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**THE  
AUTHORITATIVE**  
WEEKLY NEWS DIGEST  
FOR EXECUTIVES OF THE  
VISUAL BROADCASTING  
AND ASSOCIATED  
RADIO & ELECTRONICS  
ARTS AND INDUSTRIES

# Television Digest

with **ELECTRONICS REPORTS**

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## SUMMARY-INDEX OF THE WEEK'S NEWS — December 7, 1957

**NEW YORK REGENTS** seek Ch. 13 for metropolitan area educational station, urging FCC reject sale of WATV to NTA for \$3,500,000; legal battle royal looms in new cause celebre (pp. 1 & 6).

**STATION-OWNED TV TAPE** units now in regular use; Ampex announces color conversion kit at \$29,000, offers recorders on lease basis (p. 2).

**STANDARD-TIME REPEATS** of network programs via video tape pose monumental problem for AT&T; some areas may be bypassed this summer (p. 3).

**10TH VIDEOTOWN SURVEY**, intense study of New Brunswick, N. J., shows last year's high viewing plateau maintained with small variations (p. 4).

**UHF STATION TOTAL** drops by 2 as Albany outlet switches to vhf, discontinues one of 2 satellites. Notes on upcoming stations (p. 7).

**VHF CHANNEL SHIFTS** sought—to San Antonio by local uhf, to Greensboro, N. C. by Jefferson Standard; Ch. 7 grant in Alexandria, Minn. (p. 7).

**NEW WIRED TOLL-TV** operation, charging viewers on per-program basis, reported due to start construction in Cal.; other fee-TV notes (p. 8).

**SUBLIMINAL AD SHOWING** for FCC tentatively planned next month on closed circuit. All 3 networks ban use of "hidden sell" (p. 9).

**TV-RADIO AD TAX THREAT** beaten back in St. Louis by campaign to halt spread of Baltimore plan, but AFA's Proud warns that danger persists (p. 10).

### Manufacturing-Distribution

**RADIO SET PRODUCTION** in unheralded comeback, with 1957 fourth biggest year in history; phonohi-fi output to hit all-time high (p. 11).

**COLOR SERVICE** is simple, RCA reports, disclosing it's reaching profitability; spokesman sees color now at 1947 black-&-white level (p. 11).

**HOTPOINT REALIGNS** all distribution and sales under John F. McDaniel; plans to cut dealers from 14,000 to 9000 (p. 13).

**WHY WOO BIGGER DEALERS?** Case presented by electronics distributor George Wedemeyer in analysis of cost vs. net in selling smaller accounts (p. 14).

**ANOTHER INVESTMENT FUND** reports on TV-electronics holdings (p. 15). Interlocking directorships-officer-ships reported by House committee (p. 14).

**DEMAND FOR Ch. 13 MAY BE CAUSE CELEBRE:** There's much more than meets the eye in the simple 3-page petition for rule-making filed with the FCC this week by counsel for the Board of Regents of the University of the State of New York, asking that Newark's Ch. 13 be set aside for educational TV—instead of being permitted to go to National Telefilm Associates, the film syndicate, by reason of its proposed \$3,500,000-plus purchase of WATV and radios WAAT & WAAT-FM (Vol. 13:40, 44).

The powerful laymen's group (see p. 6) heading what one regent calls "the greatest educational system in the world" proclaims that "New York City [must] take its proper place in providing the benefits of educational TV to the largest metropolitan area in the country and without serious dislocation in the commercial TV pattern, since there will be 6 competing commercial stations remaining, and without injury to the economic status or intentions of any existing TV operators."

They promise that the present operators of WATV "shall not be the losers by reason of the withdrawal of the channel from commercial use," indicating a willingness to buy the TV if not the radio property. WATV is licensed to New Jersey under the FCC's allocation plan; it has studios in both Newark and New York and transmitter atop Empire State Bldg., along with New York's other 6 stations.

FCC has literally been rubber-stamping station sales in the last few years, many TV and even more radio. Now it's faced with a basic policy decision not only with respect to transfer of ownership

between private interests but state's rights and educational claims involving a change in channeling.

This is the first such attempt to "usurp" an occupied channel—and there's no doubt a battle royal impends before the FCC and perhaps the courts and Congress. Up to now, only 28 non-commercial educational stations have taken to the air, 22 on vhf channels; there are also commercial vhf's operated by Cornell U at Ithaca, N. Y., Iowa State College at Ames, Loyola of New Orleans, U of Missouri at Columbia; Notre Dame has commercial uhf at South Bend.

Plenty of uhf channels are still available, generally unwanted, and some vhf's in certain areas; the New York regents themselves since 1952 have held CPs for 7 uhf's but have done nothing about them because of the failure of uhf set circulation in well-served vhf territory. Their unwillingness to venture will doubtless be cited against them.

Besides the question of New Jersey rights, there's municipally-owned WNYC, holding a uhf Ch. 31 grant—and city's politicians may step in to ask priority on any newly available vhf. There are 5 uhf grantees (one educational) in New Jersey, and they may also be heard from—to say nothing of priority claims that might be put forth by the private owners of defunct uhf's in Atlantic City and Asbury Park who had to quit when they couldn't make the economic grade. For example, indicative of kind of fight that may be in store was this week's filing in Court of Appeals by David E. Mackey, holder of CP for WOCN, Atlantic City (Ch. 52); he challenges FCC refusal to move WRCV-TV's Ch. 3 from Philadelphia to Atlantic City, noting that New Jersey has only one vhf station—i.e., WATV.

If WATV and NTA choose to fight, as expected, this case promises to be a cause celebre about which we'll be hearing a lot more in ensuing months. (More on p. 6.)

**VIDEO TAPE BECOMES TV STATION TOOL:** As first 2 non-network-owned stations put their video tape recorders to work, Ampex this week began taking orders for color conversion units and announced video tape recorder leasing plan for stations which can't afford or don't want to buy.

First stations with production-model Ampex recorders are Seattle's KING-TV & Portland's KGW-TV, both owned by Mrs. A. Scott Bullitt interests. KING-TV engineers, under James L. Middlebrooks, had new machine in operation within 4 hours after uncrating, successfully used recordings on air.

Compatibility feature of production model recorders will be put to acid test, with KING-TV and KGW-TV (which received its Ampex this week) already working out details of taped program exchange.

Next 4 Ampex video recorders to be delivered this month go to CBS, which already has 5 prototype models and is scheduled to receive an additional 9 production models next month, another 5 later.

Ampex this week announced it is ready to take orders for color conversion kits for its production model black-and-white recorders, and for complete color recorders—deliveries of both to begin in June. Color kit is engineer-made prototype model; Ampex won't make decision on production models (which should be considerably cheaper) until it can gauge demand for color recorders and conversion kits. Though Ampex prototype color kits won't be compatible with RCA prototype or production models, Ampex officials say that any future production models will have interchangeability feature.

With 2 manufacturers now offering both color and monochrome video tape units, here is the picture in machine availability and price:

Monochrome recorder-reproducers: Ampex production models \$45,000 each, now being delivered, close to 100 on order; 13 pre-production prototypes delivered at \$75,000 each. RCA, production model available by Dec. 1958, at \$49,500.

Color recorder-reproducers: RCA production models, for Dec. 1958 delivery, \$63,000; 7 pre-production units, to be delivered April-Sept. 1958, at \$96,000 (6 to NBC, 1 to WBTV, Charlotte, no more scheduled). Ampex monochrome production model recorder with prototype color unit, for delivery by June, \$74,000; prototype color converter for Ampex monochrome recorder, delivery by June, \$29,000.

In addition, Ampex announced this week new recorder leasing plan for stations. Company says it will rent a single recorder or an entire system, black-&-white or color, under the plan. For a single

monochrome recorder, leased on 4-year basis, rental would come to about \$1200 a month, which may be applied toward purchase of machine, if desired. Ampex is now taking orders for rental machines, deliveries to begin in April or May.

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Problem of editing video recordings is well on way to solution, Ampex and RCA agree. Ampex and others have been working on system by which splices can now be made by experts in 3 minutes. System involves spraying portion of tape to be edited with solution containing minute iron filings, making magnetic impulses visible. Production-model recorders record "editing pulse" on edge of tape, indicating end of frame. This pulse shows up when sprayed, indicating where splice can be made without disturbing sync.

**NATIONWIDE STANDARD-TIME TV UNCERTAIN:** There's still a large obstacle in the way of the 3 TV networks' plans to eliminate Daylight Time program schedule changes in areas which remain on Standard Time this summer.

The obstacle, as reported in these columns last June (Vol. 13:23-24), is the availability of inter-city microwave-cable circuits to carry the heavy additional network program repeat schedule. AT&T, which has performed some monumental jobs in expanding network service, plans to add 15,000 miles of channels to its video facilities—but not all will be completed by start of Daylight Time next April, and spokesmen say they don't know how much of the networks' demands they'll be able to meet.

Network TV requirements for AT&T lines will be doubled in some parts of country next spring and summer—since each network plans to transmit its programs twice, the first time live, then by video tape repeat one hour later for areas which don't observe Daylight Time. Fortunately for AT&T, each network will originate bulk of its tape repeats from different location—ABC from Chicago, CBS from N. Y., NBC from Hollywood—easing circuit jam somewhat.

Networks and other video circuit users must file their spring-summer requirements with AT&T by Jan. 27, and until these are weighed even AT&T doesn't know just what portion can be met. Important factor in AT&T's considerations is the amount of requests it gets for video circuits by users other than major networks. Under FCC regulations, telephone company must give all applicants for service an even shake.

It's understood that biggest Standard Time repeat problem is expected northwest of Chicago, while southeastern states are virtually assured of Standard "clock-time" service. Ohio Valley is said to be another trouble spot.

Long lines dept. operations director James E. Dingman, in response to our query, said:

"No one can say now, positively, just what the situation will be next summer with respect to availability of channels, as the networks and other customers have until Jan. 27, 1958 to give us their firm requirements. Once we're sure of the needs of all our customers and process and analyze them, we'll know where we stand."

Networks, nevertheless, are reasonably confident that most Standard Time areas will be accessible for repeat telecasts. Said CBS engineering & station relations v.p. Wm. Lodge: "We still hope AT&T will be able to deliver almost all areas we want to serve on a Standard Time delay basis."

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AT&T, meanwhile, has undertaken study to determine future requirements and needed areas of expansion. As Dingman put it, long lines dept. seeks to find out:

"(1) What the capacity of our facilities would be under the maximum requirements that can be visualized. (2) What can be done about unexpected shortages that may develop."

Without promising everything will be dandy next summer, he added: "In other words, we have been trying to dig out the facility problems in those areas where we anticipate a request for a doubling of channels, and we're shaping plans to overcome problems as early as practicable."

**VIDEOTOWN SURVEY—HIGH PLATEAU SUSTAINED:** The high plateau reached by TV as a dominant force in people's lives, well documented last year by Cunningham & Walsh's famed "Videotown" survey (Vol. 12:41), has been sustained with minor variations this year.

Ad agency's 10th annual "depth" study of New Brunswick, N. J. (pop. 40,000), released this week, summarizes this year's findings thus: "Watching became a fixed habit with hours of viewing taking a sidewise course rather than the emotional necessity which was so impelling at first." Researchers conclude it would take some major change in programming to change amount of viewing significantly. Here are principal findings:

(1) Viewing habits. Total watching actually increased from 1956, which was first year to show drop—but individual viewing slipped slightly. Increase of people in TV homes outweighed individual viewing curtailment. Evening viewing Mon.-thru-Fri. is up slightly from 1956—11 hours & 27 min. per week vs. 11 hours & 3 min. Morning viewing is less than an hour vs. slightly more than an hour last year. Afternoon watching has dropped slightly but steadily from 1954 peak of 1 hour & 39 min. to 1 hour & 15 min. this year.

(2) Entertaining & visiting. Substantial increase—up from 12% to 20%.

(3) Movie-going. Somewhat more than in 1956, but still less than  $\frac{2}{3}$  pre-TV level. "No trend is apparent at this point."

(4) Magazine reading. Still dropping. After initial severe drop in early 1950's, increases were reported in 1953-55. In 1956, it suffered again—and this year sank to early 1950's level, inducing surveyors to state: "It may be partly coincidence that during these last 2 years several magazines, representing millions of circulation, have discontinued publication."

(5) Newspaper reading. Still scarcely affected, level remaining high.

(6) Radio listening. Continued improvement. Pre-TV, 60% of homes reported listening in week-day evenings. In 1951, TV homes showed only 5% listening—then it went to 8% in 1952, 9% in 1953, 10% in 1954 & 1955, 12% in 1956, 16% in 1957. Radios are owned by 94% of families, averaging 2 radios in TV homes, 1.8 in non-TV.

(7) TV set sales. With saturation over 90%, sales "will have to come from replacement of small screen and worn out sets, and from newlyweds." No estimate is given for total 1957 sales. Previous totals: 1596 in 1956, 1477 in 1955, 1793 in 1954, 1555 in 1953, 2777 in 1950 (1951 & 1952 not reported).

Two-set homes total 10% vs. 8.7% in 1956. Of those planning to buy, 23% said they want 2 sets; of these, about half plan on portables. Repairs average \$7.71 yearly.

(8) Color. About 25% of set owners had seen color vs. 23% last year. "Reactions to color TV were mixed, more people commenting unfavorably than expressing favorable opinions." About half of TV owners want color sets, feel price should be about \$320; 10% of those planning to buy TV this year said they'd buy color.

(Copies of study will be available from Cunningham & Walsh, 260 Madison Ave., N. Y.—Gerald W. Tasker, v.p. & director of research.)

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It's official: Nielsen reports that westerns are highest rated group among 30-min. TV shows so far this season, averaging 28.1%; quiz & audience participation are No. 2 with 27.1%, up from 23.1% year ago. Over-all rating levels of network shows are up slightly, Nielsen adds, Oct. evening programs averaging out to total audience of 23.3%, up from 21.9% in Oct. 1956; weekday daytime averaged 8.1% (vs. 7.8% year ago); weekend daytime 14.5% (down from 15.7%).

TV relay station nearly 22,000 miles high is planned by Russia, according to Soviet scientist Jevgenyiji Krinov, quoted in a Hungarian newspaper. TV-carrying sputnik "in the next few years" will enable people in China and on the South Pole to watch Soviet TV, he's quoted as saying.

Cops-&robbers gun battle in Cleveland was filmed on spot by KYW-TV cameraman Ralph Mayher, who always carries equipment with him. Driving through neighborhood where food market holdup had just been staged, he came on scene as police cornered 5 suspects in fusillade of shots. Mayher perched on ledge, caught action for newscast that night.

Experimental TV coverage of murder trial by KDKA-TV, Pittsburgh, permitted by Judge Lloyd Weaver with understanding that camera alone would be used in courtroom, has brought comment by him that filming of proceedings caused no disruption. Consent of defendant also was obtained before trial opened. Judge permitted no other photographers in court.

**Personal Notes:** Michael J. Minahan promoted to business mgr. of ABN; Sy Cohen, ex-Warner Bros., named stations exploitation executive, new post . . . Ralph Beaudin, ex-radio WBNY, Buffalo, joins AB-PT's recently-acquired radio KQV, Pittsburgh, as gen. mgr. . . . David Scott, from WNBC, New Britain-Hartford, named to new post of New England div. mgr. of NBC Spot Sales . . . Lloyd E. Yoder, NBC v.p. & gen. mgr. of WRCV-TV & WRCV, Philadelphia, appointed to exec. committee of Carnegie Tech board of trustees . . . Bennet H. Korn, station mgr. of WABD, N. Y., and v.p. of DuMont Bestg. Corp., named exec. asst. to Richard D. Buckley, programming-sales v.p., and assigned additional responsibilities of supervising WTTG, Washington, and DuMont syndicated operations . . . George Ruppel promoted to treas. of RKO Teleradio Pictures, Oscar Nittel to controller . . . Charles M. Reagan resigns as v.p. & gen. sales mgr. of Loew's Inc.; John P. Byrne, asst. gen. sales mgr., promoted to succeed him . . . James J. Johnston, ex-KTVH, Hutchinson-Wichita, named operations mgr. of upcoming WMBD-TV, Peoria; Joseph Franzgrote, ex-WNDU-TV, South Bend, promotion mgr. . . . Roland Giguere promoted to director of CBC TV-radio reporting services, Montreal . . . Dick Moran, ex-D'Arcy, St. Louis, recently with *Chicago Tribune*, joins newly-opened Des Moines office of rep John E. Pearson . . . J. Wm. Chapman Jr., ex-Stone Mfg. Co., joins brother Paul H. Chapman's brokerage firm in Atlanta . . . Si Lewis named national sales mgr. of Tele-Broadcasters radio stations . . . Alan J. Bell, ex-Army Pictorial Service, named asst. TV-radio promotion & research director of rep Peters, Griffin, Woodward . . . Albert J. Gillen, ex-WHAS-TV, Louisville, named sales director of WABT, WAPI & WAFM, Birmingham . . . Bruce Johns resigns as promotion director of WCHS-TV & WCHS, Charleston, W. Va., joins *TV Guide* as Cincinnati regional promotion director; Wm. Cooke, from WTVR, Richmond, Va., returns to WCHS-TV &

WCHS to replace him . . . Larry Geraghty promoted to news director of WSSH-TV, Portland, Me. . . Frank Lane continues as gen. mgr. and retains staff of KRMG, Tulsa, newly acquired 5th radio in Meredith group of TV-radio stations in Syracuse, Omaha, Kansas City, Phoenix (for details, see Group Ownership, p. 362, *TV Factbook No. 25*) . . . Joseph P. Foley, ex-CBS, named adv. v.p. of new *Young New Yorkers* monthly magazine . . . James C. McMurray promoted to station mgr. of WVUE, Wilmington-Philadelphia . . . Wm. E. Pierson, WBKB, Chicago, appointed secy.-treas. of Broadcasters' Promotion Assn.; Ralph Trieger, WBBM-TV, Chicago, publicity chairman . . . Ruddick Lawrence, ex-NBC v.p., now N. Y. Stock Exchange public relations v.p., expected to be released next week from Lawrence Hospital, Bronxville, N. Y., where he has been confined with slipped disc.

### Obituary

Frank E. Gannett, 81, founder of chain of 22 newspapers and head of 3 TV and 5 radio stations, died Dec. 3 at his home in Rochester, N. Y. He had retired last April as pres. of his company, was succeeded by exec. v.p. Paul Miller, onetime head of Washington AP bureau. Survivors are his widow, an adopted son Dixon, of Dearborn, Mich., 6 grandchildren. Gannett TV-radio interests comprise WHEC-TV & WHEC, Rochester; WINR-TV & WINR, Binghamton; WDAN-TV & WDAN, Danville, Ill.; radio WENY, Elmira; and pending application (Vol. 13:47) to buy KOVR, Stockton, Cal. (Ch. 13); Glover DeLaney is managing director of group. [For newspapers, see *Rochester Democrat & Chronicle* under Newspaper Ownership of TV Stations, *TV Factbook No. 25*.]

G. Ralph Branton, 61, pres. of Interstate TV Corp., film distribution subsidiary of Allied Artists, of which he was a v.p., died Dec. 2 in Cedars of Lebanon Hospital, Hollywood, following heart attack. Surviving are his widow, 2 daughters.

**ADVERTISING AGENCIES:** Robert L. Foreman, exec. v.p. of BBDO in charge of TV-radio operations, elected to exec. committee . . . Harry D. Way resigns as media director of Warwick & Legler . . . John Ennis promoted to v.p. & media director of Bryan Houston, succeeding H. H. Dobberteen, resigned; Robert Boulware, ex-WLWT, Cincinnati, promoted to v.p. & assoc. media director . . . Jack Bard named marketing services v.p. of Edward H. Weiss & Co., in charge of integrated marketing, research & media facilities; Dr. Gray Steiner promoted to research director . . . Henry J. Opperman, TV-radio director of Geoffrey Wade, also named N. Y. office mgr. . . . Jay Berry, from Brooke, Smith, French & Dorrance, named v.p. & gen. mgr., national div., Alexander Film Co., Colo. Springs.

William S. Cherry Jr., pres. of WPRO-TV & WPRO, Providence, and WDBO-TV & WDBO, Orlando, Fla., is chairman and Paul A. O'Bryan, partner of Washington law firm of Dow, Lohnes & Albertson, is pres.-treas. of company now operating deluxe Cherry Plaza Hotel, Orlando. They joined with C. J. Mack, v.p. of Hotel Corp. of America and mgr. of Mayflower Hotel, Washington, to acquire property in \$3,000,000 purchase-renovation deal. Fourth member of board is Earnest Willard, pres. of Orlando's Florida National Bank.

