Inquiry Into The Feasibility Of Transferring Television Broadcasting To The UHF Band", and should be submitted, in an original and 14 copies, by Oct. 1, 1956. The Commission will decide what further proceedings will be appropriate after considering those comments.

26. Concerning the first group of problems relating to the technical performance of UHF transmitters and receivers we believe that it will be necessary to achieve some progress with the suggested program of research and development before it will be useful to establish an extensive record on these subjects. The Commission will, however, accept any comments which interested parties may feel it may be useful to submit on this aspect of the matter at this time. We will especially welcome comments at this time concerning the most effective methods for conducting and expediting this suggested research and development program.

27. An additional group of problems concerns the question of the most efficient utilization of the VHF frequencies now allocated to television broadcasting, taking into account both the problems of television allocations and the uses to which these frequencies might be put by other services. It would be premature to examine the latter uses in detail, at this stage, since even assuming the successful disposition of the technical problems of an all-UHF system developments in the interim may considerably alter the present circumstances of the other services. At the same time, it may be useful to note briefly several developments which indicate growing need of additional space in the VHF portion of the spectrum for other services.

28. Recently there has been considerable development of techniques employing ionospheric scatter for point-to-point or fixed communication. It is in use outside the United States and appears to offer possibilities for domestic use and for international use between the United States and other countries. The useful frequency range is between about 30 and 60 mc. As the sunspot cycle advances widespread interference is caused to the mobile services which are now using the same frequencies for domestic operation. Whether the use of ionospheric scatter circuits is limited to foreign areas or in the event that there will be domestic demands for this service, the question is raised whether frequencies in the range of 30 to 60 mc should be set aside for this service within the next 5 or 10 years.

29. The conditions of use and the characteristics of radio systems employed by the land mobile services indicate that the lower VHF spectrum may be well adapted to their needs. Many of these services are related to trading areas in much the same manner as the broadcast service. Thus they have need for substantially the same coverage areas. However, only the base transmitting and

receiving antennas can be raised above rooftop and tree-top levels, and in general the base station uses lower antennas and lesser powers than broadcast stations. The governing factor, however, is the severely restricted powers and antenna heights which are available to mobile units. Only in exceptional cases do they operate from clear sites, and it is imperative that for longer ranges they have frequencies suited to their needs. The lower VHF frequencies are less affected by hills, structures and vegetation. They also permit longer mobile antennas and more sensitive receivers. These factors indicate the desirability of considering the allocation of lower VHF frequencies to the land mobile services.

30. It is evident that the need and demand for more accommodation for land mobile services has been increasing substantially in the recent past and promises to increase further as the industrial uses of radio continue to develop. These factors raise basic questions concerning spectrum allocation which go further than the requirements of television broadcasting alone, and which take into account the rising needs of other services. Thus the question of the transfer of television broadcasting to UHF has the dual aspect of the possible improvement it may provide in the opportunity for achieving the goals of the nationwide television system upon the one hand and of accommodating expanding needs and requirements of industry on the other.

#### Interim Action

31. There remains the problem of interim action which should be taken pending resolution of the long range problems already discussed. Since some years would be required in any event for the full implementation of an all-UHF system, the Commission believes that steps should be taken in the meantime to improve the opportunities for effective competition among a greater number of stations. As already indicated, a basic choice in many markets at this time lies between the elimination of VHF channel assignments to create improved opportunities for UHF broadcasting and, alternatively, the assignment of additional local VHF channels. Because of the widely varying circumstances in individual markets and the numerous factors which bear on the choice of techniques in any individual community or area, it is not possible to formulate rigid criteria whose perfunctory application to individual cases will automatically indicate the course which would best serve the public interest in each community during the interim period. We have concluded, however, after extensive review of all the proposals which have been submitted to us for the elimination or addition of commercial VHF assignments, that the following considerations will have important bearing on decisions in specific communities or areas. In markets with one or more commercial VHF assignments, the merits of proposals to eliminate a VHF commercial assignment would depend to a large extent on such factors as:

- (1) Whether significant numbers of people would lack service as a result of the elimination of the VHF channel.
- (2) Whether one or more UHF stations are operating in the area.
- (3) Whether a reasonably high proportion of the sets in use can receive UHF signals.
- (4) Whether the terrain is reasonably favorable for UHF coverage.
- (5) Whether, taking into account all the local circumstances, the elimination of a VHF channel would be consistent with the objective of improving the opportunities for effective competition among a greater number of stations.

The desirability of assigning a first VHF channel or of adding an additional VHF channel would depend principally upon:

- (1) Whether it is possible to locate the new transmitter so as to meet minimum transmitter spacings.
- (2) Whether, in cases where it is necessary to move the channel from another city, there is greater need for the channel in the area to which it is proposed to be assigned.
- (3) Whether the addition of a new VHF assignment would be consistent with the objective of improving the opportunities for effective competition among a greater number of stations.

32. In appropriate instances it may be desirable, in order to attain the objectives stated in the preceding paragraph, to add an additional VHF assignment which meets all requirements of the present rules with the exception that the minimum spacing from the city where the new assignment is proposed would not be met. It would be feasible, however, in these instances, by appropriate location of the new transmitter, to meet all transmitter spacing requirements. Since it is the spacing from the transmitter that is critical, we believe, that it will be in the public interest to relax the present rules in order to permit new assignments that can be utilized within reasonable distance from the city in conformity with the minimum transmitter spacing requirement. In this way additional service can be provided without departing from the engineering standards.

#### Implementation of Interim Revisions of the Table of Assignments

33. This proceeding has served the purpose for which it was instituted, i.e., determination of the basic lines on which revisions of the existing television allocation plan should be considered. It can therefore now be terminated. We announced in the Notice of Proposed Rule Making adopted on Nov. 10, 1955, that after this determination had been made we would proceed to the consideration of proposals for such channel reassignments as might be made in conformity with the general policies adopted herein.

34. Accordingly, we are adopting today a number of Notices of Proposed Rule Making in which we will consider a series of proposed channel reassignments which appear to merit consideration in conformity with the objectives outlined in this Report and Order. For example, in a number of communities, including Madison<sup>3</sup> and Elmira,<sup>4</sup> we are proposing to delete a VHF channel or reserve it for educational use. It appears on the basis of the facts before us that such action offers reasonable prospect for improving the opportunities for effective competition among a greater number of stations in these areas. In other communities, such as Fresno<sup>4</sup> and Peoria,<sup>4</sup> we are proposing to shift VHF channels to other communities, which would have the added advantage of making additional comparable facilities available in VHF markets. In several other areas, such as New Orleans<sup>4</sup> and Albany,<sup>5</sup> it appears that similar objectives can be achieved by deleting or shifting one of the two VHF channels assigned in the area.

35. In communities such as Charleston and Duluth-Superior, which have two VHF channels assigned and no UHF stations in operation, we find that it is possible to add a third VHF channel by "drop-in" or by shifting an unused educational assignment for which there appears to be no realistic prospect of early use. In Miami,<sup>6</sup> which already has three commercial VHF assignments, we are proposing to add a 4th which it appears can be accomplished in accordance with minimum transmitter spacing

<sup>3</sup> Chairman McConnaughey and Commissioners Doerfer and Mack dissented from this proposed rule making.

<sup>4</sup> Commissioners Doerfer and Mack dissented from this proposed rule making.

<sup>5</sup> Chairman McConnaughey and Comrs. Doerfer and Mack dissented from this proposed rule making. Comrs. Webster, Bartley and Lee concurred but would propose the deletion of Channel 6 also.