Wm. H. Watkins, asst. chief of FCC's frequency allocation & treaty div. since 1954, named engineering asst. to Comr. Craven. He joined staff in 1946.

NBC's 25-year Club admitted 19 new N. Y. members this week, each receiving watch & certificate after a welcoming speech by NBC pres. Robert W. Sarnoff.

Challenge to broadcasters to arouse "imagination and attention of the child, parent and teacher . . . in America's present quest for more scientific manpower and know-how" was voiced by FCC chairman John C. Doerfer at Dec. 2 Thomas Alva Edison Foundation's mass media awards dinner for TV, radio & film at Waldorf-Astoria Hotel, N. Y. He suggested that "some of our children should be disabused of some of their phobias about science" and some programs should be aimed at youths who have dropped out of high school, citing them as "excellent prospects for highly skilled technicians—if not scientists." Doerfer noted need for foreign language interpreters, suggesting broadcasters look into theory of late professor L. L. Thurston that "rote material can be taught during sleep if the student is taking lessons during the day."

Edward Lamb, who besides operating WICU-TV, Erie, Pa. also controls Air-Way Industries Inc., Toledo, has sued McGraw-Hill Publishing Co. for \$1,500,000 in Detroit Federal Court, alleging damaging statements in *Business Week* about conduct of the appliance-making concern which recently disposed of its Toledo vacuum cleaner plant.

Telescript-CSP Inc. is new corporation (263 W. 69th St., N. Y. 23; Trafalgar 4-7272) formed to design and sell prompting equipment to TV stations and film studios. Pres. Bob Swanson estimates 1958 gross of \$250,000.

Seymour M. Chase, on dissolution of Segal, Smith & Hennessey law partnership Jan. 1, when Smith & Hennessey start separate Washington firm (Vol. 13:47), will enter practice on his own, offices not yet selected.

Young Television Corp. plans Atlanta branch to be headed by Hal Parks, ex-WAGA.

**Educators Seek Ch. 13 for N. Y.:** New Jersey's sole vhf allocation, WATV's Ch. 13 assigned to Newark and using joint antenna site atop Empire State Bldg. occupied also by New York City area's other 6 stations, has been an object of contention ever since engineering v.p. Frank Bremer founded the station in 1948. Other Jersey communities, forced to uhf only, have complained of discrimination and charged the station was really just another metropolitan N. Y. outlet.

But never have the present owners, headed by Irving R. Rosenhaus and principally including his family, who also control Pharmaceuticals Inc. (Geritol, Serutan, etc.), faced such titans as group now proposing FCC set aside Ch. 13 for education and thereby opposing projected sale of WATV to National Telefilm Associates (p. 1).

"We will fight this thing through if we have to go to Congress and the courts," said Jacob L. Holtzmann, chairman of the special committee on TV for education set up by the powerful Board of Regents of the University of the State of New York. Its Washington counsel is Henry G. Fisher; WATV counsel is Paul M. Segal.

This is no group of long-hairs, nor is there actually a "University of the State of New York." Rather, it's a unique setup of 13 members, all eminent citizens, all elected by the State Legislature, its origin dating back to 1784. It has supervisory jurisdiction over 170-odd institutions of higher learning in state, including Columbia and NYU, and over all other schools from kindergarten to post-graduate; it charters such institutions as the Metropolitan Museum of Art, issues licenses for medical practice, runs "state board" exams, etc. Membership on 13-man board, non-salaried, has been regarded as a high honor ever since it was first created with Alexander Hamilton as Chancellor.

One new regent is elected every 13 years, and the business and professional people chosen serve largely as a labor of love. Mr. Holtzmann, for example, is senior partner of New York law firm of Holtzmann, Wise & Shepard; educational TV is his professed hobby. Fellow members of his TV committee, also regents, are Charles W. Millard Jr.,

Buffalo banker, and Chester H. Lang, retired GE public relations v.p. Only woman regent is Mrs. Frank E. Gannett, widow of the Rochester publisher who died this week. Board's Chancellor, Roger W. Straus, who died recently, was chairman of American Smelting & Refining Co.

Recently named Chancellor is John F. Brosnan, prominent Catholic layman and pres., N. Y. County Lawyers Assn. Vice Chancellor is Edgar W. Couper, Binghamton insurance executive. Other members: Wm. J. Wallin, Yonkers attorney, Chancellor-emeritus; John T. Myers, pres., Plattsburg National Bank; Dr. Dominic Maurillo, Brooklyn physician; Alexander J. Allan Jr., Troy paint manufacturer; Thad L. Collum, Syracuse engineer; George L. Hubbell Jr., N. Y. attorney; Prof. T. Norman Hurd, Cornell U.

Executive officer is James E. Allen Jr., state commissioner of education. This same group in 1952 applied for, and got, uhf channels in Albany, Binghamton, Buffalo, Ithaca, New York City, Rochester, Syracuse, with application still pending for Utica—but has done nothing about these grants for a proposed educational network because, as Holtzmann puts it, "We found the uhf channels aren't worth activating."

Avowedly, this group got particularly het up lately about educational TV by the success of the 6:30-7 a.m. *Sunrise Semester* on WCBS-TV, an NYU full college credit course in comparative literature that is proving a phenomenal success (Vol. 13:38). According to Chairman Holtzmann, it has assurances it can get both state and foundation money; some members, he said, are even willing to finance the project "in trust" in order to get it going quickly. Their ultimate aim is a state network.

As for recompense to the WATV owners, Mr. Holtzmann says "we'll pay what's right." His group doesn't want the radio (WAAT & WAAT-FM) portion of the package being sold to NTA. NTA deal (Vol. 13:40, 44) doesn't break down evaluations on respective properties, but proposes payment of \$2,550,000 for the stock, assumption of \$950,000 obligations, and retention of executives and staff under profit-sharing arrangements that might amount to another \$1,000,000 over an extended period.

Both stations are shown as deficit operations, though it's understood radio has been quite profitable, TV generally a loser. Sept. 30 balance sheet of WATV shows total deficit of \$148,115, current assets \$123,362, fixed assets \$474,939, liabilities \$532,416, estimated replacement cost \$1,235,000.

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FCC's most outspoken critic of programming that he considers in poor taste, Comr. Lee, issued another warning this week. In Minneapolis, he told reporters: "I'm not too happy with some of the stuff I see on TV . . . I don't like cheap commercials, but I dislike much TV entertainment even more. I resent the bad clothes, the allusions, the hints, the unspoken—all indicating sex." He said he dislikes private censor and pressure groups "but I prophesy that video will be brought under their control unless it mends its ways immediately."

Mass radio education of illiterate Indians in Mexico has been started by govt. agencies in cooperation with National Committee for Regional Communications. Pilot project centered in Tlaxico, Oaxaca, includes broadcasts to 41 specially-built schools scattered through mountains, where local teachers familiar with Indian dialects as well as Spanish supervise language classes. Program is aimed at estimated 3,000,000 Indians who don't speak Spanish.

Motion pictures and filmstrips are listed in *Catalog of Copyright Entries*, Jan.-June 1957, available for 50¢ from Register of Copyrights, Library of Congress, Washington.

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Press opposition to legislative proposals for permanent TV installations for coverage of W. Va. legislative sessions is developing, Charleston papers complaining that plans debated by state legislature's rules committee constitute public subsidy for private profit. Sessions have been covered since Jan. 1956 by WSAZ-TV, which rigged up own temporary facilities with permission of state officials, making them available to other stations.

To block construction of illegal vhf booster in Richland, Utah, by Sevier County commissioners, town's community antenna operator T. Collins Jackson has asked state Supreme Court for writ of prohibition. This is a sort of preliminary step to major challenge of recently passed Utah law permitting local govt. units to use tax money for uhf translators.

New studio equipment for Boston U's public relations & communications school, including 4 cameras, film chain, 2 switcher-faders, 2 synchronizer units, sound projectors, will be installed this month. More than 100 students are enrolled for TV training.

NARTB Conference of State Assn. Presidents will be held in Washington Feb. 18-19.

**Albany TV Drops Satellite:** Number of uhf outlets on air decreased by 2 this week as Lowell Thomas interests switched their Albany station from Ch. 41 to 10, changing call from WCDA to WTEN, at same time dropping satellite WCDB, Hagaman, N. Y. (Ch. 29), while retaining other satellite WCDC, Adams, Mass. (Ch. 19). Since FCC's grant of Ch. 10 is tentative, station is retaining Hagaman CP, will reactivate satellite if it must switch Albany outlet back to uhf. Switch-over reduces number of uhf stations on air to 90, total TVs to 519. No new outlets were reported on air this week.

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

KIRO-TV, Seattle (Ch. 7) has studio-transmitter building 70% completed, 50-kw GE transmitter installation scheduled for completion Dec. 20, construction on 500-ft. Truscon tower underway and special GE helical antenna is due Dec. 18, according to v.p. Lincoln W. Miller. Test pattern target is now Dec. 25, with CBS-TV programming due Feb. 8. Rep will be Peters, Griffin, Woodward Inc.

KGHL-TV, Billings, Mont. (Ch. 8) had 280 ft. of 417-ft. Ideco tower erected last week, hopes to have tower completed when RCA traveling-wave antenna—first of its kind—arrives Dec. 7, reports gen. mgr. Jeff Kiichli. Wiring of 25-kw RCA transmitter awaits completion of transmitter building, held up by weather. No target date has been set. Rep will be Young Television.

WGTE-TV, Toledo, O. (Ch. 30, educational) is work-

ing on contracts concerning consultant, bids, field tests, etc. and has given up Feb. 1 target, writes program & production director Murray W. Stahl, who has been TV-radio programming director for U of Toledo. GE 100-watt transmitter and helical antenna are on hand. Present studio facilities would permit operation on limited scale.

New tower proposal in years-long effort by Louisville's WHAS-TV to find site acceptable to aeronautics authorities will be given hearing Dec. 17 by N. Y. airspace subcommittee, subject to review by Washington Airspace Panel. Station now proposes 1856-ft. tower 1.25 mi. north-east of Brownsboro, Ky. Meanwhile, Airspace Panel this week designated site near Orion, Ill. as antenna farm area for Davenport-Moline in approving request by Ch. 8 applicant Televue News Co. for 1043-ft. tower there.

KFAR-TV, Fairbanks, Alaska (Ch. 2), returned to air Nov. 30, just one week after explosion and fire knocked it out (Vol. 13:48). Station had estimated it would take 30-60 days before operation could be resumed, but engineers worked round the clock after 1000 lbs. of replacement equipment was flown in from RCA's Camden plant Nov. 29.

New towers & powers: KCJB-TV, Minot, N. D. (Ch. 13) Dec. 2 to 245-kw ERP from new site 11.5 mi. south of Minot; WICU-TV, Erie, Pa. (Ch. 12) Dec. 15 begins full 316-kw operation from new 492-ft. tower.

CBS adds upcoming CKBI-TV, Prince Albert, Sask. (Ch. 5) as secondary affiliate effective Dec. 15.

WROM-TV, Rome, Ga. (Ch. 9) left air Dec. 4 to move to Chattanooga, plans to resume Jan. 6.

Translator starts: K83AC, Globe, Ariz. began Nov. 12, repeating KVAR, Phoenix.

**More VHF Channel Shifts Sought:** While educators were seeking vhf station in New York (see p. 1), a hard-pressed uhf operator was pleading with FCC to give it at least part time on unused vhf educational channel. KCOR-TV, San Antonio (Ch. 41) petitioned for part-time or share-time on Ch. 9, for which application is pending from San Antonio Council for Educational TV.

Station reports losses of \$150,000 to date, states that although 75,000 sets were converted to uhf originally, uhf tuners have been maintained on only 20,000. Serving Spanish-speaking population, station says viewers can't afford to repair sets. It requests temporary operation on Ch. 9 pending rule-making. As alternative, it seeks assignment of Ch. 2 to city, substituting Ch. 6 or 7 for Ch. 2 in Piedras Negras, Mex. and cutting co-channel separation with KPRC-TV, Houston, to 183 mi.

Another vhf allocations change was sought this week, Jefferson Standard Bcstg. Co. proposing to build a Ch. 8 station in Greensboro, N. C. It asks that Ch. 13 be substituted for Ch. 8 in Florence, Ch. 8 for educational Ch. 13 in Charleston; this would require shift of Jefferson's WBTW, Florence, to Ch. 13. If Jefferson winds up with Ch. 8 CP in Greensboro, it would have to dispose of its 16½% interest in city's other vhf—WFMY-TV (Ch. 2).

Week produced another move in Texas Tech case (Vol. 13:48), when college urged Commission to reconsider its holdup of Lubbock Ch. 5 CP, asserting that donations from KDUB-TV & KCBD-TV had no strings attached; that grant would be in full accord with FCC rules & policy.

One CP was authorized—Ch. 7, Alexandria, Minn., to Central Minn. TV Co. FCC staff was instructed to draft final grant for Ch. 11, Provo, Utah, to Beehive Telecasting Corp. Initial decision proposed CP for Ch. 6, Greenwood, Miss., to WABG. Commission also announced intention of denying various petitions asking reconsideration of grant of WCKT, Miami (Ch. 7). Rule-making was initiated on request of KGUL-TV, Galveston (Ch. 11) to shift its channel to Houston. [For details of Commission actions, see *TV Addenda 25-S* herewith.]

Four applications for TV stations were filed with FCC this week, bringing total to 119 (32 uhf). Applications: For St. Petersburg, Fla. (Ch. 10), by WTSP; for Eugene, Ore. (Ch. 9), by local group headed by fruit grower Donald A. McDonald; for Yakima, Wash. (Ch. 23), by owners of KXLY-TV & KXLY, Spokane; for Fajardo, P. R. (Ch. 13), by owners of WHOA, San Juan. No translator applications were filed. [For details, see *TV Addenda 25-S*.]

FCC refused to change its rules which bar fixed radio installations in 72-76-mc band (between Ch. 4 & 5) within 10 mi. of TV stations on Ch. 4 or 5. Request had been made by GE, which asked that such stations be permitted under certain conditions. In rejecting petition, Commission said GE had furnished no new data and that insufficient information was available to determine potential interference or how to correct it.

Sly commentary on toll TV, in Dec. 5 syndicated "Channel Chuckles," which appears on TV pages of daily newspapers, shows lady viewer watching TV set with coinbox attachment, while announcer says: "Will the killer be caught? Will Valda find her husband? Deposit another quarter to find out."

**'Per-Program' Cable Theatre:** Ground will be broken "early next year" for wired pay-TV system in Oceanside, Cal., pres. Walter J. Dennis of Tele-Movie Development Co. told Arizona Theatre Owners Assn. meeting this week. He said subsidiary Tri-Cities Tele-Movie Corp. hopes to begin Oceanside operation in 1958. Unlike Bartlesville project, he said, it will charge viewers on a per-program basis, plus small monthly fee.

Three channels will be provided, he said, to supply "current motion pictures, sports and other quality entertainment." He didn't state what pay-TV system would be used—whether decoders or meters would be installed. He urged all theatre owners to get into cable theatre business, offering Tele-Movie's services in construction and buying and booking entertainment.

Meanwhile, these were other developments this week on pay-as-you-see front:

(1) San Francisco board of supervisors finance committee, having concluded hearings on wired TV franchise applications by Skiatron & Telemeter, indicated no immediate decision would be forthcoming. Skiatron told committee it would franchise local organization to install and operate equipment. Telemeter stated that it is financed

**Baseball-TV Probe Sought:** Minor league baseball clubs, which depend on Sunday gates, have asked Congress to save them from network telecasts of big league games Sundays as well as Saturdays. Agreements between CBS-TV & 5 major clubs for Sunday "game-of-the-week" telecasts next season, added to expected renewal by CBS-TV & NBC-TV of Saturday "game-of-the-week" schedule, are in issue. They amount to "greed, greed, greed" on part of majors, pres. Frank Shaughnessy of International League protested at Colorado Springs winter meetings of majors. He promised to "fight, fight, fight" if Sunday plan, invading minors' game territory, isn't dropped. Getting cool reception from National & American Leagues, he sent telegram to Chairman Celler (D-N. Y.) of House Judiciary anti-trust subcommittee, asking reopening of last session's sports investigation (Vol. 13:19 et seq.). Shaughnessy said Sunday telecasts "could cause the end of minor league baseball in America." Baseball Comr. Ford Frick said he sympathized with minors: "I hope those major league officials who are selling out to the networks do not sleep well." But he said any concerted refusal by majors to permit Sunday telecasts would run afoul of anti-trust laws—point which Celler subcommittee will be asked to explore.

Court battle continues over proposed NTA-AAP deal (Vol. 13:46, 48) with these developments: (1) NTA asked N. Y. State Supreme Court to enforce purchase agreement which it says AAP's Louis Chesler and associates are seeking to nullify. (2) Minority stockholder suit hearing in same court was postponed to Dec. 11. (3) Chesler and Maxwell Goldhar wrote NTA that deal "lacks those characteristics necessary to make it a binding and enforceable contract" and that "a more recent offer" (presumably by United Artists) appears to be better.

TV audience will judge pilot film of new interview show, *People*, produced by Jack Webb's Mark VII Ltd., when it's presented on ABC's KABC-TV, Los Angeles, Dec. 15. Viewers will be asked to write their comments. Program will be aired in 6:30-7 p.m. slot usually occupied and sponsored by automobile dealer-actor Ben Alexander, who also is host of the proposed *People* series.

up to \$6,000,000, that it plans no stock offering, that Paramount Pictures owns 88% of its stock.

(2) Two movie exhibitor organizations, Theatre Owners of America & Allied States Assn., called theatre owners to meeting sponsored by Joint Committee on Toll TV in N. Y. Dec. 9 to discuss strategy in lobbying for anti-pay-TV legislation.

(3) Tele-Movies of Fla. Inc. applied for 30-year closed-circuit franchise for Hialeah.

(4) Wired TV operators in Great Britain, who supply about 100,000 subscribers with BBC & ITA programs, met for annual luncheon, discussed possibility of adding closed-circuit subscription-TV channels.

(5) A new and mysterious "compatible" pay-TV system, as reported in Dec. 2 *Electronic News*, can best be described as payless pay TV, since it doesn't appear to cost anybody anything. Quoting San Francisco attorney Arthur M. Schaffer, identified as co-owner of system, *Electronic News* reported: "[It] will require no closed-circuit wiring, no scrambling or unscrambling of the picture, no additional equipment, electronic or otherwise, to be installed either at the broadcasting station or home receiver, and it will in no way interfere with the present system of free-TV broadcast and reception." It will require no additional channels, nor will it black out any present free channels, but "will, in fact, supplement the service given by the free channels[!]" (Exclamation ours).

NLRB has upheld CBS in unfair labor practice charges filed by network against N. Y. IBEW Local 1212 in jurisdictional tiff with IATSE which forced cancellation of telecast of Antoinette Perry "Tony" award ceremonies last April (Vol. 13:17-18). In preliminary "determination" of case, Board held that electricians "are not and have not been entitled" to force CBS to give them work—instead of stagehands—in "setting up & operating lighting equipment on remote telecasts." Network hailed decision as providing premise for contempt action if similar union interference with programming occurs again. But IBEW counsel Robert Silagi said union, which also faces \$100,000 damage suit by CBS in U. S. District Court, would seek final order from NLRB, then carry unfair labor case to Court of Appeals.

TV-thwarting Canon 35 of American Bar Assn., which bars cameras & microphones from news coverage of judicial proceedings, has been applied by N. M. Supreme Court to its own sessions and those of all state district courts. High court order effective Jan. 1 says any picture-taking or broadcasting in courtrooms, even during recesses, has "extraneous influences which tend to have a detrimental psychological effect on the participants" in trials. Canon 35 also has been invoked in Cleveland to prevent KYW-TV from planned coverage of suburban traffic court. Mayor Wilson Stapleton of Shaker Heights reversed decision to permit coverage after Cleveland Bar Assn. called it "violation of the canon of judicial ethics."