<sup>6</sup> Commissioners Webster and Mack dissented from this proposed rule making.

requirements. We believe this course of action is more meritorious than deletion of two or all VHF channels from Miami, as some petitioners and parties to this proceeding have proposed. Where a 4th VHF channel can be employed without violating our engineering standards, deletion of VHF channels would not appear to be warranted.

36. In some markets such as Toledo, where there are only two commercial VHF assignments and no UHF stations operating, we find that despite the apparent capacity of such markets to support additional stations, it is not possible to assign an additional VHF channel because there are none available which would meet minimum transmitter spacings. Nor would it be practicable to encourage the expansion of local services on locally assigned UHF channels by eliminating a local VHF assignment because, apart from the absence of significant UHF conversion in the area, the reception of signals from VHF cities located elsewhere (in this case, Detroit) would make it doubtful that effective deintermixture could be achieved.

37. Parties interested in these proceedings will have full opportunity to submit comments in support of or in opposition to these proposals, and to submit counterproposals. The proposals put out for rule making at this time do not cover all the amendments to the present Table of Assignments which have been proposed in petitions now before us. We will endeavor to act on all petitions as rapidly as possible, including those already before us which have not yet been acted on and in those on which rule making proceedings have been initiated but not yet concluded. Parties desiring to file petitions for additional or alternative amendments to the Table of Assignments may do so.

38. In order to assist the Commission in evaluating proposals for channel reassignments which involve the removal of an existing VHF assignment for which an application is on file or a construction permit has been granted, it is requested that the parties furnish data, in accordance with the procedure set out in paragraphs 39 and 40, showing the service of all stations in the area involved.

39. As the Commission pointed out in the Sixth Report and Order and other documents, there is no available means for predicting precisely the service areas of a specific television station which will take into account time variations and variations in location, with particular reference to uneven terrain. Propagation data gathered since the Sixth Report and Order are now available. These latest data, as analyzed by the Commission's staff and others, should be used, since they improve somewhat the predictions which can now be made in the average case. The new data and methods for employing them are set out in Appendix A attached to this Report and Order.

40. The data supplied should be based on the following assumptions:

- (1) In computing coverage, stations should be assumed to be operating with maximum power at 1000 feet above average terrain, with the transmitter located in the center of the principal community, except where the minimum transmitter separations proposed require transmitter location elsewhere.
- (2) 1000 feet antenna height above average terrain should be used for all pertinent directions.
- (3) Service should be drawn for the limit of the Grade B contour as limited by noise or interference, as the case may be.
- (4) The extent of Grade B service should be computed in accordance with the tables set out in Appendix A.
- (5) Only co-channel interference need be considered.
- (6) Single station method of interference should be employed, i.e., the station causing the greatest penetration is assumed to mask the interference of other stations.
- (7) In computing interference or service, all stations presently on the air or authorized, and pending applications, should be taken into account, whether UHF or VHF. However, where a station that is not yet operating is considered, this fact should be indicated.

If the parties desire, data based on other assumptions may be submitted *in addition* to the foregoing.



41. In a Notice of Proposed Rule Making adopted June 22, 1955, (Docket No. 11433, FCC 55-705), the Commission requested comments on a proposal to raise the maximum power of UHF television stations from 1000 kw to 5000 kw, and to substitute new curves in Figures 3 and 4 of Section 3.699 of the Rules governing reduction of power for antenna heights exceeding 2000 feet. In a Further Report and Order adopted on December 14, 1955, the foregoing rule making proceeding was incorporated as part of the general television allocation proceeding under Docket No. 11532, and the proposal is accordingly before us for review in the instant proceeding. After careful examination of the comments which have been submitted in support of and in opposition to these proposals the Commission has concluded, in the light of the decisions reached in this proceeding, that the public interest would be served by increasing the maximum power of UHF stations to 5000 kw. It has accordingly decided to amend the relevant rules, including the curves already mentioned, in Figures 3 and 4 of Section 3.699. Equipment is now available and in use which yields effective radiated power of 1000 kw for UHF stations. Encouraging experiments have been conducted with UHF transmissions at 4500 kw and even higher power. The increase at this time in the maximum power authorized for UHF stations seems particularly appropriate in view of the importance attached to the research and development program already discussed.

42. In a Further Report and Order adopted November 30, 1955, (Docket Nos. 11181 and 11532, FCC 55-1198), the Commission brought within this general television allocation proceeding the proposal to increase the antenna height at which maximum power could be authorized for VHF television stations in Zone I. Previously, on July 20, 1955 (Report and Order, Docket No. 11181, FCC 55-802), the Commission had announced the adoption of an amendment to Section 3.614(b) of the rules which would permit VHF television stations in Zone I to use maximum power at antenna heights up to 1250 feet, instead of up to 1000 feet as provided in the rules. The effective date for that amendment was designated as August 31, 1955. This effective date was subsequently extended in a series of Orders issued prior to November 30, 1955, at which time the Commission vacated the Report and Order of July 20, 1955 and made the record in Docket No. 11181 part of this general television allocation proceeding. The rule making proposal under the former Docket No. 11181 is accordingly before us for decision.

43. In re-examining this proposal we have again carefully reviewed the comments, supporting and opposing the change. We have also considered a number of petitions for reconsideration or for stay of our Report and Order of July 20, 1955 (Docket No. 11181).<sup>7</sup> We also have considered the issues concerning maximum antenna heights and powers for VHF stations in Zone I in the light of the conclusions reached in this proceeding concerning the measures which will best facilitate the building and operation of greater numbers of television stations in both large and small markets. This objective is paramount, and furnishes the basis for our conclusion that it would be undesirable to alter the antenna height and power maxima at this time. As we pointed out in our Report and Order of July 20, 1955, there were cogent reasons for rejecting, in the Sixth Report and Order, proposals to permit all stations to use maximum power at 2000 feet, irrespective of location. In that document the Commission adverted to the lower separations in Zone I, the shorter distances between cities, and the need for

<sup>7</sup> Filed by Elm City Broadcasting Corporation, The Air Transport Association of America, The Ultra High Frequency Coordinating Committee, Greylock Broadcasting Company (WMGT), Springfield Television Broadcasting Corporation (WWLP), Plains Television Corporation (WICS), The Helm Coal Company (WNOW-TV), Rossmoyne Corporation (WCMB-TV), Southern Connecticut and Long Island Television Company (WICC-TV).

more data on operations over 1000 feet. The pattern of VHF stations in Zone I is now well established on the basis of the height and power rules adopted in 1952 when the Sixth Report and Order was issued.

44. The comments and data submitted in the instant proceeding also indicate that to some extent, the overlap of service areas tends to diminish the opportunities for the building and successful operation of a larger number of stations, both in the VHF and UHF bands, in smaller communities neighboring the larger metropolitan areas. The power increases sought for Zone I would tend to augment these effects of overlapping of service areas. In these circumstances, taking into account the objective of facilitating the construction and operation of a larger number of television stations, the Commission has come to the conclusion that it would be preferable not to adopt even the compromise increase contemplated in our Report and Order of July 20, 1955. In reaching this decision, the Commission has borne in mind not only the possible impact of the change on UHF stations in Zone I, but also the needless burdens which would be thrust on VHF stations, which would be faced with the alternatives of sustaining increased interference from co-channel stations taking advantage of the proposed rule change, or of increasing the heights of their own antennas in order to offset it. Owing to the added cost, local zoning restrictions and air space considerations not all VHF stations in Zone I would find it possible to increase their antenna heights. Thus this proposal would tend to unbalance the established pattern of VHF service in Zone I, a result which would not be justified by the extension of service areas which the amendment might make possible in a relatively few cases.

45. In our Memorandum Opinion and Order adopted December 14, 1955, we listed five petitions which related directly to the matters under review in the general television allocation and which we announced we would, accordingly, consider in these proceedings. It is now appropriate to consider these petitions in the light of the decisions reached herein. The petition filed April 18, 1955, by Albert J. Balusek of San Antonio, Tex. has already been disposed of. The remaining 4 are dealt with in the succeeding paragraphs.

46. On June 21, 1955, the UHF Industry Coordinating Committee requested that the Commission amend the rules so as to permit the authorization of VHF stations on a case-to-case basis at lower separations than are permitted at present. Whether such authorizations were processed on a case-to-case basis or on the basis of a general reduction of minimum separations, the Commission has concluded, for the reasons already given, that the authorization of additional VHF stations at sub-standard transmitter spacings would not be desirable.

47. On October 17, 1955 the Ultra High Frequency Industry Coordinating Committee filed a separate petition requesting, inter alia, that the Commission consider the television allocations problem under a broad rule making proceeding. The instant rule making proceeding corresponds with that requested by the petitioner. The Ultra High Frequency Industry Coordinating Committee also requested the deferment of authorizations or modifications of authorizations which would increase intermixture pending the conduct of the general proceeding. That portion of the petition is now moot, since we are now terminating this proceeding.

48. On October 7, 1955, the American Broadcasting Company filed a petition requesting the deintermixture of some communities, the reduction of VHF separations and other revisions to the present rules. These proposals of the American Broadcasting Company have been superseded by comments filed under the instant proceeding. It is not necessary, therefore, to give separate considerations to this petition.

49. On November 9, 1955, Scharfeld and Baron of Washington, D. C. filed a petition proposing that channel assignments be made on the basis of individual applications rather than under a fixed Table of Assignments. The Commission has given careful consideration to this proposal, but is not persuaded that it would be in the public interest to abandon the Table of Assignments at this time. Before the Sixth Report and Order was adopted the Commission considered proposals to assign television channels on the basis of individual applications. It was decided, however, for reasons set out in that document, that it would be preferable to establish a table of assignments subject to modification through rule making proceedings. Although not all the reasons given at that time are applicable now to the full extent they were in 1952, when a large backlog of applications would have rendered the application basis almost unmanageable, the Commission hesitates to discard the Table and thereby incur delays which may occur in cases where applications propose conflicting assignments. Moreover, retention of the present system of fixed assignments subject to modification in rule making proceedings is desirable for implementation of the policies adopted in this Report and Order.

50. In our Further Report and Order adopted in this proceeding on November 30, 1955, the Commission gave notice that it would consider herein the petition which Northern Pacific TV Corporation of Spokane, Washington, filed on November 17, 1954, requesting the amendment of Section 3.614(b) of the Rules so as to permit stations operating on Channels 2-6 in Zone II to operate with maximum power of 100 kw irrespective of antenna height. On the basis of careful consideration of this proposal the

The accompanying Tables, which have been drawn up on the basis of new propagation data,<sup>1</sup> provide the basis for determining the Grade B service contours of television stations in the presence of noise and co-channel interference.

In order that rapid determinations may be reached, an abbreviated method is to be used in employing the Tables. In constructing the Tables it has been assumed that a contour which reflects the effect of each interfering station separately will approximate that derived from computing the simultaneous effect of several interfering signals since the interference from the nearest station will predominate.

The Tables are based on new minimum local field intensities of 35, 44, and 53 dbu in the presence of noise for low VHF, high VHF and UHF, respectively, and on a maximum receiving antenna discrimination of 6 db for VHF and 13 db for UHF. These new figures are employed in light of experience and improvement in the art since the Sixth Report and Order. They represent the following changes from the values employed at the time of the Sixth Report and Order. A 6 db improvement in the receiver noise figure for low VHF, a 4 db improvement in the receiver noise figure and a 3 db improvement in the receiving antenna gain for high VHF, and a 5 db improvement in the receiver noise figure and a 2 db improvement in transmission line loss for UHF. Maximum power for VHF stations, 1,000 kw for UHF stations and 1,000 foot transmitting antenna heights have been assumed in compiling the Tables. All of the data underlying the Tables are based on the foregoing assumptions and on 90% service time probability.

Table I gives the distance of a television station's signal as limited by noise for 50% and 70% of the locations for the low band VHF, high band VHF and UHF in the presence of noise only.

Table II gives the minimum spacing between co-channel stations in order that their Grade B contours will be limited

<sup>1</sup> See "Present Knowledge of Propagation in the VHF and UHF TV Bands," W. C. Boose and H. Fine TRR 2.4.15., November 15, 1955.

Commission has concluded that it would not serve the public interest to remove the maximum limitations set out in the present rules at the present time. The basic considerations which apply here are similar to those already discussed in paragraphs 43 and 44, above, relating to the proposal to increase the antenna height at which VHF stations in Zone I are permitted to use maximum power.

51. In accordance with the decision reached on the proposal to increase the maximum power of UHF stations to 5000 kilowatts, discussed in paragraph 41 above, IT IS ORDERED, That effective August 1, 1956, Part 3 of the Commission's Rules is amended as follows:

A. Section 3.614(b) is amended by deleting in the Table the expression "30 dbk (1000 kw)" and substituting therefor "37 dbk (5000 kw)."

B. Section 3.699 is amended by the deletion of Figures 3 and 4 and the substitution therefor of the attached Figures 3 and 4.

52. Authority for the foregoing amendment is contained in Sections 303(a), (b), (c), (e), (f), (g), (h) and (r) and 4(i) of the Communications Act of 1934, as amended.

53. In accordance with the conclusions reached herein, IT IS ORDERED, That this proceeding IS TERMINATED, including that portion of this proceeding concerning amendment of the rules governing maximum antenna heights and powers in Zone I, which was formerly considered under Docket No. 11181.

FEDERAL COMMUNICATIONS COMMISSION  
MARY JANE MORRIS, *Secretary*

Adopted June 25, 1956. Released June 26, 1956. Note: Rules changes herein will be included in Amendment No. 3-16.

#### APPENDIX A

ited by noise only. When stations are spaced at distances less than those indicated, their service areas will be limited by the resulting interference.

Table III gives the point, on a direct line between stations, at which Grade B service will be limited by co-channel interference on the basis of the single station method of computation.<sup>2</sup> Linear interpolations may be used for distances between those listed.

Table IV gives the radii of the interfering signals which reduce the 70% noise limitation to an overall limitation of 50%. The following example explains how the Tables should be used:

Consider three co-channel TV stations in the low VHF band: Stations A, B and C (See Figure 1). The stations are offset. Station A is 180 miles from Station B and 225 miles from Station C. Station B is 290 miles from Station C. The problem is to determine the limitations of the Grade B contour of Station A in the presence of noise and the interfering signals from Stations B and C.

From Table I draw the 50% and 70% location contours as limited by noise. These are found to be circles of 78 and 71 mile radii, respectively. The contour limitation of Station A in the direction of Station B can be obtained by finding from Table III the distance to the interference free Grade B contour  $d_i$  for a spacing of 180 miles for low VHF stations operating on an offset basis. This contour is found to fall 50 miles from Station A, and this point should be plotted on a line between Stations A and B.