Hectic union bargaining season—"likes of which the radio & TV industry has never before seen"—is foreseen by Dec. 5 *Variety* for networks between now and end of March. Expiring labor contracts bring ABC & NBC into negotiations with NABET, CBS with IBEW, both unions seeking 4-day week agreements and security against layoffs caused by program shifts from N. Y. to Hollywood. NABET problems were pointed up this week by dismissals of 30 NBC-TV cameramen in N. Y. Other key bargaining involves stagehands, newsfilm cameramen, writers, scenic artists, actors, directors.

New rep: WESH-TV, Daytona Beach, Fla. to Avery-Knodel Inc. Nov. 1 (from Pctry).



**Subliminal TV Test Next Month:** Closed-circuit demonstration of "hidden sell" technique as it might be used on TV (Vol. 13:45-48) may be held in Washington "after the holidays," FCC revealed in brief announcement which reported that Subliminal Projection Inc., N. Y., had begged off planned demonstration this month, which was to use facilities offered by WTOP-TV.

Fascinating as the subject may be, it doesn't appear to be a burning issue at the moment, since all 3 networks have declared they won't accept such ads and NARTB's code review board has urged subscribers to refrain from using them.

But controversy continued, Sen. Potter (R-Mich.) continuing to take the dimmest view, as proponents of subliminal advertising stepped up their defense. In his newsletter to constituents, Potter blasted "sneaky sales messages planted in heads without the owners' permission" and even warned that some teetotaler FCC commissioners and staffers "may find them-

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New line of FM transmitters and multiplexing equipment has been developed by RCA for marketing by late 1958 at prices expected to be lower than RCA's FM transmitters 10 years ago. Multiplexing equipment is now undergoing tests in conjunction with Philadelphia's WCAU-FM. FM line will include 10-watt exciter-transmitter, 250-watt & 5-kw transmitters and multiplex subcarrier generator equipment for use with RCA multiplex exciters. RCA says multiplex gear will be designed for use "with many of the FM broadcast transmitters now in operation."

Ireland plans commercial TV network, to be operated by private program organization using govt.-owned facilities, Eire Posts & Telegraphs Minister Neal Blaney announced in Dublin. Among organizations submitting proposals to operate network for Govt. are McLendon Investment Corp., Dallas (Texas State Network & AM stations), Pye (Ireland) Ltd., subsidiary of the British TV-radio-electronics manufacturer, and undisclosed French interests. Franchise is due to be awarded soon, with aim of getting stations on air by next summer.

FCC softened its FM multiplexing rules this week by extending from Jan. 1 to March 1, 1958 the deadline for converting from simplex to multiplexing, and announcing that it will consider individual requests for waiver of rules to permit continued simplex operation "upon a showing that the station is in the process of converting to multiplexing but will be unable to complete conversion within the time permitted." Requests for waiver are due by Jan. 15.

NARTB radio code symbols have been proposed, will be submitted to radio board in Jan. Audio symbol, wording not quite completed, will have theme: "A Good Practices Station." Visual symbol is shield with "National Assn. of Broadcasters" at top, trumpet and lightning bolt in center, "A Good Practices Station" at bottom. TV keeps current symbol except for change reflecting reversion of name to National Assn. of Broadcasters, Jan. 1.

Alien radio operator has been deported for obtaining permit under false pretenses in first case of kind, FCC reported this week. Routine field check by FCC showed that Herbert W. Weichmann, Velasco, Tex., was operating beyond scope of 3rd class radiotelephone permit. Subsequent investigation disclosed he was born in Germany, not in N. J. as he claimed, and had criminal record, according to FCC. Weichmann was deported in Nov.

selves wanting a drink of Glugg beer" after witnessing subliminal demonstration. He speculated that some "evil genius" might get "exclusive rights to the process [and] control everybody's cerebellum and we'll all become robots."

James M. Vicary, one of chieftains of Subliminal Projection Inc., interviewed in Nov. 30 *Sponsor*, reiterated that SP is valuable only as reminder advertising, adding that it "can appeal only to those who already have an interest in the product or some desire to respond."

Asked how stations might charge for subliminal ads, he suggested that the plugs be sold on a "per impression" basis, at a cost-per-impression based on a downward projection of station's rates through fractional parts of second.

A. B. Moore, pres. of Precon Process & Equipment Corp., New Orleans, another company pushing the subliminal technique, stated in Hollywood this week that he believes FCC will have no objections to the process once it is familiar with it. "We are well aware of [the] need for its use by responsible parties," he said. "However, its potential use in education, therapy and ethical forms of advertising stamps it as one of the most important communication developments of the century."

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**Conelrad Weather Warnings:** FCC this week authorized all TV, AM & FM stations to use Conelrad attention signals for peacetime dissemination of emergency weather bulletins, such as hurricane, tornado and flood warnings. Working on plan with Air Force and Weather Bureau, FCC said alerting system "will provide a worthwhile service to the general public as well as to all radio services." Fact that Commission was studying possibility of such action was revealed last month by Comr. Lee in address to National Assn. of Civil Defense Directors (Vol. 13:46). In addition to obvious and announced benefits of Conelrad weather alert plan, FCC hopes that it will provide increased incentive for manufacturers to make and consumers to buy reasonably priced automatic Conelrad receivers which are activated by the attention signal.

Domestic court trouble caught up with contestant Theophilus Adepoju Aderonmu of CBS-TV's *The \$64,000 Question* this week—but son of Nigerian tribal chief had answer for it, too. Week after he won \$64,000 on program he was hailed before Justice Charles Horowitz in Bronx Dec. 3 on charges of non-support of estranged wife Faye, 25, and child. Horowitz suggested reconciliation, reserved decision in case after Aderonmu talked it over with wife and reported they wanted to remarry. Aderonmu, 30, then went on *Question* to win \$16,000 more.

Political switch on TV enlivened Parliamentary by-election campaign in Liverpool's Garston Riding this week. BBC's Manchester station showed picture of Labor candidate, along with speech praising Conservative policy. Then came picture of Conservative candidate accompanied by voice urging Labor victory. Mixed-up tape recordings were untangled by station for repeat run next night.

New local TV magazine—weekly giveaway *Channel* published in Tacoma by Channel Northwest Inc. (Marshall Riconosciuto, pres.) and distributed by druggists in Wash., Ore., northern Ida., has reached 160,000 circulation first month. It runs 16 pages, emphasizes local TV features in Seattle-Tacoma, Spokane-Yakima, Portland-Eugene editions.

KHUM, Eureka, Cal. has been sold by Carroll Hauser for \$184,000 to Wendell Adams of Wm. Esty Co., N. Y., and Jock Fearnhead of WINS, N. Y.—Allen Kander & Co. broker.

**Ad Tax Scheme Falter:** Quiet lobbying by Advertising Club of St. Louis against adoption there of Baltimore plan for special municipal taxes on TV-radio and other advertising (Vol. 13:45-48) appeared to be paying off this week, reducing threat of spread of unprecedented scheme across country.

Helped by members of Women's Advertising Club, pres. Hugo Autz of St. Louis admen's group campaigned on "friendly, personal basis" to persuade city officials to seek other means of raising needed revenue. Opposition to ad tax was expressed by Mayor Raymond Tucker, and ordinance proposed by Alderman Alfred Harris appeared headed for pigeonhole.

Advertising Federation of America nevertheless called again for national mobilization of all advertising interests to combat Baltimore 6% levy plan, which is being fought in court there by local TV-radio stations & newspapers. AFA placed ads in *Editor & Publisher* and *Sponsor* to rally defense, for which it seeks \$50,000 war chest from members.

"This is still a very serious threat," AFA pres.-gen. mgr. C. James Proud told us this week. He said newspaper owners generally were alert to dangers of tax scheme, but "maybe broadcasters ought to be kicking in a little stronger" in opposition to it.

Meanwhile radio WCAO, Baltimore, joined Sunpapers (WMAR-TV) and Hearst *News-Post* and *Sunday American* (WBAL-TV & WBAL) in-junction suits challenging constitutionality of new City Council levies which assess 4% on advertising sales, 2% on gross advertising receipts of media.

Audience of 12,000,000 or more has been won by educational TV on non-commercial stations, according to education director Dr. Ryland Crary of Educational TV & Radio Center, Ann Arbor. Excluding viewers of educational shows on commercial stations and participants in closed-circuit school programs, estimate is projection of studies of areas served by KQED, San Francisco; KUHT, Houston; WGBH-TV, Boston; WKAR-TV, East Lansing; WUNC-TV, Chapel Hill; WQED, Pittsburgh. "The figure is surprising," Dr. Crary says, "when it is considered that educational broadcasters have not been engaged in building huge audiences."

Teaching by TV in Port Chester (N. Y.) High School was okayed with a big "if" last week by principal Robert Zimmerman. He'd favor extension of the 1-channel, 3-classroom General Precision experimental system installed last year if money were not a factor—"but with our limited budget, I'd never consent to a sacrifice of teaching personnel in favor of TV, if a choice were necessary. There is no substitute for live, competent teachers."

Favorite TV programs in Argentina, according to survey by Institute of Public Opinion, as released by Pan American Union: (1) Symphony concerts. (2) Boxing matches. (3) Family counsel programs—in that order! Argentina still has only one station, about 92,000 sets.

"White's Radio Log," 35-year-old station directory, has been bought by Curtis Pub. Co. subsidiary Science & Mechanics Pub. Co.

**Electronics Personals:** Donald M. Allison Jr. named mgr. of govt. products group, Bendix Aviation radio div., replacing Adam E. Abel, now radio div. gen. mgr. . . . Frank L. Randall, v.p. & gen. mgr., named pres. of Amperex . . . Max Fialkov, General Transistor treas., adds post of v.p. in charge of transistor manufacturing . . . Joseph A. Gentile, ex-MIT Lincoln Lab, named mgr. of marketing administration, Motorola semiconductor div. . . . Robert S. Saichek, ex-Motorola, named adv. mgr. of Hoffman semiconductor div., Evanston, Ill. . . . John G. Lanning promoted to senior sales engineer of Corning Glass new products div.; Charles J. Lucy to senior applications engineer in electronic components sales dept., electrical products div. . . . Harold W. Arlidge, ex-G&M Equipment, named mgr. of Audio & Recordata div., American Electronics . . . Robert M. Rowe, ex-Stanford Research Institute, named director of engineering, Pulse Engineering Inc., Redwood City, Cal. (transformers) . . . Fred Speaks named asst. director of marketing for research & development, Eitel-McCullough . . . Irving K. Kessler, ex-John B. Stetson Co., rejoins RCA as mgr., management engineering, defense electronic products.

DuMont Labs reorganizes research & development div. into 8 specialized labs under div. director Robert T. Cavanagh: Advanced development, under Richard C. Palmer; systems, Robert Wakeman; communications & radar, Wm. Sayer; data & display, Robert Deichert; military TV, John Auld; nuclear instrumentation, supervised by Cavanagh; mechanical, Ludwig Zucker; commercial receiver, Bernard Amos. Humbert Pacini is promoted to div. assoc. director for technical operations.

RCA program to encourage science teaching careers has been started with award of 30 scholarships, one teacher fellowship, Dr. C. B. Jolliffe, v.p. and chairman of RCA education committee, saying "RCA believes a good start toward achieving the long-range objective of increasing the number of engineers and scientists can be made through the Science Teacher Scholarships." Fellowship is worth \$3000; 20 scholarships are \$800; 10 are \$250.

Rectifier & rectifier equipment sales will hit record \$100,000,000 this year, pass \$200,000,000 in next 10 years, predicted Frederick M. Spaugh, mgr. market research, GE rectifier department and chairman of statistics div., NEMA's semiconductor rectifier section—at NEMA's 31st annual convention in Atlantic City.

Westinghouse awards \$2500 each to engineers Raymond W. Moore, Wm. D. King, James T. Carleton, Loren F. Stringer for development of magnetic amplifier control system that permits production of strip steel at mile-a-minute speeds.

General Transistor Corp. leases 16,000-sq. ft. plant in Richmond Hill, Queens, N. Y. for production of germanium and silicon computer diodes and silicon rectifiers—Rudolph Sachs v.p. in charge.

Philco's "Exicon," closed-circuit TV flying-spot scanning device which extracts maximum information from X-ray negatives by enhancing contrast, was demonstrated this week to AMA clinical meeting in Chicago.

Fairchild Camera & Instrument Corp. has set up Fairchild Semi-Conductors Corp., Palo Alto, to develop & produce silicon diffused transistors & other semiconductors.

Parabolic antenna inflated like a balloon is feature of air-transportable uhf scatter station, developed by Collins Radio for Signal Corps.

General Instrument Corp. appoints Walter J. Zimmerman Assoc. ad agency.

**RADIO BOUNCING BACK TO 4TH BIGGEST YEAR:** While jittery industry keeps one eye on soaring hi-fi curve, the other on an easing TV curve, radio is staging an unheralded comeback which will make 1957 fourth biggest output year in history. While phonographs & hi-fi are bursting through 5,000,000 production mark to record high and TV drifts to 5-year production low & 8-year factory-value low, radio chalked up in week ended Nov. 22 the highest week's production in over 5 years of its steady recovery curve. By week ended Nov. 29, year's radio production beat all of 1956. At current pace, 1957 will pass 15,000,000 units (including auto) compared with record 1947 high of 20,000,000, next highest 16,500,000 of 1948, and 15,955,000 of 1946.

At retail in Oct., radio scored unprecedented 57% increase over Oct. year ago and has been up 8 out of 10 months, while retail TV has been down 7 out of 10.

As in case of TV, disturbing thumb in radio soup is factory value. Year ago, with almost 14,000,000 radios produced, factory value was shade under \$300,000,000 -- less than half the \$650,000,000 of record 1947. Average factory value of a unit set has slipped from about \$32 to about \$21 in 10 years.

Speculation on 1957 factory value of radio notes glumly on one hand that the clock radio, manna of the past several years, is now being turned out at lists as low as \$18.95. On other hand, hi-fi has put bigger & better styling in radio's high end. Multiple speakers, tone controls, FM, more amplification in finer table models will tend to push dollar values higher there.

Fluctuation within the radio assortment itself is also disturbing some. From 1951 to 1956, table radio is steadily down in importance from 74% to 39.5% of home radios produced. Clock radio, born in 1951 with 9.6% of production, pushed to 30.5% in 1954 but eased back to 25.5% last year. Portables have earned increased attention, moving from 16.4% to 35% of production.

Big question is influence of transistor radios, now marketed at lists from \$34 to over \$75. Until retail sales for Dec. -- normally 20% of a year's business -- tell which price bracket is big one, manufacturers won't know whether they've succeeded in also pushing up factory value of radio, or whether, like the Red Queen, they've simply been running like mad to stay where they were a year ago.

**COLOR SET SERVICING—RCA's FINDINGS:** Color set servicing poses no great problems -- and it's beginning to be profitable. That's essence of RCA Service Co.'s experience to date, according to v.p. & operations mgr. Donald H. Kunsman. He also believes that "color breakthrough is near" -- with color at point famous RCA 630TS 10-in. black-&-white set was some 10 years ago.

Kunsman declined to give average number of service calls per color set per year but said he "wouldn't argue" with Sylvania's estimate of 6 (Vol. 13:39). This is with RCA's unlimited-call contract, which attracts many "nuisance" calls, he said. Similar black-&-white contract produces 3.9 calls yearly.

Kunsman defends reasonableness of color service contract prices. Full coverage for first year is \$99.50, \$119.50 second year (as risk of tube & parts failures rises -- picture tube alone retailing at \$160). He compares this with \$65 for the 630TS in 1947, when technicians averaged \$40 weekly -- whereas they now get \$90-\$103. RCA has a \$69.95 color contract, providing 90-day service, tube & parts warranty for year, service calls after 90 days at \$7.50 each; this runs \$79.50 for the second year. Lowest contract is \$39.95 -- installation & unlimited service, 90 days.

Anyone able to service black-&-white can learn to handle color, with a small investment in equipment, Kunsman said. About 50% of RCA Service Co. technicians are trained for color. As of June, RCA had conducted color clinics in 250 cities, with

105,000 attendees. Kunsman reports, incidentally, that less than 10% of all RCA black-&-white and color sets are under RCA service contracts.

RCA's color contract prices were established at level to produce profit, Kunsman said, but starting and training costs had precluded profit until quite recently. However, 4th quarter may well be profitable, and 1958 looks "sure."

Discussing recent Time Magazine article on servicing (Vol. 13:41), Kunsman said: "Manufacturers and servicemen must educate the public to be prepared to pay for adequate servicing. The public still isn't aware of service needs brought on by automobile power equipment, automatic washing machines, refrigerators, etc. If housewives want gadgets, they must be taught the need for service."

**Retail Sales:** Oct. TV set sales at retail were off 16%. EIA reports 572,589 sets sold vs. 683,573 in Oct. 1956. Retail sales for 10 months were 5,024,670 vs. 5,287,199 in 1956. Radio set sales at retail were up 57% in Oct.: 923,849 vs. 585,666 in Oct. 1956. For 10 months, radio sales were up 13%: 6,764,221 sets, excluding auto, vs. 5,990,718 in 1956.

**Production:** TV output was 123,844 week ended Nov. 29 vs. 134,179 the preceding week & 147,713 in 1956. Year's 49th week brought production to about 5,937,000 vs. 6,885,441 last year. Also this week, EIA officially gave 10 months cumulative production as 5,251,158 vs. 6,080,052 in 1956. Official Oct. set production was put at 661,994 (83,372 uhf), compared with 832,631 (87,040 uhf) in Sept., and 820,781 (131,243 uhf) in Oct. last year.

Radio production was 357,881 (109,372 auto) week ended Nov. 29 vs. 5-year high of 455,779 (158,655 auto) in preceding week & 367,878 (169,871 auto) year ago. For 49 weeks, output totaled about 13,991,000 (5,034,000 auto) -- passing the full 1956 year total -- vs. 12,609,633 (4,385,122 auto) last year. EIA officially put first 10 months production at 11,945,534 (4,362,091 auto) vs. 10,884,760 (3,607,911 auto) last year. Official Oct. count was given as 1,569,180 (522,746 auto) vs. 1,610,748 (446,419 auto) in Sept. & 1,348,864 (574,818 auto) in Oct. 1956.

**Trade Personals:** Walter G. Seeger resigns as chairman of Whirlpool Corp., remaining a director, no new chairman to be named . . . Jack Sparks, ex-gen. mgr., Whirlpool laundry div., promoted to director of marketing for RCA Whirlpool home appliances & Estate ranges . . . Robert G. Marchisio named v.p. & gen. mgr. of CBS-Hytron semiconductor operations; Michael Callahan v.p. & gen. mgr. receiving tube operations as CBS-Hytron div. forms 2 subdivisions . . . Herbert M. Greenspon promoted to Columbia Records exec. v.p.; Milton Selkowitz named national sales mgr. of phonographs, succeeded by Laurence Goughan as mgr. of special markets for records . . . Herbert H. Flint Jr. named mgr. of community relations & employe communications, Westinghouse appliance divs. . . Daniel P. Knowland Jr. promoted to asst. gen. mgr. of Heath Co., Henry H. Tippet replacing him as controller . . . John M. Dierkes, ex-Hallicrafters, named sales mgr. of Andrea Radio, replacing Charles Van Maanen, resigned . . . Arthur Howard resigns as sales mgr. of Sonic Industries . . . Thomas A. Fitzgerald resigns as RCA staff writer, Cherry Hill, N. J. to become SKF Industries public relations mgr. Dec. 16.

### Obituary

Harry F. Randolph, 57, gen. mgr. of RCA receiving tube operations, died of heart attack Dec. 3 in railroad station at Harrison, N. J. He joined RCA in 1932 as foreman of Harrison tube div. plant. Survivors are his widow, brother, sister.

RCA Victor record div. names 2 v.p.'s: James P. Davis, record operations dept.; Walter W. Bullock, album dept.

Hotpoint's TV dept. was included in total realignment this week of all distribution, merchandising, sales & adv. functions, in which John F. McDaniel, ex-gen. mgr. of range dept., became gen. mgr. of new sales & distribution dept., and the chief executive under pres. John C. Sharp. D. Edward Weston Jr., ex-gen. mgr. of TV dept., becomes central regional mgr. for HASCO; Howard Hibshman remains TV marketing mgr., but reports directly to McDaniel; John Clarke, TV merchandising mgr., still reports to Hibshman. Lee DiAngelo, ex-custom appliance marketing mgr., was promoted to mgr. of adv. & merchandising for whole company. His staff includes: Alfred M. Utt, adv. mgr.; Joseph F. Adamik, sales promotion mgr.; Wm. C. Bartels, merchandising production mgr.; Philip L. Crittenden, ex-national adv. mgr., product publicity mgr. Others now reporting to McDaniel: L. E. Ankersen, ex-refrigeration mgr., special markets mgr.; C. C. Gramer, mgr. distribution development & planning; W. G. McNeal, product service mgr.