Two additional points should now be located to deter-

<sup>2</sup> The figures in the Table were computed by obtaining the point on a line between stations at which the desired field exceeds the undesired by the required ratio. This does not give the precise point at which Grade B service is limited since receiver noise factor is not considered. In dealing with stations in the low VHF band, it would be necessary to consider non-offset stations as far removed as 650 miles in order to take noise also into account. When using the simple method employed here for the spacings usually encountered the results may place the service contours from 1 to 4 miles beyond the actual figure that will be obtained if noise were also taken into account. Nevertheless, we believe the suggested method affords results of sufficient accuracy for present purposes.



mine the limitation of the Grade B contour of Station A in the presence of noise and interference from Station B. These additional two points may be located from Table IV. From this Table find the pertinent distance  $d_2$ . The required points will be this distance from Station B—the undesired station—and will lie on the 70% location noise-limited contour of Station A, i.e., at points x and y in the diagram. In the example  $d_2$  is 208 miles. These points will be positioned symmetrically with relation to the point already determined above and will indicate where noise will limit service to 70% of the locations and the interfering signal will limit service to 70% of the locations. The cumulative effect would thus be a limitation of service to 50% of the locations.

The Grade B contour of Station A as limited by noise, and interference from Station B will be determined by an arc of a circle drawn through the three points which have been located. The above procedure should be repeated for Station C. The Grade B contour limitations for Station A are shown in the figure as indicated by the arrows.

TABLE I

Distance to Noise Limited Contour for Locations Indicated			
	Low VHF	High VHF	UHF
At 50% Locations.....	78 Miles	70 Miles	49 Miles
At 70% Locations.....	71 Miles	66 Miles	45 Miles

TABLE II

Minimum Spacing Required So That Grade B Service Contour Is Limited by Noise Only			
	Low VHF	High VHF	UHF
Offset .....	271 Miles	247 Miles	155 Miles
Non-Offset .....	364 Miles	326 Miles	239 Miles

TABLE III

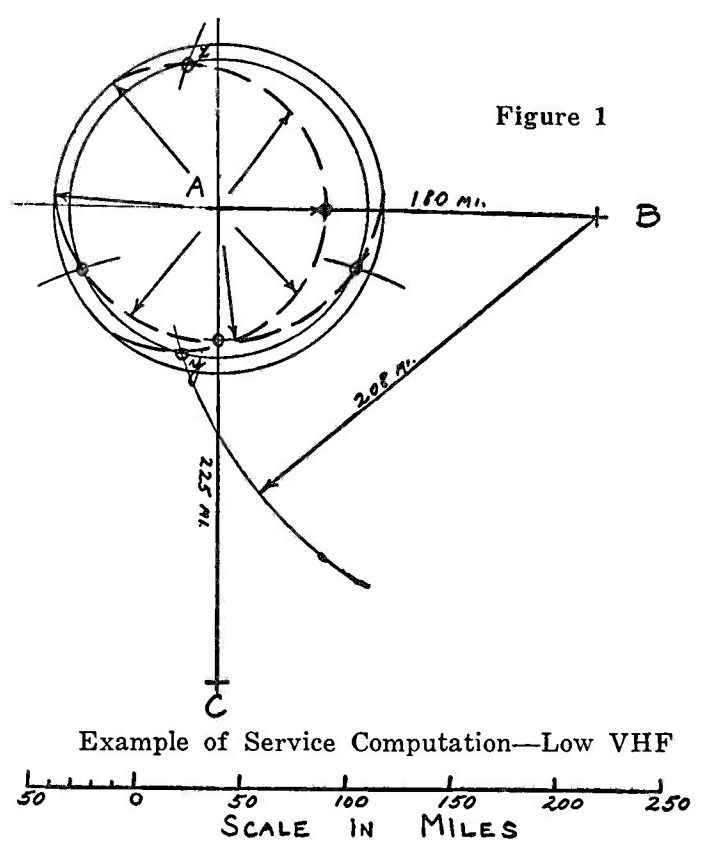
Distance ( $d_1$ in Miles) to Grade B Interference Free Service Contour in the Direction of an Interfering Station at Spacing Indicated					
Spacing (Miles)	Low VHF		High VHF		UHF
	Offset	Non-Offset	Offset	Non-Offset	Offset Non-Offset
100	26.5		31.0		37.0
110	30.0		34.0		40.5
120	32.5		37.5		43.0
130	35.5		40.0		45.0
140	38.5		43.0		47.0
150	41.0		46.0		48.0
155					49.0
160	44.0		48.5		
170	47.0		51.0		
180	50.0		53.5		
190	52.5		56.5		41.5
200	55.5	37.5	58.5	42.5	43.0
210	58.5	40.0	61.0	45.5	44.5
220	61.5	42.5	63.5	48.0	46.5
230	64.5	45.0	66.0	51.0	48.0
240	67.5	48.0	68.5	53.5	49.0
250	70.5	50.5	70.0	55.0	
260	74.0	53.0		57.0	
270	77.5	55.5		59.0	
280	78.0	57.5		61.0	
290		60.0		63.0	
300		62.0		65.0	
310		65.0		67.0	
320		67.0		69.0	
330		69.0		70.0	
340		72.0			
350		74.0			
360		77.0			
370		78.0			

TABLE IV

Distance ( $d_2$ ) from Undesired Station at Which Interfering Signal Will Reduce the 70% Location Noise Limitation of Desired Station to an Overall Grade B Limitation			
	Low VHF	High VHF	UHF
Offset .....	208 Miles	188 Miles	124 Miles
Non-Offset .....	307 Miles	274 Miles	210 Miles

CONCURRING STATEMENT OF COMR. WEBSTER

I concur in the thinking of a majority of the Commission that ultimately commercial television broadcasting may have to be moved to the UHF band. But, like my colleagues, I am of the opinion that a decision to make such a shift at this time would be premature in view of the present status of this phase of the radio art. Therefore, I am in accord with the Commission's desire and suggestion that the industry immediately launch an expedited research and development program designed to hasten the day when UHF will be able to assume its proper role in



the nationwide television system.

The Commission, by this Report and Order, expresses its growing concern in regard to the rapidly increasing needs of other radio services for additional spectrum space and points out that the transfer of television broadcasting to the UHF band would provide accommodations for the expanding requirements of industry in the lower part of the VHF spectrum which is well suited to the needs of the land mobile services. However, it does not appear that there is any inclination on the part of the Commission to re-examine the spectrum for this purpose at any time in the near future. While it is true that the conclusions to be reached as a result of such an examination would be tempered by the accomplishments of the expedited research program; nevertheless, it is my opinion that an examination of the lower VHF band should be conducted simultaneously therewith so that findings in each case could conceivably be reached at approximately the same time. Accordingly, I believe the Commission should immediately issue a notice of proposed rule making for the purpose of developing such data as it may need in determining the best use to be made of the lower VHF spectrum.

CONCURRING STATEMENT OF COMRS. HYDE AND BARTLEY

We concur in the adoption of the order, although we do not agree with discussion in the report regarding the disposition of certain prior TV allocation proceedings on which we have previously stated our views.

STATEMENT OF COMMISSIONER MACK

The Commission's Sixth Report and Order (FCC 52-294; April 14, 1952) adopted channel assignment principles and standards for Television broadcasting which have afforded a sound legal guide for the public and industry and which have promoted the rapid development of television in the United States. Today more than 90% of the homes in the United States are within range of at least one station and the great majority can receive 2 or more stations. The construction of additional stations already approved by this Commission will bring still more service.

Consequently, it appears highly speculative, on the record in this proceeding, that any changes should be undertaken at this time to alter the principles set forth in the Sixth Report and Order prior to the adoption of a long-range program. To the contrary, the growth of the television industry is real evidence of the value of the

Sixth Report in bringing television service to the greatest number of people. We may well recognize the industry's problems, but we cannot overlook the fact that in the present channel assignments the public is well served.

I do believe that the long-range program undertaken in conjunction with all segments of the broadcasting industry may well answer many problems which presently face the Commission.

**DISSENTING STATEMENT OF COMR. DOERFER**

Although I concur in that part of today's action soliciting comments as to the feasibility of moving all television broadcasting to the UHF portion of the spectrum, I cannot concur with that part of the proposed interim action which would deintermix a mere handful of so-called UHF markets. The proposed action would not make a significant or a substantial contribution toward the full utiliza-

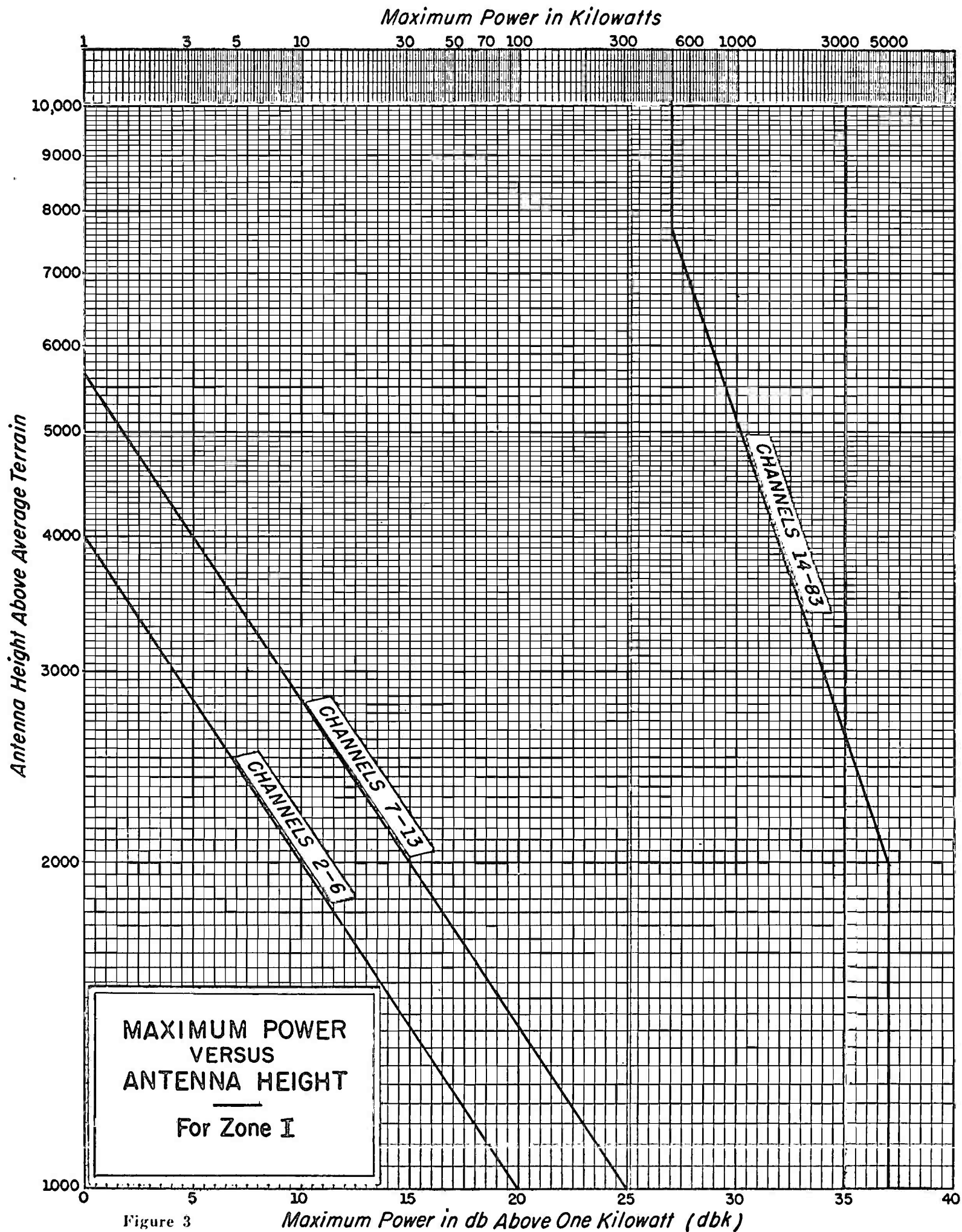


Figure 3



tion of the seventy UHF channels.

Although the avowed purpose of deintermixing is to provide a better competitive situation in these markets in the interim, actually this action is confined merely to those pending VHF applications which incurred delays in processing. This is a fortuitous circumstance and not a substantive solution to the problem.

The Federal Communications Act provides that the dis-

tribution of frequencies among the several states and communities shall be upon a fair, efficient and equitable basis. It makes no provision for a "nation-wide competitive system." Admittedly ample competition, if attainable without doing violence to the equitable and efficient provisions of the Act, would be in the public interest. But when this is to be accomplished at the expense of denying a first television service to substantial numbers of people,