Frank B. Walker resigns as M-G-M Records pres. to become consultant to parent Loew's Inc. Record operation splits into 2 divs., both reporting to Robert O'Brien, Loew's financial v.p. Arnold Maxim, ex-Epic Records artists & repertoire director, heads new M-G-M records div.; Frank Cocchiaraley continues as head of record mfg. div.

Dempster McIntosh, U. S. Ambassador to Venezuela who was pres. of Philco International Corp. from 1943 to 1953, was named mgr. of Development Loan Fund by President Eisenhower this week in recess appointment.

Philco Distributors Inc., Philadelphia, appoints David Brody gen. mgr. replacing John J. Kelley, resigned; John McIlhenny succeeds Brody as electronic sales mgr.

**Hotpoint Distribution Realignment:** If TV industry had any doubts, Hotpoint served a 3rd notice this week that it intends to grow into a more substantial image of parent GE. First move was establishment of own captive distribution in the 91 HASCO offices which now do 80% of its wholesaling. Second was announcement this fall of 10-year plans for a super appliance park outside Chicago. Third, made this week, centralized all distribution & sales functions under one man, John F. McDaniel, is designed to eliminate inefficiencies between retail sales floor and factory. Among these problems are small dealers and distributor inventory control. McDaniel stated that Hotpoint would "experiment with many new approaches in the field of dealer and distributor communications."

First action would be to trim 14,000 dealers to 9000. GE is doing a like trimming job. Both brands are now eliminating duplication on dealer floors in certain key markets, recommending dealers drop either GE or Hotpoint next year.

A second action goes into effect Jan. 1 when HASCO houses will no longer own their inventories. Factory will own local stocks, presumably set and ship mix it desires.

To help tell the story of what's to come, Hotpoint breaks in Dec. issue of *Electrical Merchandising* with first of series of trade ads designed to inform dealers of new policies & practices. In first of these, pres. John Sharp states that though Hotpoint does not yet have all the answers, it intends to offer reasonable profit, price protection policy, selective franchising for mutual profit.

\* \* \* \*

**Cost of Money:** Washington area credit costs, listed by Dec. 2 *Washington Post and Times-Herald*, show commercial banks charge 5-6% annually on unpaid balance of secured loans up to \$10,000, 4½-5% over \$10,000. Bank loans on new autos run 7-9¼%, used autos 7½-11%; auto dealers get 10½-12% & 11-20% respectively. Rate for collateral loans from brokerage houses is 5%, life insurance companies 5-6%. Personal unsecured loans have 6-11% interest up to \$2500, 5-6% over that; Title 1 home improvement loans are at 9½% rate; credit unions 8-12%. Small loan company rates in Md. are 36% up to \$300; in Va. 30% up to \$300, 18% for \$300-\$600. Dept. store revolving credit or budget plans is 6-18%, deferred payment on appliances 16-18%; appliance, furniture & other stores 18%; Washington Gas Light Co. 11%.

**Inventories of Canadian TV sets**—manufacturer plus distributor at end of Oct.—are 40% less than last year, Canadian RETMA pres. W. H. Jeffery told components div. meeting last week. There may be shortage of some models for pre-Christmas selling, he said. He predicted inventory will be down to 50% of last year—less than 4 weeks selling—by year end, lowest in 3 years. Distributor sales of TV sets topped 70,000 units in Oct., highest in a year. Low in sales has been passed, he said, forecasting leveling-off in 1957 & 1958 at between 465,000-475,000 units. Radio is up too, and is expected to pass "comfortably" the 709,416 unit sales of 1956, he said.

Sylvania's novel "Sylouette" receiver (Vol. 13:46) is already backordered, according to TV-radio div. gen. sales mgr. Robert L. Shaw who also reported that Sylvania will introduce "some very interesting product developments" at Dec. 11-13 distributor meeting in Miami's Americana Hotel. He said that Sylvania's factory TV sales continued at record pace in Nov., nearly double year ago.

**Transistor Output Soars:** Factory sales of transistors nearly tripled again in Oct. vs. Oct. 1956 and more than doubled in the cumulative 10 months, according to EIA. Oct. factory sales were 3,544,000 units worth \$7,075,000 vs. 1,290,000 worth \$3,930,000 last Oct. For 10 months, factory sales hit 22,386,300 units worth \$56,131,000 vs. 9,403,000 worth \$27,102,000 in 1956 period. EIA's breakdown by months:

	1957 Sales (units)	1957 Sales (dollars)	1956 Sales (units)
January .....	1,436,000	\$ 4,119,000	572,000
February .....	1,785,300	5,172,000	618,000
March (5 wks) .....	1,904,000	5,321,000	708,000
April .....	1,774,000	4,880,000	832,000
May .....	2,055,000	5,636,000	898,000
June (5 wks) .....	2,245,000	6,121,000	1,130,000
July .....	1,703,000	4,216,000	885,000
August .....	2,709,000	6,598,000	1,315,000
September (5 wks) .....	3,231,000	6,993,000	1,115,000
October .....	3,544,000	7,075,000	1,290,000
<b>TOTAL</b> .....	<b>22,386,300</b>	<b>\$56,131,000</b>	<b>9,403,000</b>

**Tube Sales:** Factory sales of receiving tubes were 47,075,000 worth \$38,421,000 in Oct. compared with 42,921,000 at \$34,362,000 in Oct. 1956, reports EIA, bringing 10-mo. total to 388,738,000 tubes at \$326,355,000 vs. 390,357,000 at \$313,599,000 in 1956 period. Picture tube sales in Oct. were 995,629 worth \$19,495,574, compared with 1,165,740 at \$21,117,261 last Oct.; 10-mo. 1957 totals were 8,304,181 at \$155,121,412 vs. 9,233,780 valued at \$166,782,244 in 1956 period. EIA's monthly tabulation:

	Picture Tubes		Receiving Tubes	
	Units	Value	Units	Value
January .....	760,860	\$ 13,594,525	37,571,000	\$ 31,170,000
February .....	728,363	13,134,778	44,460,000	36,631,000
March (5 wks) .....	833,257	14,850,847	43,010,000	37,007,000
April .....	629,838	11,394,043	27,970,000	25,384,000
May .....	758,328	14,031,519	32,836,000	28,955,000
June (5 wks) .....	1,104,013	19,981,319	35,328,000	31,314,000
July .....	491,935	9,835,586	33,077,000	27,042,000
August .....	930,296	17,984,185	43,029,000	34,886,000
Sept. (5 wks) .....	1,071,662	20,819,036	44,382,000	35,545,000
October .....	995,629	19,495,574	47,075,000	38,421,000
<b>TOTAL</b> .....	<b>8,304,181</b>	<b>\$155,121,412</b>	<b>388,738,000</b>	<b>\$326,355,000</b>

Du Pont will discontinue making phosphors for TV and other CR tubes early next year, states "continued production would be unprofitable" because more efficient tube manufacturing uses less phosphor and major TV tube makers are now making phosphors. It will continue production of phosphors for X-ray intensifying and fluoroscopic screens.

BBC color experiments have been "encouraging," according to engineering director Sir Harold Bishop, but he asserts that color camera must be simplified; that RCA color tube "is expensive to make and one would expect that further development will lead to simplification, lower cost, and improved quality."

FTC charges of misrepresenting "reject" radio tubes as first quality have been filed against Rad-Tel Tube Co., 604 Market St., Newark. It claims company's ads, brochures, tube cartons and invoices do not reveal tubes are seconds, while disclosure on tube is "wholly inadequate." Hearing is scheduled Feb. 4 in N. Y.

San Francisco color sales totaled 68 in Oct. vs. 82 last year, according to Pacific Gas & Electric Co.; 10-mo. total was 412. Oct. black-&-white sales: 3367 vs. 3553 last year; 10-mo. total, 24,452 vs. 25,052. Oct. radio: 2406 vs. 2166; 10-mo. total, 19,445 vs. 21,851.

Philco has extended until May 1961 the contract under which Avco's Crosley div. makes Philco ranges and laundry equipment at its Nashville, Tenn. plant.

RCA will increase by \$1 the list price of its \$3.98 Red Seal line of classical LPs Feb. 1. Increase doesn't apply to popular and jazz LPs.

**Distributors' Millstone:** Why they pamper the bigger dealer is graphically illustrated in Nov. *NEDA Journal* article by George E. Wedemeyer, Wedemeyer Electronic Supply Co., Ann Arbor & Lansing, Mich. Past-pres. of NEDA, Wedemeyer recently presented his research on costs-of-servicing-vs.-net-earned from smaller accounts to President's Conference on Distribution in Washington.

Detailed analysis of accounts breaks dealers into 6 groups by amount of monthly buying. Each group was related to percent of expense, sales & net it represented. Costs of handling 4 smaller groups precluded any profit. But dealers buying \$100.01 to \$500 a month produced 55.4% of net while representing 36.3% of accounts, 50.2% of expense, 55.3% of orders. 60.8% of sales, 52% of delivery expense, 58.6% of phone calls, 42.5% of salesmen's calls, 55.3% of invoices. Biggest dealers (\$500.01 to \$1500 a month) produced 32.1% of net while representing 4.8% of accounts, 15% of expenses, 19% of orders, 27.1% of sales, 7.1% of delivery expense, 27.1% of phone calls, 5.6% of salesmen's calls, 18.2% of invoices. Groups buying \$100 and less caused 36% of expenses, but produced only 12% of sales; they accounted for half of salesmen's calls.

\* \* \* \*

Extending further into consumer end of music business, *Billboard* buys *High Fidelity* and *Audiocraft* from Audiocom Inc. (Charles Fowler, publisher), will continue its own *Audition*.

Bell & Howell names Irving E. Russell central states sales mgr.; appoints Capitol Wholesaler div., Consolidated Sales, Indianapolis, for tape recorders.

Philco Technological Center is being opened to non-Philco employes to help ease shortage of technical manpower. It will offer only specialized correspondence courses.

EIA services and activities, including brief history of organization, are described in new 40-page booklet available from EIA, 1721 DeSales St. NW, Washington.

Federal excise taxes paid by TV-radio-phonograph and components manufacturers amounted to \$27,987,000 in quarter ended Sept. 30 vs. \$26,602,000 in 1956 period.

**Every TV an FM:** NARTB's FM Radio Committee, meeting Dec. 6 in Washington, passed resolution urging TV set manufacturers to incorporate FM broadcast band tuners in their receivers. Resolution stated that extension of TV tuning to FM band would stimulate sale of new TV receivers, and pointed to recent growth of numbers of FM stations, receivers and listeners—as well as recently announced FM converters for TV sets—to indicate that public is becoming increasingly interested in FM. Committee, headed by Raymond S. Green of Philadelphia's WFLN-FM, also voted to explore possibility of publicity campaign to promote manufacture and use of FM auto radios.

Hotpoint TV will kick off national dealer competition Dec. 30, with window display contest open until Feb. 28. Dealers will compete (pictures of displays must show at least 4 TV sets) for \$30,000 in prizes. In April, 10 top dealers and wives will be flown to Caribbean to dig for buried treasure, armed with maps of uninhabited islands off Cuba—and shovels. All this to continue TV exposure push which in 5 months has added 1000 TV dealers and increased franchise roster to 6500.

First All-American Awards to TV-radio servicemen for public service will be presented by GE receiving tube dept. in Washington Dec. 10. Awards comprise trophies and "checks for \$500 for use in a community activity or charity of their preference."

Wage hike of 5-9¢ per hour is contained in 11th annual Raytheon-IBEW contract for 11 Mass. plants. Company says wage increase, plus additional fringe benefits for 13,200 employes, will amount to about \$2,350,000 annually. Agreement is retroactive to Sept. 1, runs to Aug. 31, 1958.

Capitol Records buys Electric & Musical Industries (U. S.) Ltd., including Angel label of classical European recordings, will merge Angel sales organization with Capitol Record Distributing Corp.

Oct. sales of TVs in Washington area totaled 8059 vs. 7523 in 1956 month, bringing 10-mo. total to 56,092 vs. 58,156, reports Electric Institute of Washington.

Institute of Hi Fi Mfrs. will stage 3 shows next year: San Francisco, Feb. 14-16; Los Angeles, Feb. 26-March 2; N. Y., Sept. 30-Oct. 4—no Chicago show.

Westinghouse buys Edgar Morris Sales Co., its Washington, D. C., distributor for 20 years, will convert it to Westinghouse Appliance Sales branch Jan. 1.

Capehart appoints Fuller & Smith & Ross for advertising & public relations.

**EXTENT** to which financial men hold interlocking directorships or officerships of major financial and industrial concerns—and thus presumably exercise "big business" influence or control—is detailed in 176-page report by House Committee on Small Business released this week as House Report No. 1278. Top 35 commercial banks, 20 mutual savings banks, 20 investment trusts, 20 investment bankers, 20 life insurance companies, 20 fire & casualty insurance companies are individually listed with their assets and with the directorships and/or officerships their executives hold in 1642 companies and their subsidiaries and affiliates as of Dec. 31, 1956.

In "communications" category, 38 firms are listed as having interlocking directors and officials with the 135 largest financial companies of the U. S., including AB-PT, CBS, NBC and RCA, along with various news-

papers, magazines and motion picture companies. In "manufacturing & mining" category these firms in TV-radio-electronics are included: Admiral, Arvin, Avco, Bendix Aviation, Clevite, Collins Radio, Daystrom, Decca, DuMont, Emerson Radio, General Dynamics, GE, General Precision Equipment, Globe-Union, I-T-E Circuit Breaker, Magnavox, Mallory, Meredith Publishing [misplaced from "communications" category], Minnesota Mining, Minneapolis-Honeywell, Motorola, Penn-Texas, Philco, Raytheon, Sperry Rand, Stewart-Warner, Sylvania, Thompson Products, Western Electric, Westinghouse, Whirlpool-Seeger, Zenith.

AT&T is placed in "public utilities" category, with "merchandising companies" comprising mainly big store chains. Other categories are oil companies, pipelines, railroads, airlines, miscellaneous transportation companies. [House Report No. 1278 is available while supply lasts from Select Committee on Small Business, House of Representatives, Washington, D. C.—or we'll get it for you.]

**Electronics Portfolio Report:** Electronics Investment Corp., mutual fund founded and headed by ex-San Diego broadcaster Charles E. Salik, reports net assets of \$13,315,250 as of Oct. 31, including \$82,888 undistributed from which 3¢ per share dividend was distributed Nov. 29 to 3,177,111 shares of common stock outstanding Nov. 1. Portfolio included \$10,685,415 shares of common stock, \$316,875 preferred, \$915,275 bonds, \$897,576 U. S. Govt. obligations. Net income for quarter to Oct. 31 was \$162,806. Portfolio changes during July 31-Oct. 31 quarter:

**Purchases:** 18,182 shares of Cohu Electronics Inc.; 1000 Fansteel (making total of 2000); 20,000 Laboratory for Electronics; 2000 RCA (total 9000); 5000 Statham Instruments; 1000 Westinghouse Air-brake (total 7000); 2000 Tung-Sol 5% cum. pfd. (total 3000); \$100,000 Emerson Electric 5½% conv. debts. 1977 (total \$150,000); \$100,000 Sperry Rand 5½% debts. 1982; \$50,000 Thompson Products 4½% conv. debts. 1982; \$300,000 Federal National Mortgage Assn. 4.7% due Aug. 11, 1958.

**Sales:** 1200 Amp. Inc. (holds 3800), 300 Boeing; 500 Consolidated Electrodynamics (holds 6500); 108 IBM (holds 1300); 5250 Glenn L. Martin; 1300 Minnesota Mining & Mfg. (holds 1700); 3800 Raytheon (holds 9300); \$100,000 U. S. Treasury cert. 2¾%; \$100,000 Federal Intermediate Credits, 3.875%.

**Note:** Like its larger and older counterpart, Television-Electronics Fund Inc., reported on last week (Vol. 13:48) the Salik fund showed predilection for certain favorites in TV-radio-electronics fields, listing among stocks held: 10,000 AB-PT, 5000 Amphenol, 2040 CBS "A," 4000 GE, 12,480 General Tire, 4000 Hazeltine, 5000 Hoffman Electronics, 9000 IT&T, 8000 P. R. Mallory, 5000 Motorola, 13,130 Philco, 5000 Sprague Electric, 10,300 Storer, 5500 Sylvania, 3000 Westinghouse. Television-Electronic Fund's holdings in same firms: 38,800 AB-PT, 20,500 Amphenol, 43,700 CBS "A," 43,500 General Tire, 45,000 Hazeltine, 22,900 Hoffman, 30,000 P. R. Mallory, 26,000 Motorola, 24,200 Philco, 10,500 Sprague, 16,800 Storer, 35,000 Sylvania, 44,800 Westinghouse. While EIC also listed 9300 Raytheon and 17,500 Siegler, TEF did not include these—but did show 30,000 Admiral, 22,900 Indiana Steel Products, 21,600 Oak Mfg., 51,500 Walt Disney, 21,900 Zenith, among others not on EIC list.

[For status in April 30-July 31 quarter, see Vol. 13:34.]

\* \* \* \*

Warner Bros. earned \$3,415,000 (\$1.90 per share on 1,793,296 shares outstanding) in fiscal year ended Aug. 31 vs. \$2,098,000 (84¢ on 2,482,247) in fiscal 1956, when figure didn't include \$15,295,408 income from sale of old films, which was transferred to earned surplus account. In fiscal 1957 film rentals & sales amounted to \$75,476,000 vs. \$73,350,000 year earlier. Annual report also disclosed company bought 36,400 of its common shares for \$736,000 on N. Y. Stock Exchange in 3 months ended Nov. 30. Operating results for new quarter were not available, but report indicated loss would be shown because of decline in domestic & foreign film rentals.

Stanley Warner Corp., whose operations include WTRI, Albany, in addition to 297 owned or leased theatres, Cinerama and International Latex, reports consolidated profits of \$3,767,840 (\$1.82 per share on 2,063,099 shares outstanding) in fiscal year ended Aug. 31 vs. \$3,194,200 (\$1.47 on 2,166,800) year earlier. Theatre admissions and merchandise sales rose from \$96,055,700 from \$115,125,300. Earnings were figured after providing for \$1,908,200 amortization of cost of Cinerama films.

Midwestern Instruments, Tulsa, has purchased Data Storage Devices Co., Van Nuys, Cal. for undisclosed sum—part cash, part common stock. Francis A. Oliver, ex-sole owner of Data, becomes v.p. of Midwestern, will head Data Storage Devices div. which moves to Tulsa. Midwestern chairman M. E. Morrow said growth of Magnecord div. "created accelerated requirements for magnetic heads to the point where acquisition . . . appeared both necessary and desirable."

Cohu Electronics sets up electronic instruments div. in Schenectady through stock exchange acquisition of Millivac Instrument Corp. and Volkers & Schaffer Inc.

Olympic Radio sales of about \$30,000,000 for 1957 are foreseen by pres. Morris Sobin, based on 10-mo. sales of \$22,100,000, 24.6% higher than in 1956.

Hallicrafters Co., old-line communications-radio-TV manufacturing firm with 2 big plants in Chicago, which just 2 years ago made exchange-of-stock deal whereby it became subsidiary of Penn-Texas Corp. (Vol. 11:51), may revert to independent status if moves to sell certain Penn-Texas subsidiaries to pay off debts materialize. There's nothing official yet, but it's understood founder-pres. Wm. J. Halligan and his sons may acquire control. The senior Halligan founded Hallicrafters in 1933 after choosing to become a newspaperman (original radio columnist for *Boston Transcript*) upon graduation from West Point. He and family owned about 25% of firm's 825,000 shares of common stock, traded on Midwest Exchange at 7, which was swapped for 332,000 shares of Penn-Texas, still traded on N. Y. Stock Exchange and then quoted at 18¾ (now 3⅞). Hallicrafters Aug. 31, 1955 fiscal year report showed \$4,793,531 working capital, and it had earned \$406,146 (49¢ per share) on sales of \$29,063,463 vs. loss of \$940,946 on sales of \$31,054,363 in preceding year (Vol. 11:47). Penn-Texas, big holding company, showed \$85,000,000 assets at time of deal, has been slipping since unsuccessful attempt of chairman Leopold D. Silberstein to acquire control of Fairbanks-Morse.

E. J. Korvette Inc. discount house earned \$1,187,527 (\$1.02 per share) on sales of \$71,073,688 for the year ended Sept. 28 vs. \$1,558,876 (\$1.33) on \$54,847,140 last year. Pres. Wm. Willensky told N. Y. Security Analysts: "Competitive pricing has affected our earnings for the past fiscal year. Our over-all gross profit margin . . . was reduced to 18.3% from 19.2%, [costing] us about \$600,000 before taxes." Korvette, which calls itself a chain of "promotional department stores," blamed 23.8% net profit decline on heavy expenses of opening new stores. Willensky noted that Korvette operates 7 small stores and 5 department stores and is opening a 6th (in Hartford, Conn.) Company hasn't paid a dividend since it became publicly owned Jan. 1956, preferring to invest in more stores, Willensky said.

**Dividends:** RCA, 25¢ plus 50¢ extra, both payable Jan. 27 to stockholders of record Dec. 20; Webcor, 15¢ plus 10¢ extra Dec. 28 to holders Dec. 16; Universal Pictures, 25¢ plus 25¢ extra Dec. 23 to holders Dec. 13; Canadian Westinghouse, 25¢ Jan. 2 to holders Dec. 13; Eitel-McCullough, 5% stock Dec. 31 to holders Dec. 12; Clevite, 40¢ Dec. 27 to holders Dec. 13; Corning Glass, 25¢ Dec. 27 to holders Dec. 13; Waldemar Press, 20¢ Dec. 31 to holders Dec. 16; Wells-Gardner, no action.

Standard Electromagnetics Inc., newly formed, buys R. P. Bennett Co. Inc., 43 S. Carroll St., Frederick, Md., primarily a manufacturer of relays. E. J. Boland, ex-pres., Carol Electronics Corp., Martinsburg, W. Va., is pres. of Standard. Other principals include: A. H. Fogelman, v.p., Hamilton Engineering Assoc., Washington, and Washington businessman Lisle Lipscomb. R. P. Bennett continues with new organization.

Packard-Bell earned \$704,447 (\$1.02 per share) on record sales of \$32,262,878 in year ended Sept. 30, compared with \$862,356 (\$1.25) on \$28,405,059 in preceding year. Pres. Robert S. Bell credited sales increase to technical products div., blamed lower earnings on increased labor and material costs. He said TV accounted for 30% of sales, giving firm "highest market share of TV sales, excluding so-called portables, we have ever enjoyed."

Telechrome Mfg. Corp. earned \$113,539 (42¢ per share) on sales of \$1,096,414 in year to June 30 vs. \$17,661 (18¢) on \$504,513 year earlier.

# Clips from the Current Press

**Networks' Printed Promotion:** On-air promotion of own shows is most effective advertising used by the TV networks to build audience for programs—but *N. Y. Times* columnist Carl Spielvogel finds they're also spending "record amounts" in print media, mainly newspapers. Reason is increased competition, spate of new shows (some on irregular schedules and requiring special reminders), rapidly increasing number of set owners. Sponsors also buy a lot of space independently to acquaint viewers with their offerings. And the networks doing more institutional advertising than ever in trade papers and in such specialized journals at *TV Guide*.

Essence of Spielvogel's report, in his Dec. 1 column on advertising, is that networks believe strongly in print promotion, practice it on huge scale, encourage affiliates to do so locally too by sending them kits and otherwise assisting them. CBS-TV has 36 persons creating ad campaigns under John Cowden, operations director of adv. & sales promotion. CBS believes its creative director Wm. Golden's "CBS Eye" has been "seen more times by more people in the nation than any other trade-mark." Its ads are placed through Marschalk & Pratt div. of McCann-Erickson.

NBC's main identification is "Mezzo-Tint" process that produces a photo that looks like a drawing, permits better newspaper reproduction; v.p. Kenneth Bilby is in charge, Grey Adv. is agency. ABC uses no set art approach, but plugs hard its many new shows with "sell copy," says Dean D. Linger, director of adv. & promotion; its agency is BBDO. All 3 executives, while not deprecating print, insisted their best promotions still come from TV spot and "stay tuned" messages at end of programs.

Distressed theatre owners, confronted by growing TV competition, should stop moaning and do something about old movie houses, critic Bosley Crowther suggests in Dec. 1 *N. Y. Times*. He says Theatre Owners of America at Miami Beach convention last month (Vol. 13:47) "did a lot of tearful talking" but didn't mention "possible stimulant" to business: "That is the construction of some brand new theatres that would be in the rhythm and the style of the modern age."

Voice of Democracy's 4 national co-winners of \$500 college scholarships will be announced at Feb. 10 windup of 3-day Washington tour for 52 state and territorial winners. Now in 11th year, contest is open to upper 3 high school grades—sponsored by NARTB, EIA, U. S. Junior Chamber of Commerce.

"Largest TV station equipment sale" in history of Teleprompter Corp. was announced this week to Crosley Bestg. Corp., which has signed long-term contracts for use of new Mark V Teleprompter and has purchased new Telepro 6000 rear-screen projector for each of its 5 TV stations.

Top 50 TV-radio agencies in 1957 billings are compiled in Nov. 30 *Sponsor*, rankings generally corresponding with those in survey by Nov. 25 *Broadcasting* (Vol. 13:48). *Sponsor* estimates that combined TV-radio billings of biggest agencies hit \$1.22 billion this year vs. \$1.04 billion in 1956, with \$697,000,000 of the 1957 total accounted for by 10 leaders (McCann-Erickson, Young & Rubicam, J. Walter Thompson, BBDO, Ted Bates, Benton & Bowles, Leo Burnett, Dancer-Fitzgerald-Sample, Foote, Cone & Belding, Wm. Esty). Note: *Sponsor* tabulation breaks down TV figures for network & spot, does same for radio; also gives each agency's total billings for 1957 (e.g., McCann-Erickson's network TV was \$63,000,000, spot TV \$31,000,000, network radio zero, spot radio \$12,000,000—or on-air total of \$106,000,000 out of total agency billings of \$184,000,000, or 58%).

TV-radio advertising jobs total 33,900, Dec. 6 *Printers' Ink* estimates in roundup indicating 374,852 in U. S. are employed creating or selling ads—excluding "thousands behind the scenes such as printers, sign painters & clerical help." Magazine lists 3800 in advertising work at 475 TV stations—475 supervisors, 475 in promotion, 1425 in sales, 1425 in creative & other jobs. Estimate for radio is 29,400 at 3675 stations, including 11,025 in sales. Daily newspapers employ nearly 13,000; agencies, 50,000. Same issue of *Printers' Ink* explores performance of retired military leaders as executives in industry, concludes "military brass can be turned into business gold."

Commercial TV's success in Britain, its rising billings and growing inroads on BBC audience since started in Sept. 1955, is subject of significant report by British-born E.P.H. (Jimmy) James in Dec. 2 *Broadcasting*; onetime NBC research chief, later an MBS v.p., he's now a Nielsen v.p. and recently returned from England where he organized sales-research dept. for Granada TV Network.

"Rating madness should have run its course" by some time in 1958, *Sponsor* predicts in 2-page editorial in Nov. 30 issue, which points out that broadcasters, networks, agencies and many advertisers abhor the practice of "rating worship." "If it is allowed to continue unabated," says editorial, "it is a sad commentary on a creative industry that is not creative enough to lick a system that it doesn't want."

## Bound and Indexed

We will index and bind, between embossed hard book covers, a limited quantity of all 1957 issues of the Television Digest Weekly Newsletters, plus the semi-annual TV Factbooks with all Addenda, plus all Supplements and Special Reports. This volume will provide a handy and handsome permanent reference for your own or your company library. Orders will be taken until Dec. 30. Price: \$25 per volume.

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VISUAL BROADCASTING  
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ARTS AND INDUSTRIES

# Television Digest

with **ELECTRONICS REPORTS**

Wyatt Building • Washington 5, D. C. • Telephone Sterling 3-1755 • Vol. 13: No. 50

## SUMMARY-INDEX OF THE WEEK'S NEWS — December 14, 1957

"INSTANT RATINGS" to bow next month when ARB begins wired "Arbitron" service in N. Y.; wired hook-up to connect 8 cities now being installed (p. 1).

MOVIE DEPRESSION now blamed on feature film backlogs on TV, as exhibitors rally to block release of post-1948 backlogs. Hollywood goes all-TV (p. 2).

UHF TAX RELIEF DRIVE enters crucial week as House subcommittee schedules vote on proposal; sputnik casts shadow over industry optimism (p. 3).

CH. 13 LEGAL BATTLE already under way as FCC fails to act on transfer of WATV-WAAT to NTA. N. Y. Regents seek Gov. Meyner support (p. 4).

RUSSIA BEAMS TV to Norway from new transmitter; Austria inaugurates 3 new outlets, Portugal & Switzerland add stations. Other foreign news (p. 5).

NEW TV MARKET opened at Riverton, Wyo., as KWRB-TV goes on air. Next outlets due to start are KVII, Amarillo, & WMBD-TV, Peoria (p. 8).

MAJOR REVISION of FCC rules, first in 10 years, completed as Commission issues new "practice & procedure" regulations governing legal action (p. 9).

NETWORK TV BILLINGS totaled \$49,201,406 in Oct., increase of 8.2% over Oct. 1956, PIB reports; 10-month total is \$418,394,205 (p. 14).

INTERNATIONAL PAY-TV DEAL joins Skiatron & Rediffusion in 21-year mutual aid pact; British firm to install systems for Skiatron (p. 14).

### Manufacturing-Distribution

RECORD ELECTRONICS factory sales of \$7 billion, about 50% to Govt., is outlook in EIA year-end statement; TV sales down 4%, production 12% (p. 10).

NOV. RETAIL SALES top comparable 1956 month first time since July; all-level inventory of 2,500,000 at end of Nov. down 300,000 from year ago (p. 10).

MAGNAVOX LOOKING for added dealers in metropolitan areas where share of market is low (p. 10).

HALLIGANS BUYING BACK Hallicrafters for \$3,000,000 cash, reports Penn-Texas. Chicago firm dropping brand-name TV-radio business next month (p. 11).

GERMAN RADIO, HI-FI IMPACT on U. S. market much smaller than speculated; won't pass 250,000 units in any year, says German expert (p. 12).

**'INSTANT RATINGS' DUE TO START JAN. 1:** The dream (or nightmare) of being able to tell, from minute to minute, the approximate number of viewers watching a given show—even how many switch channels when the commercial begins—is about to come true.

American Research Bureau's instantaneous rating system—or "Arbitron"—is currently being installed in 8 U. S. cities, including N. Y., Chicago & Los Angeles, and the research organization is now taking orders for service, to begin in N. Y. next month.

Principal difference between Arbitron and other oft-reported "instant ratings" is this: Equipment has been developed, manufactured & tested; system is being installed and is virtually ready to go. Despite recent leaks, the 2-year development of Arbitron has been one of best-kept secrets of the highly competitive TV research industry, whose business it is to pry into viewers' secrets.

New York operation will begin Jan. 1 with 300 sample homes, Chicago & Los Angeles Feb. 1 with 200 each. Shortly thereafter, ARB will begin instantaneous rating service with 1200-home 7-city sample (including N. Y. & Chicago, but not Los Angeles)—cities being chosen because their viewing habits in past have accurately reflected those of all 23 cities where 3 networks are in equal competition. Results of 7-city survey will be flashed instantaneously to ARB office in N. Y.

Basic unit of system is small "remote unit" or "transponder" which fits inside TV set in sample home and is adjusted to "feel" position of channel tuner switch. It's connected to central measuring

equipment by leased telephone line. There's nothing basically new in idea—except the one basic breakthrough which ARB is counting on to make system economically feasible: An almost unlimited number of remote units can be hooked to same telephone line.

Measuring system was specially designed by ARB, and, together with remote units, was manufactured by Taller & Cooper div. of American Electronics. It consists of computer, bank of amplifiers, memory cells, counter, teletype printer.

Basically, system works this way: Series of different-frequency pulses are sent out on each line, in sequence; transponder in each home set responds to only one of the frequencies. Each receiver identifies itself when "interrogated" by central control point—every 90 seconds.

It takes printer 2 seconds to turn out report saying, for example: 37 sets on Ch. 2, 96 on Ch. 5, 43 turned off—and new report is printed every 90 seconds (printer reports if any of the remote units are out of order). These figures can be converted to ratings or sets-in-use projections, using standard table. Results can also be shown on 8x13-ft. display board. Though ARB plans to deliver printed overnight ratings to clients, duplicate printers or boards can be installed in clients' offices.

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Sample homes to be wired are chosen according to standard sampling procedures, then hooked up by telephone company (non-telephone homes as well as telephone homes are included). N. Y. sample includes homes in entire 16-county metropolitan area, using 12 leased lines, or average of 25 sets on each. It's understood that 200 N. Y. installations have been completed, most important remaining job being telephone company's task of "balancing" the lines.

It's understood ARB hopes eventually to have 2000-3000 U. S. homes wired for local station ratings, but all transponder-equipped homes in each community won't be used in nationwide sampling.

ARB plans several new rating services based on Arbitron—including deluxe job with electronic printer or board in client's office. It plans regular service of national and local overnight ratings, with complete report—broken down into 15-min. segments—hand-delivered to client next day, though, of course, the client can phone ARB at any time to find out how many people watched that 9:12 commercial.

Network spokesmen expressed strong interest in system, some reservations about cost and workability. One said he'd seen lab demonstration, and that he'd seen similar ones before, main difference being that "ARB is going ahead."

Families in sample are given periodic gifts for permitting their sets to be tapped—traditional in TV research industry—plus 90-day free set warranty to convince them that gadget won't hurt their sets. When ARB installers come across sample home TV with continuous tuner (which can't be measured by Arbitron), they replace set with reconditioned receiver of same screen size.

Press demonstration of Arbitron is scheduled for Dec. 18 at ARB's N. Y. office, 400 Park Ave.

**EXHIBITORS FIGHT POST-'48 FILM RELEASE:** "What time does the next show start?" asks the voice on the phone. "When can you get here?" is the theatre exhibitor's reply.

There's more truth than humor to this gag which has been making the rounds of TV shows the last few weeks—as the blackest depression yet engulfs the movie exhibition industry. Whether it's coincidence or not, theatre owners now have the dubious opportunity of recalling their warnings to major Hollywood producers at the time of the big feature backlog-dumping, and saying "I told you so."

For the start of the near-calamitous drop-off in movie attendance coincided with widespread exhibition of top-notch pre-1948 movie product on nation's TV stations. Climaxing a dip which became obvious in Sept., weekly movie attendance dropped last month to 32,000,000—a new low for Nov., 15% below Nov. 1956 and less than half of weekly average of 75,000,000 in pre-TV 1947. And some 1200 theatres have closed since start of year—leaving 17,800.

Effect of depression is being felt strongly in Hollywood, where TV now is almost the sole occupation of motion picture industry. Industry was shocked this week when Universal-International virtually

suspended theatrical picture production, dismissing more than 400 of its 1500 employes. Company said it had backlog of 32 unreleased pictures—enough for all of 1958—and will decide during hiatus where its future lies.

That a reaction against movie-to-TV release is setting in on west coast is indicated by rather surprising action last week of Screen Producers Guild, which, instead of seeking cut of TV distribution coin from post-1948 feature films, unanimously passed resolution urging movie industry to "bring about a halt to this suicidal method of distribution [release of movies to TV], which is nothing more or less than a 'quick-buck' method of liquidation of valuable assets."

How far exhibitors will get in their campaign to block TV release of post-1948 features is debatable. But they have received from one movie major—20th Century-Fox—tentative assurance that no picture less than 5 years old will be released to TV.

Most exhibitors feel this kind of assurance might not be enough; they're out to block release of any more features to TV. There were even rumors this week that group of exhibitors was trying to scare up enough money to buy the Paramount pre-1948 backlog—only such group of films not yet on TV—just to keep it off the home screens.

Another factor which may retard movie majors' decision to release backlogs of more recent films is possibility of pay TV. While exhibitors' organizations have gone on record as opposing toll TV (though many individual theatre owners want to experiment with it), the major movie companies are expected to have no such reluctance in exploiting medium if it ever should arrive—and there's been some indication that they intend to sit tight in hope that post-1948 films may have some toll-TV value.

Sale of Paramount pre-1948 backlog for TV was imminent at week's end, company's stock spurting in advance of board meeting at which it was believed offer would be approved. NTA and Screen Gems were believed to have inside track on the features, at an eventual return of \$35-\$40,000,000 to Paramount.

**CRUCIAL WEEK FOR UHF SET TAX RELIEF:** The 4-year drive to eliminate Federal excise tax on all-channel TV receivers—considered by many the most constructive single move to alleviate plight of uhf telecasters—is due to reach now-or-never climax next week when House Ways & Means excise tax subcommittee votes on issue.

Ironically, legislative experts agree that chances would be excellent this time—if it weren't for sputnik. There's more inclination in Congress now to take cynical look at any tax-cut proposals in light of heavier concentration on defense and satellites—even such relatively piddling revenue cuts as that involved in the uhf proposal.

For 3 successive years, industry muffed its opportunity to get measure passed—due to an inexplicable lethargy on part of manufacturing and telecasting interests, even uhf telecasters. When voting time came up, important committee members were only vaguely aware of what proposal was all about.

This year, under leadership of uhf-organized Committee for Competitive TV, and with active cooperation of NARTB, telecasters have conducted quiet but hard-hitting campaign, taking full advantage of unanimous endorsement of tax relief by Senate & House Commerce Committees and FCC to counterbalance Treasury Dept.'s opposition. Set manufacturers, through Electronic Industries Assn., have again endorsed the measure this fall.

Industry's argument for tax relief is based on contention that such a measure would eliminate price differential between vhf-only and all-channel sets, and encourage manufacturers to drop production of sets which can't tune uhf band. Treasury's opposition stems from potential elimination of all TV excise tax revenues. But telecasters, in talking with Congressmen, have pointed out that Govt. can be expected to gain far more revenue if TV output increases, more uhf stations show profit, new ones go on air, making more jobs and resulting in more tax money.

They also have used TV receiver industry's declining output and dollar volume as argument that tax exemption would help spur employment and sales and that tax loss to Govt. wouldn't be as

great now as it would have been 3 years ago. Federal manufacturers excise collection on TV sets (10% of factory price) dipped from \$110,087,000 in fiscal 1955 to \$99,134,000 in 1956 and \$86,427,900 in 1957.

If the tax exemption should be proposed by 8-man excise tax subcommittee under Rep. Forand (D-R.I.), its chances of eventual passage by both Houses are excellent. If subcommittee votes it down, odds against Congressional action would be almost insurmountable.

This year, for first time, subcommittee members are thinking seriously about proposal. For example, we were told by Rep. Eberharter (D-Pa.)—second-ranking majority subcommittee member, in whose home district of Pittsburgh 2 uhf outlets went off air:

"The backers of this relief have made a very good case from the social, business and even the revenue standpoint . . . Had it not been for sputnik and mutnik, the chances would have been very good, especially in view of the endorsement by both the House and Senate Committees on Interstate & Foreign Commerce. It's difficult to tell now, but there may be a feeling in the [Ways & Means] Committee that now is not the time to reduce any excise taxes."

Eberharter spoke after attending 3 days of subcommittee meetings on excise tax change proposals. Subcommittee reconvenes Mon. Dec. 16, continuing in session daily until it is ready to make recommendations to full Committee. These recommendations are almost always adopted by Committee.

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**Legal Battle Over Ch. 13:** Though it was calendared for action this week, FCC passed over approval of projected \$3,500,000-plus transfer of Newark-New York's WATV (Ch. 13) with radio WAAT to National Telefilm Associates (Vol. 13:40, 44, 49)—and it looks now like a "battle of lawyers" is in prospect over proposal of TV committee of N. Y. State's Board of Regents that Ch. 13 be converted to education and that TV station should be sold instead to educational interests.

Counsel for WATV-WAAT owners, Paul M. Segal, and for NTA, Tom Wall (Dow, Lohnes & Albertson), have filed briefs opposing rule-making to change status of Ch. 13 from commercial to educational, and counsel for Regents, Henry G. Fischer, next week will file reply. Political undertones came to surface this week when Jacob L. Holtzmann, prominent N. Y. attorney and chairman of Regents TV committee, disclosed he had conferred with New Jersey's Gov. Meyner to support move to make New Jersey's sole vhf channel an educational outlet for N. Y. metropolitan area.