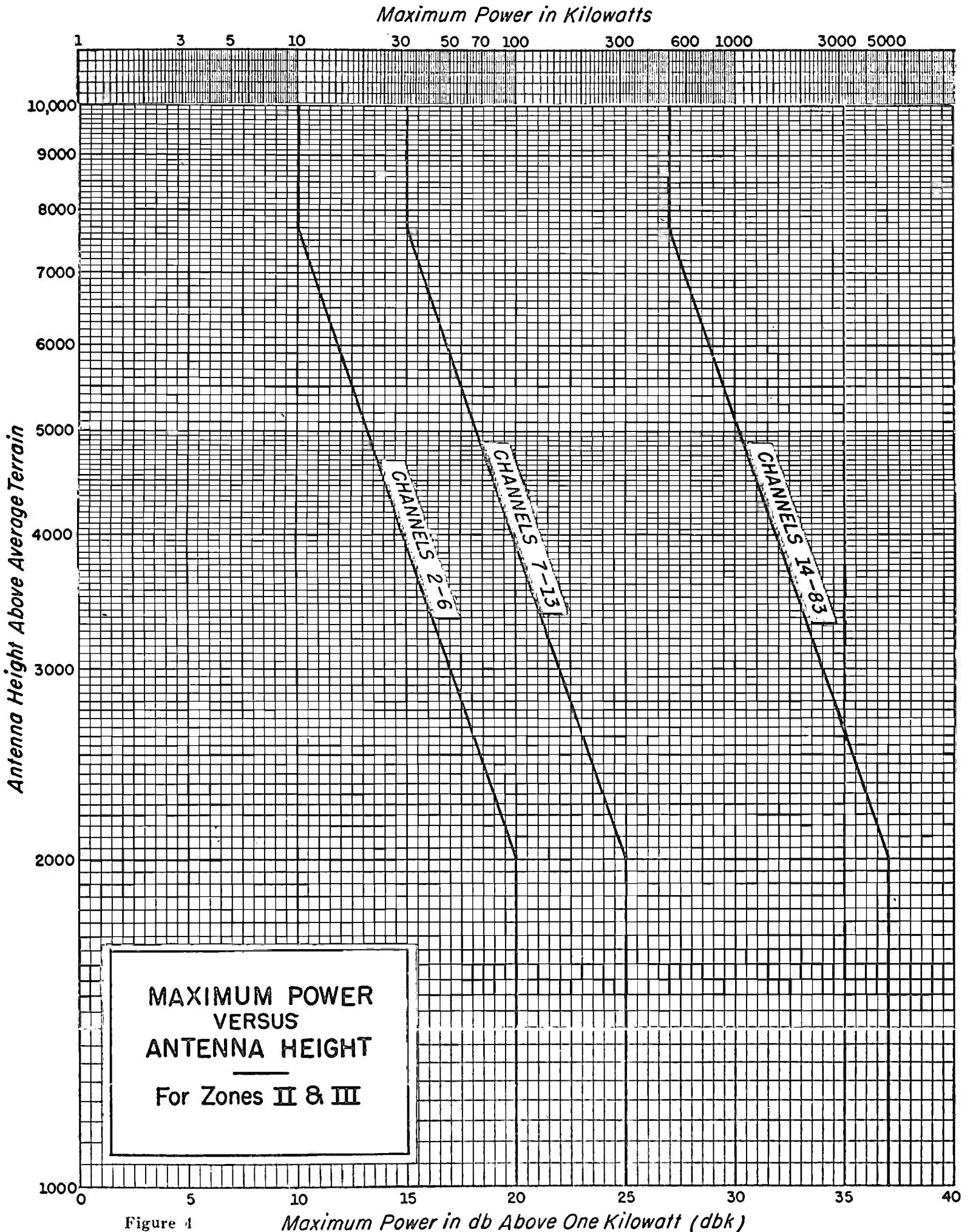


Figure 4

it is tantamount to displacing the Congressional mandate of an efficient and equitable distribution and substituting therefor equal competitive facilities for a few applicants.

To assign only UHF frequencies to some communities when a VHF service is available is, in my opinion, inequitable. A VHF service presently is superior to a UHF. In comparison with UHF, a VHF signal has a wider coverage and less shadow area. Both in operation and in reception, VHF is less costly. To ignore these differences in the present stage of the development of broadcasting is to disregard the specialized knowledge of this Commission and the experience of the industry and the public.

It cannot be denied that the reception of UHF is more costly. It requires special antennas, more sensitive receiving sets and more frequent and more costly maintenance.

Nor does the proposed rule making suggest efficient use of the spectrum. This Commission has allocated over 85% of the television spectrum space for UHF television broadcasting. The proposal today gives promise of using that portion to serve less than 10% of the present or the foreseeable demand. The deintermixture proposed will not create any more markets for UHF transmitting equipment or receiver sets. All markets proposed to be deintermixed have already substantially converted to UHF sets. At best, such action provides only a replacement market for less than 4 million sets and maintains the status quo—with no reasonable prospect for improvement.

The proposed action will also deny to the Commission the opportunity to gain reliable experience upon which to base future action. By creating UHF islands, the Commission also, as a corollary, creates VHF islands. Hence, there will be little opportunity to observe how successfully a UHF service can compete with a VHF service in the same market with a slight change in the network rules.

The willingness to study the feasibility of moving all television broadcasting to the UHF band is conditioned upon a big "IF". Neither this nor future Commissions will order this move unless there is practical assurance that UHF receiving and transmitting equipment develops a quality of performance equal to that of VHF. It is inconceivable that the present or future Commission will take any action which would disenfranchise thousands of

people now receiving service in the fringe area of a present VHF operation without such assurance.

Because I have grave doubts as to the eventual feasibility of an all-UHF system, I consider it to be the sheerest speculation to take steps now which would, for a long time, consign UHF to small and insignificant islands of competition. Even with possible improvement of equipment, the best that a UHF operator could show a national or regional advertiser in the future is success in a sheltered harbor. I can see no substantial support forthcoming from the advertisers—the backbone of broadcasting in this country—to a UHF service without proof of competitive ability in a mixed market.

No petitioner or Commissioner has indicated how this transition from an all-UHF market to a mixed market of VHF's and UHF's in the future will be accomplished. At best, nothing more is expressed than a hope. Indeed, the interim action of today is in the opposite direction from realizing full utilization of the VHF & UHF portion of the spectrum to effect a truly nation-wide competitive system.

If anything useful can be done to afford UHF an opportunity to compete successfully in a mixed market in the interim, it should be in the field of programming. To this extent, some help may be ventured by the adoption of a network rule designed to prevent a single VHF from skimming all the best network programs within a given market. Such rule may even prove helpful in a 2-only UHF market for a seedling UHF to grow. In any event, such a rule would give a more realistic promise, short of the full realization of an all-UHF system, of a truly nation-wide competitive system using both types of frequencies than a proposal to solidify a large number of VHF islands unassailable now and in the future from UHF competition.

As an interim measure, some readjustment of competitive facilities in predominantly VHF markets today may be worked out. But I cannot concur that it should be done by an utter disregard of the equitable provisions of the Communications Act or the possibility of undermining the only available foundation for the growth of UHF in intermixed markets.

## Channel Changes Proposed by The FCC

Excerpts of Notices of Proposed Rule-Making Affecting Specific Markets

Comments Due on or Before Sept. 10, 1956. Reply Comments Due 15 Days Thereafter

Offset carrier designations for the various channels to be specified in the final Report and Order

(\*) Asterisks indicate channels reserved for educational stations

City	Channel No.	
	Present	Proposed
Docket No. 11747		
Springfield, Ill. _____	2 20 *66	20 39 *66
St. Louis, Mo. _____	4 5 *9 11	2 4 5 *9
	30 36 42	11 30 36 42
Lincoln, Ill. _____	53	49
Docket No. 11748		
Hartford, Conn. _____	3 18 *24	18 *24 61
Meriden, Conn. _____	65	—
Easthampton, Mass. _____	61	—
Providence, R. I. _____	10 12 16 *36	3 10 12 16 *36
Docket No. 11749		
Galesburg, Ill. _____	40	77
Peoria, Ill. _____	8 19 *37 43	19 25 *37 43
Rock Island, Ill. _____	(See Davenport, Ia.)	8
Docket No. 11750		
New Bern, N. C. _____	13	12
Norfolk-Portsmouth-Newport News _____	3 10 15 *21	3 10 13 15 *21 33
	33	
Docket No. 11751		
Albany-Schenectady-Troy, N. Y. _____	6 *17 23 35	6 *17 23 35
	41	41 47
Vall Mills, N. Y. _____	10	—

City	Channel No.	
	Present	Proposed
Docket No. 11752		
Mobile, Ala. _____	5 10 *42 48	4 5 10 *48
New Orleans, La. _____	4 6 *8 20	6 *8 20 26
	26 32 61	32 42 61
Docket No. 11753		
Charleston, S. C. _____	2 5 *13 17	2 4 5 *13 17
Docket No. 11754		
Madison, Wis. _____	3 *21 27 33	*3 21 27 33
Docket No. 11755		
Duluth, Minn.-Superior, Wis. _____	3 6 *8 32	3 6 8 *32
	38	38
Docket No. 11756		
Miami, Fla. _____	*2 4 7 10	*2 4 6 7
	23 33	10 23 33
Docket No. 11757		
Evansville, Ind. _____	7 50 *56 62	*7 50 56 62
Docket No. 11758		
Auburn, N. Y. _____	37	—
Elmira, N. Y. _____	9 18 24	18 24 30
Docket No. 11759		
Fresno, Cal. _____	12 *18 24 47	*18 24 30 47
	53	53
Madera, Cal. _____	30	59
Santa Barbara, Cal. _____	3 20 26	3 12 20 26



**Financial & Trade Notes:** July edition of *Fortune Magazine* includes 16-p. supplement continuing its second annual "Directory of the 500 Largest U.S. Industrial Corporations"—and we've again received permission from Time Inc. to reprint the listings of TV-radio and related electronics manufacturers included in this blue-ribbon tabulation of firms whose net sales exceeded \$55,000,000 last year. Interestingly, the only company on last year's list (Vol. 11:27) not on this year's is Magnavox (inexplicably, for its first 3 quarters' fiscal sales exceeded \$52,000,000) and there are a few new ones added. The 500 "industrials" have been ranked according to total assets, net profits, number of stockholders & employes—and the comparative 1954-1955 rankings are quite revealing.