Gov. Meyner, though said to be "much interested," did not commit himself—but even Holtzmann made it clear that both states' legislatures would have to appropriate for such a station. The Governor, a Democratic presidential prospect, 3 years ago eliminated from state's budget a project for closed-circuit TV programs to N. J. schools, taking position he opposed permitting a TV screen to "come between teacher and pupils in our schools."

Opposition to Regents' proposal, as expressed in NTA brief, takes position that board has no legal standing under rules, that Holtzmann committee's proposal revives old "Avco rule," dropped by FCC some years ago, giving FCC right to determine who should be purchaser. WATV brief maintains Regents have long held 7 CPs, have done nothing toward construction, have "absolutely no money . . . there being no appropriation by the Legislature [of N. Y.] and there being no indication of any likelihood of any such legislation being enacted."

WATV brief also notes suggested Sept. 30, 1958 deadline for transfer to education is "impossible" not only because of necessity to obtain funds but fact other applicants

may also file for the channel. There has been no separation of evaluations of TV and radio properties, but Counsel Segal's brief observes that Regents are "probably unaware of all of the implications of the transaction"—most particularly the \$1,000,000 in film contracts and long-term employment contracts involved.

Note: It was learned this week that, before the NTA deal and before the Regents' move, there were conversations with WATV owners looking to possible acquisition of station by New York University and by Metropolitan Educational TV Assn.

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**More Subliminal Lore:** A veteran experimenter in subliminal projection—Director H. Richard Blackwell of U of Mich. Vision Research Labs, who worked with subliminal perception during World War II for U. S. Govt. and since then at the university—this week debunked notion that "invisible" ads would be influential. "I know of no convincing evidence that subliminal perceptions are any different from any other kind," he said. "I believe that 'invisible advertising' would be less effective than the kinds we can see clearly, except possibly for a novelty effect." Meanwhile, Sir Harold Bishop, veteran BBC director of engineering, commented this week on the persistent reports that the British Govt. TV service had experimented with subliminal projection. As to the suggestion "that the BBC has tested the system of 'invisible' television advertising," he wrote us, "may I say that there is no foundation whatever for this suggestion."

NARTB Freedom of Information Committee steps up campaign to allow broader TV-radio reporting of public proceedings, will mail kits to TV-radio stations, state broadcasting assn. presidents. Committee also: (1) Received report that 38 state assns. now have similar committees. (2) Heard report that State Bar Assn. of Tex. had rejected ABA Canon 35 usage in Tex. courts. (3) Endorsed pres. Harold E. Fellows' request that industry spokesman be allowed to present case against Canon 35 at ABA House of Delegates meeting Feb. 24-25 in Atlanta. (4) Supported in principle Sen. Hennings' bill (S-2148) which would keep open channels of public information.

NARTB board holds regular winter meeting Jan. 19-24 at Camelback Inn, Phoenix; TV finance committee meets Jan. 20, TV board Jan. 23.

**Foreign TV Report:** Increasing rate of TV's expansion and influence in other countries is indicated in recent reports from overseas, many of them direct from foreign capitals in response to our survey for international directory section of forthcoming *1958 Spring-Summer TV Factbook*, which goes to press in Feb. This reliable information covers some of more recent changes:

**Soviet Union**—Russia is using TV as foreign propaganda weapon, according to special report made this month by USIA Office of Research & Intelligence. This conclusion is drawn from fact that Soviet has put station on air at Murmansk 3 years ahead of schedule and has announced chain of satellites at Monchegorsk, Kirovsk, Pechenga & Kandalaksha, to make Murmansk studios "the TV center of the Polar Region." These stations, according to report, are aiming at coverage of parts of Norway, particularly the province of Finnmark, which has common border with Soviet Union.

Other Communist stations which telecast to western-oriented nations: East German outlets, some of which beam programs to West Germany; Bratislava, to Austria; Tallinn, to Finland. Says USIA report: "The opening of the Murmansk station indicates that in spite of all the technical disadvantages of TV, such as a short direct range and different standards of transmission in various countries, the Communists see enough propaganda potential in this medium to try to reach greater audiences in the free world."

**Austria**—There are now 6 TV stations on air, plus 2 translator-type repeater outlets, new 30-kw station at Pyramidenkogel (Karnten) and 0.1-watt repeaters at Schladming and Baden having begun operation this month, we're informed by Osterreichischer Rundfunk, which says sets-in-use now total 15,000. Three more stations are due in 1958—two 60-kw outlets at Jauerling & Patscherkofel and 10-kw installation at Kahlenberg.

**Portugal**—Still undecided about commercial operation, Portugal formally inaugurated 100-kw station at Lisbon and 50-kw station at Lousa (Coimbra) late last month.

Three new Canadian TV stations, including 2 satellites, were recommended by CBC Board of Governors at Dec. 6 meeting. Approved were radio CHAB (Mrs. L. A. Davis, owner) for Ch. 4, Moose Jaw, Sask.; Societe Video de Clermont for Ch. 75 satellite at Clermont, Que. to repeat CFCM-TV, Quebec City; La Compagnie de Television Pohenegamooke Inc. for Ch. 70 satellite at Estcourt, Que. to repeat CJBR-TV, Rimouski, Que.

European Protestant radio station building plans are being pushed this week in Geneva by lay and clergy promoters despite June refusal of support by Federation of Swiss Protestant Churches. Promoters envision medium-power 1865-mi. range station to cost \$575,000-\$690,000 with operating costs of \$161,000 a year.

Fremantle Overseas Radio & TV Inc. establishes British sales subsidiary with offices in London, personnel not yet announced. Lane Blackwell, former European representative of Fremantle, has joined NBC to head British & European sales organization.

Eleven nations will participate in Eurovision's New Year's Eve program. Originating portions of show and carrying all of it will be TV stations in Britain (BBC), Netherlands, Austria, Italy, Belgium, Luxembourg, France, Switzerland, Monaco, Germany, Denmark.

New 100-kw outlet at Oporto is due to go on air by end of this month, with 6.5-kw station at Foia and 1-kw at Montejunto scheduled to start "at the beginning of next year," according to letter from Radiotelevisao Portuguesa, which estimates 5000 receivers in use.

**Australia**—Australian Broadcasting Commission hopes to put 4 more non-commercial stations (Brisbane, Adelaide, Perth & Hobart) on air in fiscal 1959-60, will ask for applications for commercial stations in same cities some time next year. There currently are 6 stations on air, in Sydney & Melbourne (4 commercial). Commission says about 120,000 receivers were licensed as of Oct. 1.

**Switzerland**—Fifth outlet, German-language station at Saentis (30-kw ERP), went on air this month, says Swiss Broadcasting Corp. Under construction are 10-kw Italian-language stations at Monte Ceneri (due next Spring) and San Salvatore (due next Fall). New French station is planned at Mt. Gibloux, with no definite target date. The non-commercial service is beamed to about 30,000 licensed receivers.

**Luxembourg**—Privately owned commercial Tele-Luxembourg has increased power to 100-kw, now serves 5000 receivers, according to artistic director Jacques-Gerard Cornu.

**Poland**—First TV station in Polish Silesia is now on air at Katowice, according to Reuters dispatch this week. Data in *TV Factbook No. 25* indicates station has 15-kw transmitter, 200-kw ERP.

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"Free enterprise TV in the U. S. is so far ahead of TV in Europe and South America that there is no basis of comparison," according to Colin M. Selph, former pres. of Santa Barbara's KEYT, who has just returned from 6-month study of foreign TV. "I wish the critics of American TV could view foreign TV for one week—particularly those critics who would force stringent controls and censorship on almost every type of program," he said. "Foreign programs are so mediocre that the average family pays little or no attention to the medium."

He found West Germany "the brightest spot in European TV [and] closest to the American type," with Italian and British commercial TV also promising.

A super TV sputnik is being built by Russia (Vol. 13:49) not only to jam radar and TV & radio signals but broadcast "its own propaganda on any TV channel anywhere in the world," Rep. Patterson (R-Conn.) asserted this week. Quoting "most reliable & authoritative sources" who informed him as member of House Armed Services and Joint Atomic Energy Committees, Patterson also told Middletown (Conn.) American Legion that sputniks may be utilized as "bomb-carry vehicles." He called for "super-accelerated crash program in all research & weaponry."

British retail TV sales hit year's peak of 191,000 in Sept. vs. 175,000 year ago, reports British Radio Equipment Mfrs. Assn. Total for 9 months was 856,000 vs. 777,000 in 1956 period. Radio sales in Sept. were 105,000 vs. 86,000 in 1956, while 9-mo. total was 824,000 vs. 674,000 last year.

Suggestions on international radio problems are invited by FCC, with Jan. 23 deadline, as part of U. S. preparation for International Telecommunication Union conference starting in Geneva July 1, 1959.

EIA spectrum study proposal is still at level of informal talks between EIA committee members and govt. officials (Vol. 13:44, 47-48). No formal meetings have been lined up and none are likely until after Jan. 1.

**Personal Notes:** Herbert B. Lazarus resigns Dec. 31 as AB-PT v.p., secy. & gen. counsel to open private law practice . . . Earl Rettig elected California National Productions pres., leaving post of NBC v.p. and treas.; he succeeds Robert D. Levitt, resigned; Weller Keever promoted to v.p. & gen. mgr. . . . Marcel Carter promoted to CBC controller of management planning & development, succeeded by A. M. Henderson as comptroller . . . Robert M. Weitman, CBS-TV program development v.p., named TV industry coordinator for 10th anniversary of State of Israel . . . Henry Hede promoted to ABC-TV administrative sales mgr., succeeded as eastern sales mgr. by Eugene Wyatt . . . Don L. Kearney, ex-ABC Film Syndication sales v.p., appointed Corinthian stations sales director . . . Herbert L. Golden, v.p. of Entertainment Industries div., Bankers Trust Co., N. Y. and former *Variety* reporter & editor, Jan. 1 becomes pres. of new United Artists Television Corp. and v.p. & director of parent United Artists Corp. . . . Stephen A. Machinski Jr. promoted to exec. v.p. of rep Adam Young Inc. . . . Robert J. Sullivan, ex-WOR-TV & WOR, N. Y., named CBS Radio mgr. of audience promotion & merchandising . . . James Richards, ex-Don Lee v.p., rejoins John Blair & Co. as account exec. on N. Y. staff . . . Norman J. Ostby, ex-Don Lee station relations v.p., appointed gen. mgr. of MBS west coast div. . . . Walter E. Nilson promoted to rep Katz Agency TV sales mgr.; Wm. W. Joyce named Chicago TV sales mgr.; Oliver T. Blackwell, Alfred I. Miranda & Michael T. Membrado promoted to asst. TV sales mgrs. . . . F. A. (Mike) Wurster transfers from N. Y. office of John E. Pearson rep firm after holidays to become mgr. of San Francisco office, succeeding Martin Percival, who has resigned to accept a position in N. Y. . . . Timothy O'Connor appointed head of broker Allen Kander & Co. new Denver office, 1700 Broadway (Acoma 2-3623) . . . George H. Morris promoted to gen. sales mgr. of WSIX-TV, Nashville . . . Ted Weber, ex-WGN-TV, Chicago, appointed director of sales development of WVUE, Wilmington-Philadelphia . . . Roger Gardner promoted to production mgr. of WCCO-TV, Minneapolis, succeeding Charles D. Miller, resigned . . . Curt Sobo, ex-KFYR-TV, Bismarck, named mgr. of Meyer Bestg. Co.'s upcoming

KMOT-TV, Minot, N. D. (Ch. 10); Larry Mills appointed news director of Meyer which also operates KFYR-TV & KFYR and KUMV-TV, Williston, N. D. . . . Douglas L. Sinn, ex-WWJ-TV, Detroit, appointed regional sales mgr. of WMBD-TV, Peoria . . . Anne Hetfield, ex-Branham Co., named sales development director, Crosley Bestg. Co.; Marjorie Kemme promoted to press relations director, WLWT & WLW, Cincinnati . . . J. Harrison (Jack) Hartley, ex-station director of WEWS, Cleveland, appointed agent for Conn. Mutual Life Insurance Co., 2800 Euclid Bldg., Cleveland . . . Ted Steele forms Ted Steele Radio & Television Station Representatives, 510 Madison Ave., N. Y. with Leonard H. Levitt v.p.-gen. mgr., Steele continuing WOR-TV program . . . Mort Stein resigns as sales mgr. of Frazen TV Commercial Productions.

Seymour M. Chase, onetime attorney in FCC Office of Opinions & Review, who for last 4 years has been with Segal, Smith & Hennessey law firm, on Jan. 2 occupies own offices at 736 Wyatt Bldg., Washington (phone, Executive 3-2299); George S. Smith and Philip J. Hennessey, forming new law firm of Smith & Hennessey (Vol. 13:45), same date move into own building at 1240 19th St. NW (Executive 3-7242). In honor of his ex-partners, Paul M. Segal, who retains present quarters at 816 Connecticut Ave., gives cocktail party Dec. 20 at Army & Navy Club.

Nathan D. Golden, veteran director of Dept. of Commerce scientific, motion picture & photographic products div., awarded B'nai Israel plaque for outstanding achievement.

Wm. S. Paley, CBS chairman, appointed by President Eisenhower to Civil War Centennial Commission, preparing program for 100th anniversary of Civil War.

Frank L. Dennis promoted to USIA director of Public Information, succeeding Sidney H. Fine, assigned overseas.

### Obituary

Johnnie Andrews, 50, pres. of Andrews Tower Co., TV & radio tower builder, died Dec. 12 in plane crash near Van Horn, Tex. Local officials said he may have suffered heart attack shortly before crash.

**ADVERTISING AGENCIES:** Dwight M. Mills, Kenyon & Eckhardt exec. committee chairman, plans to retire next year, no date set . . . F. Kenneth Beirn and F. Bourne Ruthrauff resign as v.p.'s of Erwin Wasey, Ruthrauff & Ryan . . . Anderson F. Hewitt, Kenyon & Eckhardt senior v.p., elected to exec. committee . . . Dan Potter promoted from broadcast media director of Norman, Craig & Kummel to head new corporate media planning & analysis dept. . . . Edward N. Mayer Jr. promoted to exec. v.p. of Communications Counselors Inc., div. of McCann-Erickson . . . Charles E. Coe, ex-Communications Counselors div. of McCann-Erickson, appointed Reach, McClinton & Co. v.p., director of market development and plans board member . . . John T. McHugh, ex-Joseph Katz agency pres., appointed Keyes, Madden & Jones exec. v.p. . . . Robert J. Brewster, ex-McCann-Erickson, joins J. Walter Thompson Co., Chicago, as a senior group head.

Baltimore's taxing spree—not only the proposed levies on all advertising media (Vol. 13:45-49) but by newly imposed tax on stocks & machinery of industries—is reaping an inevitable harvest. AP reports that 102-year-old A. K. Robins Co., employing 75, and Maryland Beverage Co. are moving to other towns—making 11 firms to do so since new city tax on inventory & equipment went into effect earlier this year.

**Tempest in a Toothpaste Tube:** Madison Ave. was still choosing up sides at week's end over rather spectacular loss of Whitehall Pharmacal account by Grey Adv. Agency after Grey pres. Arthur Fatt acknowledged in TV interview that he didn't always use Whitehall's Kolynos toothpaste. Appearing on *Nightbeat* on WABD, N. Y., Fatt told interviewer Howard Whitman, in response to question, that he had used Crest toothpaste the morning of telecast; Whitman then brought out that Grey Adv. represented Kolynos. Fatt stated his agency also handled some products of Procter & Gamble, but not Crest. This week, Whitehall dropped Grey for Kolynos. Though Whitehall parent American Home Products Corp. is one of top 20 national advertisers, Kolynos account represents only about \$300,000 a year. Most admen felt that by & large Fatt did excellent job on TV show in representing ad industry—but opinion was divided as the whether Whitehall was justified in dismissing agency. There was unanimity, however, in feeling that it would be a long time before any more agency men appeared on TV interview shows.

New reps: WESH-TV, Daytona Beach, to Avery-Knodel (from Petry); KSHO-TV, Las Vegas, to McGavren-Quinn (from Forjoe); KCEN-TV, Temple, Tex. to Blair Television Assoc. (from Hollingbery); WJBF, Augusta, Ga. to Hollingbery (from Avery-Knodel).

**Telecasting Notes:** What's more important to a sponsor than ratings? At least 3 other considerations should be, says pres. Walter Guild of Guild, Bascom & Bonfigli in special article in Dec. 11 *Variety*. "We dearly love high ratings, and are as dejected as the next one when we lose a point or 2," he sums up. "But we rank ratings in about fourth place in our consideration of TV properties" . . . Mr. Guild's 3 more-important-than-ratings points: (1) Good commercial fusion, or "opportunity to present commercials at a time and in a situation when audience is in a mood to receive them." (2) Every-week frequency of commercial message, rather than alt. week sponsorship. (3) Exclusivity of sponsorship, as opposed to shared sponsorship . . . John Crosby takes dimmer view of ratings in his Dec. 13 N. Y. *Herald Tribune* column. "Ratings are idiotic," he says. "Only idiots would pay the slightest attention to them and here a whole industry is based on them" . . . "The TV market has suddenly gone soft," reports another article in same issue of *Variety*, "and the networks are more than a little concerned over a situation that finds them with several openings in prime time and no solid prospects for filling them." Among shows which article lists as seeking alt. sponsors are NBC's *Restless Gun*, which pulled No. 5 rating in Nov. ARB list; CBS's well-rated *Person to Person* and *I Love Lucy* reruns . . . Swing to live shows next summer and fall is predicted by ABC-TV program v.p. James Aubrey Jr., according to Dec. 9 *Billboard*. His logic: Sponsors and producers have learned

lesson this season, and plan to start shows live so that changes may be made quickly, if needed; if shows prove successful, then they'll switch them to film . . . Westinghouse Broadcasting Co. will be only U. S. non-network station group with correspondent at Paris NATO meetings; WBC national correspondent Rod MacLeish will transmit daily 15-min. reports for duration of conference and will supervise special UP film coverage for WBC stations . . . Major cultural effort of CBS-TV, *Seven Lively Arts*, will be dropped after 10 of the originally planned 26 shows, having failed to attract sponsor—or critical acclaim, until Dec. 7 jazz show, which received enthusiastic response from reviewers . . . Metropolitan music critics again applauded *NBC-TV Opera Theatre* as it opened season Dec. 7 with striking performance of Poulenc's "Dialogues of the Carmelites" . . . One of most ambitious and largest news shows ever scheduled is CBS-TV's Jan. 5 *Where We Stand*, 90-min. program sponsored by Prudential Insurance, and reporting on scientific, military, govt., economic & educational scorecard between U. S. & Russia . . . IT&T's debut in network TV sponsorship will be 60-min. CBS-TV *See It Now* Dec. 30 program of filmed highlights of Marian Anderson's Asian concert tour . . . Major league baseball on film is project being considered by ABC-TV for 1958 ball season. Under plan, daytime games would be filmed, then played back same evening . . . Like old times: CBS-TV's *Lucille Ball-Desi Arnaz* show topped both Nielsen & ARB ratings for Nov., when the new once-a-month 60-min. show made its debut.

TV poses no moral problem to Catholics generally, Bishop Wm. A. Scully of Albany, chairman of Episcopal Committee on Motion Pictures, Radio & TV, said this week. Reminding Catholics to renew pledges of loyalty to Legion of Decency and be on guard against improper movies, he said his Committee sees no need now to pass judgment on U. S. TV or radio programs in carrying out censorship encyclical by Pope Pius XII (Vol. 13:46-47). "The [broadcasting] industry is to be commended in preserving standards which permit the American home to tune in programs at random without being faced, in each instance, with a problem of moral judgment," Bishop Scully said. He praised TV's "self-regulatory agencies" for upholding—"with some exceptions"—broadcasting principles of serving public interest.

Westinghouse's 5 TV stations, which under direction of pres. Don McGannon are taking lead among non-network interests in production of our own educational programs, is screening documentary *Education '57* for U. S. Commissioner of Education Lawrence Derthick and others at Washington's Statler Hotel, Dec. 16 at 5 p.m. Last month, it screened for FCC its *Adventurers in Number & Space*, featuring Baird Puppets in nine 30-min. films designed to popularize such subjects as arithmetic, algebra, geometry, computers, etc. Westinghouse spent \$80,000 on the series, is currently running them sustaining in prime time (between 7 & 8 p.m.) on its own stations, plans to release them also to educational stations.

Rate increases: WSIX-TV, Nashville, Nov. 1 added Class AA hour (7-9:30 p.m. daily) at \$700, min. at \$140, Class A hour going from \$575 to \$600. WILK-TV, Wilkes-Barre, Nov. 1 raised base hour from \$425 to \$475, min. \$85 to \$95, its second increase in 3 months, having raised hour from \$375 last Sept. WESH-TV, Daytona Beach, Nov. 1 added Class AA hour (7:30-10:30 p.m. daily) at \$400, min. at \$90, Class A hour going from \$200 to \$325. WTPA, Harrisburg, Nov. 1 raised hour from \$350 to \$385, 20 sec. \$70 to \$75.

TV network contracts with major league baseball clubs for Sunday games next season should be deferred pending Congressional investigation, Chairman Celler (D-N. Y.) and Rep. Keating (R-N. Y.) of House Judiciary anti-trust subcommittee said this week. Responding to protests by minor leagues that telecasts scheduled by CBS-TV and 5 major clubs would cut into minors' Sunday gates (Vol. 13:49), Celler & Keating warned in joint statement that "precipitous action taken now would seriously interfere with an ultimate solution that is fair & equitable to all concerned." They promised probe of dispute between minors & majors to see if new anti-monopoly legislation is needed to prevent situation which would "jeopardize the welfare of the entire sport."

Local TV programming by Westinghouse stations in new "Project 62" will help "discover & develop the performing, writing & producing talent for the industry's needs," according to Westinghouse Bestg. Co. pres. Donald H. McGannon. He told meeting of station executives in Savannah that "Project 62" will be financed as corporate undertaking "well into 6 figures."

Jefferson Standard Bestg. Co.'s WBTB & WBT, Charlotte, have received first annual "Corporate Citizenship Award" from N. C. Literary and Historical Assn. Inc. Also, this week, Jefferson Standard Foundation awarded 3 one-year scholarships to U of N. C. students for study in Dept. of Radio, TV and Motion Pictures.

Weather radar system which can be used by TV-radio stations and other relatively small privately operated enterprises, such as construction projects and offshore drilling operations, was announced this week by RCA. New compact ground system is designed to provide accurate forecasts, spotting and tracking disturbances at distances up to 150 mi. It is being manufactured in RCA's Los Angeles defense electronic products plant.

New closed-circuit TV system at Ohrbach's dept store, N. Y., was credited with first arrest this week when woman was held on charge of taking \$70 sweater.

**New and Upcoming Stations:** KWRB-TV, Riverton, Wyo. (Ch. 10) opened up new market when it started Dec. 14 as CBS-TV affiliate, bringing on-air total to 520 (90 uhf). It plans off-air network pickup from KTWO-TV, Casper, Wyo. (Ch. 2), 105-mi. away, when that station moves to higher power at new site, scheduled for Jan. Other outlets due soon are KVII, Amarillo, Tex. (Ch. 7) and WMBD-TV, Peoria, Ill. (Ch. 31).

KWRB-TV has 5-kw GE transmitter, 12-bay antenna, atop Mt. Ridge, Boysen Peak. Studio in Thermopolis is connected via microwave, as will be studios to be built later in Riverton & Worland. Owner-mgr. is Joseph P. Ernst, operator of radio KWRL, Riverton; KRTR, Thermopolis; KWOR, Worland. Base hour is \$150. Rep is Meeker.

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

WLOF-TV, Orlando, Fla. (Ch. 9) has 80% of GE equipment on hand, hopes to begin test patterns about Jan. 9, programming 2 weeks later, reports v.p.-gen. mgr. Donn R. Colee. It will use 651-ft. Stainless tower. Principal owners are Joseph L. Brechner and John W. Kluge. Rates not yet set. Rep will be Young TV.

WJCT, Jacksonville, Fla. (Ch. 7, educational) has

**Radio Station Sales Approved by FCC:** WDIA, Memphis, Tenn. by John R. Pepper & E. R. Ferguson for \$1,000,000 to owners of WOPA, Oak Park, Ill. (Vol. 13:44) . . . WOBS, Jacksonville, Fla. by Robert W. Rounsaville for \$500,000 to owners of WSTN, St. Augustine (Vol. 13:34) . . . WMRY, New Orleans, La. by Lester Kamin and associates for \$250,000 to Robert W. Rounsaville (Vol. 13:34) . . . KITO, San Bernardino, Cal. by Frank Oxarart, Albert Zugsmith and John D. Feldmann for \$200,000 to owners of KWKW, Pasadena, Cal. (Vol. 13:46) . . . KRCT, Pasadena, Tex. by W. D. Christmas for \$175,000 to v.p.-gen. mgr. John H. Touchstone and Leroy J. Gloger (Vol. 13:46) . . . WTAN, Clearwater, Fla. by Mary B. & William G. Wells for \$155,000 to H. Dennison Parker (Vol. 13:44) . . . WWIL, Ft. Lauderdale, Fla. by Missouri Bestg. Corp. for \$130,000 to Florida Air-Power Inc. (Vol. 13:36) . . . WEAR, Pensacola, Fla. by Gulfport Bestg. Corp. for \$112,500 to Florida Radio & Bestg. Co. (Vol. 13:43) . . . WMMB, Melbourne, Fla. by Mrs. Erna Bessler for \$102,500 to Harlan Murrelle and associates (Vol. 13:43) . . . WVLN, Olney, Ill. by Olney Bestg. Co. for \$95,000 to owners of WSOY, Decatur, Ill. . . . WHUC, Hudson, N. Y. by Robert P. Strakos and John F. Kearney for \$82,500 to Colgreene Bestg. Co. (Vol. 13:47) . . . KTOO, Henderson, Nev. by KTOO Inc. for \$78,945 to Advertising Dynamics Corp. . . . WGKV, Charleston, W. Va. by Jacob & Walter Evans for \$77,500 to Joseph L. Brechner (Vol. 13:46) . . . KTNM, Tucumcari, N. M. 55% by David R. Worley, Lloyd Hawkins & Bruce Zorns for \$63,000 to Howard L. Maudlin (Vol. 13:33) . . . WIKB, Iron River, Mich. by WIKB Inc. for \$53,000 to Edwin Phelps and son (Vol. 13:44) . . . WMGE, Madison, Ga. by W. C. Woodall Jr. and associates for \$30,000 to Howard C. Gilreath and F. K. Graham (Vol. 13:46).

Sale of KGEO-TV, Enid-Oklahoma City (Ch. 5) by Streets Electronics Inc. (P. R. Banta, pres.) for \$2,500,000 (Vol. 13:41, 45) was approved by FCC. Buyers are L. E. Caster, ex-pres. of WREX-TV, Rockford, Ill. (Ch. 13), who acquires 75%, and Ashley L. Robison, owner of radio KOVO, Provo, Utah and 15% stockholder of WREX-TV, who gets 25%. Banta is to buy back 10% of KGEO-TV from Caster.

changed target to Feb. 1, reports Heywood Dowling, pres. of grantee Educational Television Inc. GE 5-kw transmitter donated by WMBR-TV is expected to be hooked up in month to Alford antenna on WFGA-TV tower at 843-ft. level. It will use WMBR-TV studios, but transmitter and film equipment will be located in WFGA-TV transmitter house.

WBPZ-TV, Lock Haven, Pa. (Ch. 32) is wiring 1-kw RCA transmitter, plans test patterns about Jan. 1, reports WBPZ gen. mgr. Harris Lipez. It will be first local TV outlet in area which has been getting service from community antenna systems. It plans Jan. 15 start as ABC-TV affiliate, picking programs off air from WILK-TV, 80 mi. away. Antenna was scheduled for installation Dec. 16 on Stainless 100-ft. tower on Sugar Lusk Mt. Radio staffers assuming TV duties are Richard Yoke, sales mgr.; Dave King, program mgr.; Albert Stratmoen, chief engineer. Base hour will be \$100. Rep not chosen.

New joint 1110-ft. tower was inaugurated Dec. 15 by Philadelphia's WFIL-TV (Ch. 6) & WRCV-TV (Ch. 3) with 30-min. dedicatory color program carried by both stations.

Translator starts: K78AF, La Barge-Big Piney, Wyo. began Dec. 7 repeating KSL-TV, Salt Lake City.

**Reports of Radio Station Sales:** KDON, Salinas, Cal. by Clark Fee and Glen Stadler for \$260,000 to Richard Bott, asst. gen. mgr. of KSAN-TV, San Francisco (Hamilton, Stubblefield, Twining & Assoc.) . . . WOTW, Nashua, N. H. by Arthur A. Newcomb for \$155,000 to Theodore Feinstein, owner of 3 other New England stations . . . KSUB, Cedar City, Utah, 34.27% by Durham Morris, W. Arthur Jones, Lannell N. Lunt and Lorin C. Miles for \$65,415 to Beehive Telecasting Corp., grantee for Ch. 11 in Provo and present 23.72% owner; Beehive will own 58% of station after transaction . . . KTOO, Henderson, Nev. by Tom Magowan and Fred Jones for \$63,600 to group of Hollywood TV-radio announcers . . . KOFE, Pullman, Wash. by J. Ronald Bayton & Maynard F. Hicks for \$60,000 to KOFE Inc. (Herbert E. Everitt, pres.) . . . KASI, Ames, Ia. by Ames Bestg. Corp. for \$57,000 to William Evans, free-lance radio producer & writer . . . WJOT, Lake City, S. C. by Lake Bestg. Corp. for \$49,731 to Charles W. & John A. Dowdy.

Transfer of KCOP, Los Angeles (Ch. 13) to Bing Crosby-Kenyon Brown group for \$4,000,000 from Copley Press was approved by FCC this week—Commission satisfied with purchaser's program plans, which it had questioned after complaints were filed by NAFBRAT (Vol. 13:34, 37). Viewers' group had charged that station's schedule was poor in presentation of controversial issues, overcommercialized, etc.; purchaser had said it planned no substantial change, later submitted statement meeting Commission approval.

Kansas City Star, now selling its TV-radio stations for \$7,600,000 cash to National Theatres Inc. in compliance with consent decree arising from anti-trust conviction (Vol. 13:48), faces new damage suits filed Dec. 13 in Federal district court in Kansas City by publishers of several newspapers and shopping papers. Alleging monopolistic practices, publisher of *Independence* (Kan.) *Daily News* asks treble damages of \$3,000,000 and \$150,000 attorney fees; owners of *North Kansas City News* and weekly *Industrial Press* demand \$2,550,000 damages and \$50,000 fees; publishers of *Johnson County Herald* seek \$1,500,000 & \$50,000.



**FCC Issues Major Rules Revision:** New "practice & procedure" rules of FCC, issued this week, are source of pride to Commission—being first major revision in about 10 years, and FCC being first govt. agency to accomplish feat essayed by all similar agencies.

Extensive document, to be printed in *Federal Register* as soon as possible, also in special Govt. Printing Office pamphlet, contains numerous revisions—including elimination of mandatory "written hearings" (Vol. 13:48), changes in treatment of petitions for stay and reconsideration, simplification of admission to practice before Commission, modification of procedure in filing amendments after initial decisions, etc.

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FCC continued its closer scrutiny of "drop-out" agreements, as in Lubbock case (Vol. 13:48-49) wherein competitor withdraws application, leaving one applicant free for grant. It stayed finalization of Ch. 18 CP in Baton Rouge for Port City TV Co., pending study of agreement with Bayou Bcstg. Corp., which dismissed.

Sale of 60% of WMFD-TV, Wilmington, N.C. (Ch. 6) by Richard A. Dunlea & wife for \$153,850 (Vol. 13:44) was approved by FCC this week. Dan D. Cameron retains his 40% of station, Dunleas keep radio WMFD. Buyers of Dunlea stock are WNCT, Greenville, N. C. (Ch. 9) and J. W. Jackson. After transfer is effected, stockholders are to buy additional shares which will result in this lineup: WNCT, 49.58%; Dan D. Cameron, 40%; James W. Jackson, 10.41%.

Control of KPLC-TV, Lake Charles, La. (Ch. 7) & KPLC is being acquired by T. B. Lanford, who already has 1/3 interest, it's revealed by application filed with FCC. He's paying \$322,000 for 1/6 held by R. M. Dean and 1/6 by Viola Lipe Dean Trust, increasing holdings to 2/3. Other 1/3 partnership interest is held by L. M. Sepaugh. Oct. 31 combined balance sheet for TV and radio lists \$134,297 net profit. It shows \$219,218 current assets, \$276,475 fixed assets; \$90,998 current liabilities, \$282,876 investment by Lanford, \$151,035 by Sepaugh.

Triangle Publications Inc., headed by Walter Annenberg, publisher of *Philadelphia Inquirer*, *TV Guide* and other periodicals, owner of WFIL-TV & WFIL, Philadelphia as well as 4 other TV and 4 other radio stations [see p. 206, *TV Factbook No. 25*] this week acquired tabloid *Philadelphia Daily News* (circ. 175,000) from Matthew J. McCloskey, treas. of Democratic National Committee. It will continue to be published as a tabloid but editorial policy changes to Republican.

Five applications for TV stations and one for a translator were filed with FCC this week, bringing total to 122 (32 uhf) for stations, 25 for translators. Applications: For Moline, Ill., 2 for Ch. 8, one by group headed by Frank Schreiber, ex-gen. mgr. of WGN-TV, Chicago, other by principals of WMT-TV, Cedar Rapids; for Hot Springs, Ark., Ch. 9, by Donald Reynolds, owner of KFSA-TV, Ft. Smith, and other stations; for Gainesville, Fla., educational Ch. 5, by U of Fla.; Lubbock, Tex., Ch. 5, by owners of KDAV there. Translator was for Ch. 77, Redwood Falls, Minn. [For details, see *TV Addenda 25-T* herewith.]

Assn. of Maximum Service Telecasters added 5 members at board meeting in Tulsa last week. KOA-TV, Denver; WFIL-TV, Philadelphia; WBIR-TV, Knoxville; WRGP-TV, Chattanooga; KSIX-TV, Corpus Christi.

Allocations activity: (1) *Washington Post*, operator of WTOP-TV (Ch. 9) and WMBR-TV, Jacksonville (Ch. 4), asked that Ch. 8 be shifted from Selma, Ala. to Birmingham. CP for Ch. 8 is held by WSLA (Wm. Brennan & Wm. E. Benns) which has sought approval for move to new site and 2000-ft. tower 50-mi. southeast of Selma. WSLA has had grant since Dec. 14, 1953, is seeking 7th extension of time to build. WSLA has had long hassle with Govt., in attempt to get approval of its proposed tower. (2) KATV, Pine Bluff, Ark. (Ch. 7) asked for move of its channel to Little Rock, shift of Ch. 9 from Hot Springs to Pine Bluff. (3) WWLP, Springfield, Mass. (Ch. 22) filed 5-town uhf parlay aimed at getting Ch. 74 into Springfield, Vt. for translator. (4) FCC started rule-making to delete Ch. 5 & 8 from Walla Walla, Wash. to make city all-uhf. (5) Commission denied proposals to shift educational Ch. 11 from Durham, N. H. to Keene, N. H. or Worcester, Mass. for commercial use.

Time for comments on low-power vhf rule-making was again moved, from Dec. 15 to Jan. 15, at request of booster proponent Gov. McNichols of Colo.

Ch. 11 CP to Beehive Telecasting Corp., Provo, Utah, was made effective immediately. Translators on Ch. 73, 80 & 83 were granted for Redwood Falls, Minn.

Program at 83rd semi-annual SMPTE convention April 21-25, Ambassador Hotel, Los Angeles, includes these papers: "Closed Circuit TV," by Boyce Nemece, management consultant; "Color and Black-&White Cinematography," Alan M. Gundelfinger, Technicolor Corp.; "Distribution of TV Programs on Film," Frank Ralston, ABC TV Center; "High-Speed & Instrumentation Photography," Robert M. Beatty, Lockheed missile div.; "Industry Milestones," John B. McCullough, Motion Picture Assn. of America; "Laboratory Practices," Vaughn Shaner, Eastman Kodak; "Motion Picture Studio Practices," Petro Vlahos, Motion Picture Research Council; "Sound Recording," James L. Pettus, RCA; "TV Recordings," Ralph E. Lovell, NBC; "TV Studio Practices," Jack Kennedy, NBC; "World-Wide TV," Ellis W. D'Arcy, consulting engineer.

Compatible single-sideband radio transmission is being tested by ABC's WABC—second N. Y. outlet to experiment with the new technique, first having been WMGM (Vol. 13:12). System eliminates one sideband (saving spectrum space), concentrating entire output on other sideband. Tests began Dec. 8, using CSSB on regular programs 6 p.m.-8 a.m. this week; next week tests will be carried 8 a.m.-6 p.m., with transmission hours alternating each week thereafter. Listeners have been invited to comment. Engineering v.p. Frank Marx said ABC expects CSSB to provide increase in effective signal equivalent to doubling power, improvement in fidelity, less fading in fringe areas.

Unique agreement with 3 networks has been signed by WJIM-TV, Lansing-Flint (Ch. 6), under which station "will accept orders from all networks on an equal basis" effective Jan. 1. Outlet will drop its "basic" affiliation with NBC and "basic optional" ABC & CBS tags. Currently, according to pres. Harold F. Gross, station is scheduling 58 hours weekly from NBC, 24 from CBS & 14 from ABC. "As of Dec. 1," he adds, "WJIM-TV had orders on hand for all NBC programs, 71% of all CBS programs and 87% of the ABC commercial schedule." Station originates 30 shows weekly at new Flint studio.

American Research Bureau has moved into new 2-story center at Beltsville, Md., consolidating depts. previously quartered in National Press Bldg., Washington, and College Park, Md.

**DIMENSIONS OF THE ELECTRONICS INDUSTRY:** Electronics' role in the economy was blocked out precisely and concisely this week when James D. Secrest, Electronic Industries Assn.'s perceptive and experienced exec. v.p., addressed U.S. Chamber of Commerce "Business Outlook Conference" in Washington. Highlights:

- (1) Govt. is by far electronics industry's biggest customer -- percentage of factory dollar volume coming from Govt. rising from 20% to 50% from 1950 to 1957, while entertainment volume dropped from 58% to 21%.
- (2) Total factory electronics sales should reach record \$7 billion this year vs. \$5.9 billion in 1956 -- with 8-10% increase in prospect for 1958.
- (3) Military electronics jumped from \$2.7 billion in 1956 to an expected \$3.5 billion this year.
- (4) Industrial electronics is \$1.3 billion this year, \$350,000,000 above 1956.
- (5) TV sales slipped about 4% this year, production about 12% -- to about 6,500,000 units for both -- but "greater stability and balanced inventories improved the profit position of most companies" -- and industry expects to produce and sell about 7,000,000 or more sets in 1958.
- (6) Radio and hi-fi have boomed -- radio production due to hit about 15,300,000 this year vs. 13,900,000 in 1956 (Vol. 13:49) -- with 500,000 more due in 1958.
- (7) One of biggest potentials is industrial electronics. "Already, it is running a close second to home entertainment and may well surpass it next year."
- (8) Component sales this year will be about \$900,000,000, up \$50,000,000; transistor sales of 27,000,000 will be more than double 1956's.
- (9) A strong comer: Closed-circuit TV -- especially for school & industry.

**NOV. SALES TURN UP, INVENTORIES DOWN:** Year's downward trend in retail TV unit sales broke to upward side in Nov., preliminary estimates indicating 613,000 units sold, including exports, compared with 572,000 in Nov. 1956. It was first month since July and only 4th in year (others, Jan. & May) that retail sales bettered comparative 1956 months. If Dec. sales match the 960,000 of last Dec., retail sales for full year should reach about 6,500,000 vs. 1956's 6,800,000. However, Dun & Bradstreet Inc. reports 1-5% drop in retail business week ended Dec. 11, compared with last year, blaming sloppy weather and transportation strikes -- heaviest impact on furniture, housewares, major appliances.

End-of-Nov. inventories totaling 2,500,000 at all levels -- factory, distributor, retail -- also are regarded as favorable and compare with 2,800,000 at same time last year. Particularly noteworthy is fact inventories have remained virtually constant since end of Sept., whereas in same 1956 period they increased 200,000.

Inventory shows how carefully set makers are watching the production-factory sales-retail sales cycle. Nov. production was 562,000 vs. 680,000 in Nov. 1956; factory sales were 580,000 vs. 631,000.