Service organizations are not listed, which accounts for exclusion of NBC, CBS, AB-PT and the movie companies. It should be noted that most of the firms culled from the big list are engaged in other manufacturing than TV-radio-electronics and that aircraft firms heavily in electronics are not included. The *Fortune* supplement this year also carries tabulations of the 50 largest commercial banks, merchandising firms, transportation companies, life insurance companies, utilities. Reprint of the 16-p. supplements are available from *Fortune*, Room 1430, 9 Rockefeller Plaza, New York 20, N. Y. at 25¢ each.

Note: We are readying for early publication a new tabulation of "Financial Data on Major TV-Electronics Companies," as compiled for us by Edgar N. Greenebaum Jr., the Chicago financial consultant on electronics. It's

an updated version of the one we published as a Special Report last Jan. 14, which we reprinted in our *TV Factbook No. 22*—and it will include data on 15 more companies for total of 86.

\* \* \* \*

The story of Ampex Corp., whose demonstrations of new visual tape recording equipment were sensation of last NARTB convention (Vol. 15:17), is detailed in 16-p. report for investors released by Blyth & Co., 14 Wall St., N. Y. It traces growth of 8-year-old Redwood City, Cal. electronics firm, whose sales mounted to \$10,150,000 in 1956 fiscal year ended April 30, net profit \$300,000 (46¢ per share, based on 650,000 shares of common stock currently outstanding), and estimates sales well over \$15,000,000 in current year and net earnings of \$1.50 to \$2.

Storer Broadcasting Corp., in the 12 months ended April 30, first year of its listing on N. Y. Stock Exchange, earned net income after taxes of \$5,073,925 (\$2.05 per share)—indicating it should readily exceed \$2 per share earnings for calendar 1956, as predicted by exec. v.p. Lee B. Wailes (Vol. 12:24). Net for calendar 1955 was record \$4,330,429 (\$1.73), up from \$3,680,779 (\$1.62) in 1954.

Dynamics Corp. of America sales in first half of this year were \$22,036,032, earnings \$947,771 (28¢ per share) vs. \$20,968,739 & \$702,221 (27¢) in 1955 period. Pres. David T. Bonner reported backlog exceeds \$40,000,000.

SEC reports Larry E. Gubb, director, has sold 4400 more shares of Philco, given gift of 100, reducing holdings to 10,948; in April, he sold 10,800 shares.

## TV-Radio Electronics Rankings in The Fortune Directory Of the 500 Largest U. S. Industrial Corporations

RANK '55	RANK '54 <sup>5</sup>	COMPANY	SALES <sup>1</sup>	ASSETS <sup>2</sup>		NET PROFITS <sup>3</sup>			STOCKHOLDERS		EMPLOYEES <sup>4</sup>		
			(\$000)	(\$000)	'55	'54	(\$000)	'55	'54	'55	'55	'55	
6	4	General Electric .....	3,095,352	1,727,553	12	9	200,924	10	5	347,844	2	214,794	3
12	15	Western Electric .....	1,853,299	1,261,168	16	16	63,340	26	20	6		120,054	8
17	13	Westinghouse Electric .....	1,440,977	1,287,686	15	12	42,803	49	15	119,086	12	115,857	9
26	23	Radio Corp. of America.....	1,055,266	676,506	31	37	47,525	43	34	170,122	7	78,500	15
44		Sperry Rand <sup>7</sup> .....	688,000	464,000	61		44,000	48		90,000	21	78,000	17
45	41	General Dynamics <sup>8</sup> .....	687,274	294,816	88	115	21,254	101	85	31,900	70	70,500	21
58	46	Bendix Aviation .....	567,250	278,065	94	82	25,889	87	69	28,094	85	46,252	35
59	61	Internat. Business Machines	563,549	629,511	34	34	55,873	30	24	25,923	92	39,033	46
80		International Tel. & Tel.....	448,378	687,452	29		23,070	93		58,889	36	111,000	10
90	85	Philco .....	373,359	178,147	135	133	8,423	217	204	18,700	129	24,000	82
112	106	Sylvania Electric Products...	307,371	203,164	122	117	13,813	143	157	30,923	74	27,300	67
114	83	Avco Manufacturing .....	299,332	198,418	123	112	758	485	318	58,212	37	24,583	78
127		Whirlpool-Seeger <sup>9</sup> .....	280,363	146,217	170		14,130	139		11,868	202	13,013	145
148	132	Minneapolis-Honeywell Reg...	244,482	164,334	149	152	19,279	106	105	11,152	209	25,608	71
162	156	Motorola .....	226,654	104,431	231	224	8,491	214	187	4,434	379	13,843	140
178	143	Admiral .....	202,362	104,823	229	196	2,427	422	213	7,845	279	8,500	240
185	124	ACF Industries .....	190,774	172,819	141	145	6,855	248	183	13,400	181	16,700	112
189	178	Raytheon Manufacturing .....	182,305	82,836	274	228	4,532	334	328	10,179	224	18,482	105
219	209	Corning Glass Works.....	157,664	130,873	191	177	18,627	110	99	9,386	238	13,950	139
225	224	Zenith .....	152,905	67,605	318	317	8,034	227	239	4,257	386	7,500	267
262	250	General Precision Equipment	133,338	100,887	238	235	2,531	416	245	5,500	349	12,000	165
292	316	Collins Radio .....	108,438	47,559	404	406	3,475	376	338	2,987	427	7,290	275
340	345	Emerson Radio & Phono.....	87,383	43,560	422	420	2,468	419	417	8,282	263	6,000	318
370		Penn-Texas .....	81,025	94,304	247		1,939	448		28,000	87	10,000	190
395	418	Daystrom .....	73,817	32,121	474	399	1,716	462	442	5,125	356	3,753	420
407	433	Clevite .....	71,936	61,832	342	335	4,855	321	376	6,579	312	6,907	285
427	474	Arvin Industries .....	67,422	32,034	475	476	4,052	351	403	4,111	396	4,122	405
439	459	Mallory (P. R.) .....	63,932	38,467	451	457	2,226	435	459	4,732	368	5,709	335
459	371	Standard Coil Products .....	60,472	27,253	489	471	(320)	493	364	5,000	361	8,000	252
479	311	DuMont (Allen B.) Labs. ....	57,827	45,103	411	311	(3,674)	496	466	9,783	232	4,000	409

<sup>1</sup> Net sales for fiscal years ending Jan. 2, 1955, through Jan. 2, 1956. Some companies report "gross operating income," "gross operating revenues," etc. rather than sales. All of sales totals shown include sales of consolidated subsidiaries. <sup>2</sup> Total assets employed in the business. <sup>3</sup> All figures in parentheses are losses. <sup>4</sup> As reported. In some cases average employment for year, in some companies, year end. <sup>5</sup> All 1954 rankings revised slightly to reflect

corrections in data reported last year. Companies not included in last year's directory not ranked. <sup>6</sup> AT&T owns 99.82% of capital stock. <sup>7</sup> Sperry Corp. (1954 rank: 66) and Remington Rand Inc. (137) merged June, 1955. Consolidated figures estimates. <sup>8</sup> Includes 1955 sales of Stromberg-Carlson (1954 sales rank: 411), acquired June, 1955. <sup>9</sup> Whirlpool Corp. (1954 rank: 185). Seeger Refrigerator (264), and two RCA departments merged September, 1955.

## Network Television Billings

May 1956 and January-May 1956

(For April report see *Television Digest*, Vol. 12:22)

**R**ECORD TV NETWORK billings achieved by CBS-TV in May—\$18,260,894—lifted cumulative total of the 3 national networks to record high of \$40,610,429 and to 5-month total of \$196,267,677, according to monthly Publishers Information Bureau report. The other networks did not quite achieve records, but the NBC-TV billings ran 15.6% ahead of May, 1955 and ABC-TV's 84.1% Cumulatively, with fall-winter billings certain to go higher, it now looks very much like the combined networks will go over \$500,000,000 for the year as compared with about \$407,000,000 for 1955 (Vol. 12:6). The complete PIB May report:

NETWORK TELEVISION						
	May 1956	May 1955	% Change	Jan.-May 1956	Jan.-May 1955	% Change
CBS	\$18,260,894	\$15,978,680	+14.3	\$ 88,563,636	\$ 77,967,657	+13.6
NBC	15,710,403	13,591,687	+15.6	75,342,803	66,572,049	+13.2
ABC	6,639,132	3,606,427	+84.1	32,361,238	18,226,301	+77.6
DuMont †	---	273,640	---	---	2,685,835	---
<b>Total</b>	<b>\$40,610,429</b>	<b>\$33,450,434</b>	<b>+21.4</b>	<b>\$196,267,677</b>	<b>\$165,451,842</b>	<b>+18.6</b>

### 1956 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
Jan.	\$ 6,382,046	\$17,820,455	\$14,695,116	\$ 38,897,617
Feb.	6,418,210	16,928,361	13,845,000	37,191,571
March	6,747,928	17,884,976	15,955,688	40,588,592
April	6,173,922	17,668,950*	15,136,596	38,979,468*
May	6,639,132	18,260,894	15,710,403	40,610,429
<b>Total</b>	<b>\$32,361,238</b>	<b>\$88,563,636</b>	<b>\$75,342,803</b>	<b>\$196,267,677</b>

\* Revised as of June 28, 1956.

† Effective Sept. 15, 1955, DuMont changed from a national network to a local operation.

Note: These figures do not represent actual revenues to the networks, which do not divulge their actual net dollar incomes. They're compiled by Publishers' Information Bureau on basis of one-time network rates, or before frequency or cash discounts, so in terms of dollars actually paid may be inflated by as much as 25%. However, they're generally accepted in the trade as an index.

Azcarraga-O'Farrill combine, which operates most of Mexico's TV stations, has opened XEWA-TV, Queretaro (Ch. 3) to relay Mexico City transmissions from 3800-metre high Mt. Zamorano. It cost 6,000,000 pesos to build and requires helicopter to reach. Station covers Bajio region that includes Queretaro, Irapuato, Leon & San Luis Potosi, and is link in projected chain designed to relay programs north and west from Mexico City. Same group also is planning relay station at Guadalajara, another at Chihuahua, and a 1-kw Philco transmitter has been ordered for Torreon. Monterrey's XHNL-TV (Ch. 10) will raise present 50-watt power shortly.

Court test of community antenna regulation in Wyoming was foreshadowed this week when 3 system operators—in Casper, Worland and Thermopolis declined to file annual reports, due July 1, ordered by Public Service Commission. Operators contend they don't own public utilities.

Harvard Summer School is holding special conference on TV July 16-18, with seminars on contributions that commercial TV can make to education, uses of TV in schools & universities for instruction, role of separate educational stations.

DuMont's WABD, N. Y. plans hiked color schedule this fall, up to 3 hours daily, including *Judge Roy Bean* series and heavy play of color cartoons. It also plans to install 10 color sets in studios to attract children.

Deadline for comments on frequency allocations for commercial "scatter" communication (Vol. 12:19) was postponed this week by FCC from July 1, 1956 to Jan. 2, 1957 at request of RETMA.

New 1127-ft. tower for KTBC-TV, Austin, Tex. (Ch. 7) has been approved by Washington Airspace Panel.

Hearst Radio's WISN-TV & WISN, Milwaukee, begin construction in July of new \$1,250,000 TV-radio center.

**T**ELECASTING INDUSTRY'S own private wire communications system, project still in blueprint stage, whereby stations throughout the country would be interconnected with networks, reps, agencies and program sources via Western Union facilities leased to non-profit company called Program Communications Assn., is undergoing close study by Western Union and will be subject of report to be made to industry committee by Aug. 1.

Original plan for faster & cheaper intercity communications was revealed last winter by Teleprompter Corp., when it got FCC ruling that such a service was subject to common carrier regulation (Vol. 11:45). Teleprompter pres. Irving B. Kahn has been holding conferences with industry people, outlining project encompassing 35,000 miles of land lines to be leased and 5 switching centers to be set up by Western Union for system of intra-industry communications similar to that employed by banks, airlines, etc.

Such a system, as he describes it, would be used by networks to clear time, by reps to schedule spots, by agencies for advertising corrections—and it's now proposed to make it industry-supported on a membership basis. It's claimed that present business-message tolls might be cut as much as half and, handled automatically and on tape, could be transmitted much faster than at present. Project organizers cite case of one network alone spending \$50,000 a month on 40,000 messages, and claim this can be cut substantially.

Because of bigness of project, on which it's estimated Western Union is ready to expend \$3,000,000 to \$5,000,000, it necessarily requires membership of all the networks and their affiliates, most reps and great number of associated companies. Teleprompter, whose main business is manufacture and lease of prompting devices, proposes to become management agent.

Organizing committee studying plan comprises Mr. Kahn, as chairman; Wm. S. Hedges, NBC v.p.; Ernest Lee Jahncke, ABC v.p.; Merle Jones, CBS-TV exec. v.p.; Edward L. Saxe, CBS-TV v.p.; Edward Codel, Katz Agency; Peter Levathes, Young & Rubicam v.p.; Kenyon Brown, KFEQ-TV, St. Joseph; John E. Fetzer, WKZO-TV, Kalamazoo; Wm. Fay, WHAM-TV, Rochester; Payson Hall, Meredith stations; Fred Houwink, WMAL-TV, Washington, chairman of ABC-TV affiliates committee; Howard Lane, KOIN-TV, Portland, Ore., chairman of CBS-TV affiliates advisory board; Don McGannon, Westinghouse stations; J. Leonard Reinsch, WSB-TV, Atlanta; W. D. (Dub) Rogers, KDUB-TV, Lubbock, Tex.

Favorable reviews generally greeted *Report on Broadcasting*, the studies of blacklisting in TV-radio and movie industries directed by John Cogley, former editor of *The Commonweal* and sponsored by the Ford Foundation-supported Fund for the Republic. The 2 volumes, one on TV-radio, other on films, were released last week (Vol. 12:25) and are available from the Fund for the Republic, 60 E. 42nd St., N. Y. That the touchy subject of employment practices and "security checks" in the entertainment industries is due for considerably more publicity, was made evident this week when House Committee on Un-American Activities subpoenaed Cogley to testify in secret session July 10, chairman Francis Walter (D-Pa.) observing that the Report "levels very grave charges against organizations and persons in the entertainment industry whose efforts have been directed toward eliminating the menace of the Communist conspiracy in the U. S."

One application was filed with FCC this week, bringing total on file to 133 (26 uhf). Seeking Ch. 13 in Eureka, Cal. was Carroll R. Hauser, real estate & cattle man who is part owner of radio KVEN, Ventura, Cal. [For further details, see *TV Addenda 22-Y* herewith.]