Note: We've remarked before on the curious parallel between passenger auto and TV receiver production figures. Ward's Automotive Reports estimates 6,158,000 cars being built this year (aside from 1,000,000-plus trucks). In 49 weeks thus far reported by EIA, TV production totaled 6,047,000 (see p. 11); last 3 weeks of year are not usually heavy -- so parallel seems to hold again, for whatever it may betoken.

**Magnavox Mending Fences:** "Magnavox is looking for dealers in metropolitan areas where we don't have adequate distribution." That's the explanation given by merchandising director George Fezell when we asked if this week's controversial addition of dealers in Philadelphia showed break in company's tight franchising policy.

Key cities have to produce higher percent of market in order to balance Magnavox's (1600 dealers) lack of representation in most of nation's 3000 counties, he said. "Our Philadelphia figure was too low." He added that increasing franchises to 17 this week from start of 9 in first quarter won't interfere with business of present accounts -- 17 dealers being less than half number Magnavox marketing might require.

Does local "character" of some of the added dealers disturb Magnavox? "No, our franchise has teeth in it. All dealers have signed it," he said, adding that agreements signed also protect price against excessive trade-in allowance tactic often used by discounter to disguise price cutting. "Some of our biggest accounts are discounters," he added, "but they value our franchise; they don't cut Magnavox."

**Production:** TV output was 109,339 week ended Dec. 6 vs. 123,844 the preceding week & 151,993 in 1956. Year's 49th week brought production to about 6,047,000 vs. 7,010,837 last year. Radio production was 387,597 (121,784 auto) in Dec. 6 week vs. 357,881 (109,372 auto) the preceding week & 374,826 (164,907 auto) in 1956. Through 49th week, radio set output totaled about 14,379,000 (5,156,000 auto) vs. 12,952,675 (4,553,194 auto) through 49 weeks of 1956.

**\$3,000,000 Hallicrafters Deal:** Hallicrafters principals would neither confirm nor deny widely published reports this week that sustain advance indications (Vol. 13:49) that company will shortly revert to control of pres. Wm. J. Halligan and family—but fact is announcement came from Penn-Texas Corp., of which Hallicrafters became a subsidiary in Feb. 1956 (Vol. 11:51). At Hallicrafters it was stated announcement was premature because some contingencies remain to be resolved.

Penn-Texas stated \$3,000,000 cash was being paid to spin off the pioneer TV-radio-communications equipment manufacturer; whether the Halligans will be sole owners, or will once again offer their stock publicly, could not be ascertained. First National Bank, Chicago, is Hallicrafters' banker.

It's definite that Hallicrafters is going to halt TV-radio output at end of Jan., but it will continue to make the amateur equipment which first made it famous along with police, railroad and other mobile radio apparatus. Firm also has substantial govt. contracts still in force, and is making the Lowrey electronic organ under contract. Its gross sales will run about \$23,000,000 this year, whereas in its 1955 & 1954 fiscal years, when TV sales under own brand name were substantial, it did around \$30,000,000 (Vol. 11:47). It went under the Penn-Texas wing in an exchange-of-stock deal.

Firm is currently completing contracts to manufacture some of Western Auto's private-label TV's, radios and auto radios (*Truetone*); Gamble-Skogmo's TV (*Coronado*); Montgomery Ward's radios (*Airline*). Founder and head of firm, the widely known and popular "Bill" Halligan, ex-West Pointer, is understood to be slated for chairman of the board, his sons for other key posts much the same as they now hold: Wm. J. Jr., 33, sales & exec. v.p.; Robert F., 32, now v.p., probably new pres.; John R., 30, now treas. & asst. secy., new secy.-treas. Firm has 2 big plants in southwest Chicago.

Record GE sales & earnings for 1957 are seen by pres. Ralph J. Cordiner, who says there's every indication they'll top 1956's earnings of \$214,000,000 on sales of \$4.09 billion. He sees a tapering off in first half of 1958 for both electrical equipment industry and economy generally, with upturn in second half.

Census Bureau reports \$3.258 billion sales of electrical appliances, TV, radio sets, electronic parts by distributors in first 10 months of 1957 vs. \$3.253 in 1956 period.

**TV Styling to Come:** Further evidence of styling trends in coming TV lines (Vol 13:48) came with introduction of mid-season, pre-market filler models into current 1958 lines by 4 TV set manufacturers this week. Philco accented out-front sound in 3-model drop-in line featuring table model with tapered sides and "jeweled look." Sales mgr. Gib Kennedy told us front is 2-in. wider than finished back, trimmings are gold metal parts on grey background; controls are recessed into top of set, lighted from underneath.

Sylvania extended the styling shown in June by introducing "convertible" basic portable which intergrates into conventional and period table, lowboy, console furniture. In ensemble, portable's speaker hooked into set's audio system by extension cord, is "front-mounted on furniture piece"; when receiver is portable, speaker is removed from console and placed in portable's own special compartment. Prices range from \$230 to \$380; 3 new 17-in. portables are \$150 to \$180.

Motorola pushed for hi-fi sound, showing distributors 4 new models—table, console, 2 consoles—and tubeless 8-transistor car radio. Table model TV uses short-neck 90-degree tube, has two 5¼-in. speakers in cabinet, 3rd speaker in matching base—carries open list price. Console at \$300 has 12-in. woofer & two 4-in. tweeters; 2nd (period styled) console at \$400 has twin 8-in. speakers. Console, \$230 carry-over of fall special, has pair of 4-in. speakers and 8-in. in base.

Zenith showed 21 sets to distributors. Among 8 portables are 4 with indoor antenna completely contained within cabinet, operated by dial. New 14-in. is included. One new 17-in. is beamed specifically at hospital market, equipped with remote control, high casted table, ear-phones, pillow speaker.

Philco's foreign operating company (Philco Corp. S. A., Fribourg, Switzerland) has concluded agreements with James N. Kirby Mfg. Pty. Ltd., Camperdown, N. S. W., Australia, for manufacture & distribution of all Philco consumer products there—in addition to Crosley & Bendix products Kirby will continue to make.

Trav-Ler, switching to distribution totally through independents, drops factory branches in Portland, Ore., San Francisco, Minneapolis, Milwaukee, Cleveland & Boston, has converted branch mgrs. to regional mgrs. who will franchise distributors.

**Trade Personals:** Harry M. Kane promoted to gen. mgr. of Whirlpool laundry appliance div. . . . Roy Raymond named N. Y. district mgr. for Stromberg-Carlson commercial sound products . . . R. T. Silberman named pres. of Cohu Electronics Kin Tel div.; Thomas M. Hamilton named administrative v.p. of Millivac div. . . . Donald R. Kingdon named district sales mgr. for GE receiving tubes, hi-fi and other components for part of Los Angeles, all of San Diego & Ariz. . . . Robert G. Stuart promoted to gen. sales mgr. of Zenith hearing aid div. . . . Henry F. Frailey named operations mgr. for special purpose & power tubes, Westinghouse electronic tube div. . . . Robert R. Williamee promoted to supervisor of renewal sales service, Sylvania radio tube div. . . . Robert E. Silver named eastern states sales & distribution v.p. for Sterling Hi-Fidelity Inc., importer of German Nordmende-Sterling . . . Walter Fleck promoted to mgr. of all operations of Bath, N. Y. plant of Westinghouse electronic tube div.; he was recently named mfg. mgr. . . . Jack Adams promoted to editor of *Mart*.

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Distributor franchises were shifting again in Philadelphia this week—3rd major shuffle in 5 years. This one was occasioned by departure of Stuart Louchheim from appliance distribution business Dec. 31 after 45 years. Louchheim has been a Zenith distributor for 20 years, currently has Kelvinator and York in white lines. Zenith has gone to giant Peirce-Phelps which drops Admiral TV and white goods. Admiral says it will set up a branch Jan. 1. Zenith simply acknowledged that switch was effective immediately and included TV, radio & hi-fi. This leaves Peirce-Phelps without refrigerator & range line to

**German Exports:** Oft-discussed impact of Germany on the U. S. market was somewhat watered this week by arrival of West German total electronic export figures from Zentralverband der Elektrotechnischen Industrie (trade assn.). Breaking electronic exports to U. S. into 4 groups, ZVEI charts show total for 1956 to be \$14,424,000, up from \$6,000,000 in 1955, as follows: Radio & TV transmitting & receiving equipment, \$9,734,000 vs. \$4,205,000; tubes, \$614,000 vs. \$153,000; microphones & loudspeakers, \$302,000 vs. \$107,000; other sound recording & reproducing equipment including parts, \$3,774,000 vs. \$1,601,000. (No estimates given for 1957.)

ZVEI says West Germany is leader in world radio export, followed by U. S., U. K., Netherlands & Japan—its total radio export in 1956 being 1,559,000 sets vs. 1,290,000 in 1955 and mere 53,000 in 1950. Germany exports radios to 130 markets, but half of them to Europe.

As TV exporter, Germany is small. Total German TV production in 1956 was 594,500 sets, 10% exported; 1957 total is estimated at 750,000, with 20% export. However, 97% of all export TV goes into Europe's own markets. Several German firms are making TV sets which receive more than one system: the 625-line and 525-line combination and the 819-, 405-, 625-line combination.

Hi-fi isn't included in ZVEI's figures. However, in recent trip here, Werner Meyer, v.p. & gen. mgr. of Blaupunkt and pres. of West German Export Assn., said Germany will ship to U. S. about 200,000 radios and radio-phono combinations this year and probably never will ship more than 250,000 in any year. He said that U. S. takes 6% of German radio exports; that 70% are consoles, 30% table models—significant change from last year's 50-50.

Penetration of American manufacturers into hi-fi has hurt German sales in U. S., according to Meyer. But to

fill in around its Easy laundry appliances. It also left, at week end, Kelvinator and York without distributors. Pres. Stuart Louchheim told us that he's leaving appliance distribution to concentrate on manufacture of nuclear electronic instruments of his Nuclear Electronics Corp. He declined to give reasons for quitting appliances but said that his new interest is "a far more profitable business and we have several million dollars in back orders."

Edgar A. Brown Inc., Cleveland distributor, names Elliott Godin, ex-Trav-Ler, sales mgr. of TV, radio, hi-fi & electric housewares, replacing Herbert Walker, resigned.

Main Line Cleveland, RCA distributor, elects James J. Shipley v.p.

### Obituary

Henry J. Hoffman, 55, Machlett Laboratories sales v.p., died Dec. 10 at Stamford (Conn.) Hospital. He was an EIA director and v.p. of technical products div., director of Joint Electron Tube Engineering Council and member of NEMA and National Defense Electrical Reserve. A graduate of Cooper Institute of Technology, he worked for GE and Westinghouse before joining Machlett in 1944. Survivors are widow, 2 sons.

Basil M. Goldsmith, 49, material control mgr., DuMont industrial tube div., died Dec. 6 at Clifton, N. J. plant. Holder of degrees from Furman U and Cornell U, he was a pioneer in TV and electronics, helped build first DuMont TV set in 1938. Survivors are widow, 2 sons, 2 daughters and brother Dr. Thomas T. Goldsmith Jr., DuMont research & engineering v.p.

Leonard Ashbach, pres. of Majestic International, importer of Grundig line of radio & hi-fi (he takes 60% of Grundig production) such is not the case. He attributes an admitted 25% Oct. decrease in Grundig's eastern U. S. business to lack of dealer salesmanship.

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**Service Spotlighted:** Service, an exceptionally popular subject since *Time's* recent blast at servicemen (Vol. 13:41), was discussed in 3 areas this week:

(1) National Appliance Radio-TV Dealers Assn. said it would run a 3-day week-end \$75 service course during its Jan. Chicago convention. Surveying members for curriculum suggestions, program chairman Frank Pieratt (Pieratt's, Lexington, Ky.) found 98% want stress on human relations in servicing; 82%, responsibilities of service mgrs.; 80%, compensation of servicemen; 76%, business forms; 72%, finding personnel; 65%, merchandising of service depts.; 52%, budgeting; 76%, service charges.

(2) In St. Louis talk, Russell Hansen, RCA Service Co. coordinator, said that dealers don't charge enough for service; that gross profit should be at least 20%; that gross business should be 2½-times payroll expense.

(3) Philco, backing a national service policy which puts all in-warranty service through franchised independent contractors, closed its last 8 Philco Service Co. branches—completing plans introduced at its summer convention.

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Akkord brand of German radio has been added by N. Pickens Import Co., N. Y. which currently handles Blaupunkt German hi-fi. Akkord unit is AM-FM radio with battery & recharger, lists at \$149.

Retail sales of radio-household appliance stores totalled \$342,000,000 in Oct., compared with \$363,000,000 in Oct. 1956, reports U. S. Commerce Dept.; 10-mo. sales were \$3.188 billion vs. \$3.248 in 1956 period.

**Financial Notes:** Officers-&directors stock transactions for Nov. as reported to SEC: Allied Artists—G. Ralph Branton bought 7000, held 48,625 personally, 220 for wife; Samuel Broidy bought 400, holds 70,118; George D. Burrows bought 300, holds 33,686; Maurice Goldstein bought 4000, holds 12,100; Edward Morey bought 2700, holds 10,350. American Bosch Arma—Wm. S. Wasserman sold 2000 through holding company, holds 8000 in holding company, 4569 in trusts, 12 personally. AB-PT—E. Chester Gersten sold 400, holds 100; Leonard H. Goldenson sold 4000, holds 50,000. American Electronics—David Van Alstyne Jr. sold 900 through Van Alstyne Noel & Co., holds 7150 in Van Alstyne Noel, none personally. Audio Devices—Joseph K. McCammon sold 200, holds 25,263. Avco—K. R. Wilson Jr. bought 500, holds 1600. C&C TV—Matthew Fox bought 64,700, sold 29,600 by pledges, holds 610,300 as collateral against loans; Walter S. Mack sold 1700, holds 204,571; Arnold C. Stream sold 2800, holds 1000. Columbia Pictures—Harry Cohn bought 1000, holds 189,699. Consolidated Electrodynamics—Franklin H. Donnell sold 400, holds 11,600. Consolidated Electronics—Robert G. Dettmer bought 200, holds 500; Arie Vernes bought 250, holds 250. Corning Glass—C. D. LaFollette exercised option to buy 2000, holds 14,800; Thomas Waaland exercised option to buy 1000, holds 2500. DuMont Labs—Frederick H. Guterman bought 300, holds 300; Donovan H. Tyson bought 600, holds 1000. Electronic Communications—Hal A. Kroeger sold 200, holds 350. Emerson Radio—Max Abrams bought 1500 personally, 1400 for trusts, 700 for foundations; holds 88,609 personally, 11,155 in trusts, 64,501 in foundations. General Dynamics—Lisle W. Adkins sold 500, holds 2000; Earl D. Johnson sold 7000, holds 5000; Kenneth Stiles sold 700, holds 1600. GE—H. S. Morgan bought 500, holds 9000; Harold E. Strang bought 1350, holds 7922. General Precision Equipment—George T. Link sold 2000, holds 7372.

General Tire & Rubber—F. W. Knowlton bought 200, holds 2042. Guild Film—Harry A. McDonald bought 300, holds 700; David Van Alstyne Jr. sold 2000 through Van Alstyne Noel & Co., holds 7833 in Van Alstyne Noel, 13,507 personally. IBM—Jeannette K. Watson sold 2000, holds 24,733. International Resistance—Walter H. Powell bought 100, holds 100. Lear—A. G. Handschumacher sold 1600, holds 94. Loew's—Bennett Cerf bought 100, holds 300. Minneapolis-Honeywell—John J. Wilson bought 2600, holds 62,470. Minn. Mining & Mfg.—Joseph C. Duke bought 1500, holds 39,453; Irwin R. Hansen sold 100, holds 400 personally, 120 in joint account. National Telefilm Assoc.—Robert Westheimer bought 200, holds 200. National Theatres—B. Gerald Cantor bought 19,000, holds 69,000; Willard W. Keith sold 2500, holds 2500. Philco—Charles S. Cheston bought 1500, holds 1803; Raymond B. George bought 800, holds 600; Wm. Fulton Kurtz bought 300, holds 815. RCA—Andre Meyer bought 900, holds 10,000. Raytheon—D. R. Hull sold 500, holds 1000. Siegler—A. Charles Schwartz bought 1250 through Bache & Co., holds 8750 in Bache, none personally. Sylvania—Lawrence A. Appley bought 100, holds 300. Texas Instruments—W. D. Coursey bought 500, holds 5720; S. T. Harris bought 300, holds 17,904; R. W. Olson sold 255, holds 13,700. Traveler Radio—Joe Friedman bought 1300, holds 208,633. Tung-Sol—Anthony Scala bought 1000, holds 1000 personally, 1000 in joint account. 20th Century-Fox—Joseph H. Moskowitz bought 200, holds 400. Walt Disney Productions—Lawrence E. Tryon bought 160 personally, 20 as custodian; holds 160 personally, 20 as custodian; E. Cardon Walker bought 200, holds 400. Webcor—Harry R. Ferris bought 1000, holds 2200. Whirlpool—Charles M. Odorizzi bought 500, holds 1100. Zenith—E. F. McDonald bought 2200 through Seneca Securities Corp., holds 37,031 in Seneca, 10,462 personally.

Indiana Steel Products Co., biggest domestic producer of permanent magnets and also heavily in radar and defense products, in adding 5¢ to regular quarterly 30¢ dividend this week, reports net income after taxes of \$688,553 (\$2.35 per share) for 10 months ended Oct. 31, bringing book value to \$14.82 from \$13.40 same date last year. Reports pres. Paul F. Smith: "Our general business continues good and though incoming orders are slightly slower than the record pace of the third quarter, our sales for 1957 will top all previous records. Consolidated earnings are also expected to be at an all-time high." Last sales report, for 9 months of 1957, was \$9,541,215, earnings \$2.03 per share. For all 1956, sales were \$11,329,592, earnings \$764,366 (\$2.61) vs. \$9,402,753 & \$766,542 (\$2.70) in 1955 (Vol. 13:11).

IT&T had consolidated net income of \$16,854,296 (\$2.35 per share) on sales of \$436,725,523 in 9 months ended Sept. 30 vs. \$19,827,146 (\$2.76) on \$344,118,913 in 1956 period. Pres. Edmond H. Leavey reported Sept. 30 orders on hand at \$467,000,000, compared with last year's \$478,000,000, noted income for current quarter is being hit by strike at Federal Telephone's Clifton, N. J. plant.

Dividends: Motorola, 37½¢ payable Jan. 15 to stockholders of record Dec. 31; Whirlpool, 35¢ Dec. 31 to holders Dec. 13; Belock Instrument, 1½% stock Jan. 17 to holders Dec. 17; IT&T, 45¢ Jan. 15 to holders Dec. 20.

United Artists earned \$2,363,000 on gross film sales of \$52,553,000 in 9 months ended Sept. 30 vs. \$2,256,000 on sales of \$46,777,000 in 1956 period.

Herold Radio & Electronics Corp. common stock was admitted to trading on American Stock Exchange this week.

**ELECTRONICS PERSONALS:** James F. Toole elected Sperry Rand treas., Charles Ondrick controller . . . Homer L. Marrs promoted to v.p. & operations mgr. of Motorola Communications and Electronics Inc.; Harold A. Jones succeeds him as v.p. and midwestern areas sales mgr. . . . Harvey G. Melhouse elected v.p. of Western Electric, replacing A. Pope Lancaster who becomes v.p. of another manufacturing area with headquarters in Chicago; W. Clare Brooks succeeds Melhouse as mgr. of Merrimack Valley works; J. Harold Moore replaces Brooks as personnel director . . . Col. James W. Anderson Jr. (USAF ret.) appointed special asst. to Magnavox chairman Richard A. O'Connor . . . Walter W. Finke elected v.p. of Minneapolis-Honeywell, continues as pres. of Datamatic div. . . . H. Steven Berck, ex-GE, named mgr. of distributor & export sales, Motorola semiconductor div., Phoenix . . . W. R. Entrikin, ex-Martin Co., named sales mgr. of Elgin National Watch electronics div. . . . Michael J. James promoted to asst. mgr. of purchasing, Philco govt. & industrial div., succeeding John R. McAllister, recently named purchasing mgr. . . . David M. Rush, ex-GE, appointed head of production control dept. of Raytheon missile systems div. plant, succeeding Nelson Johnson, transferred to unspecified post . . . Samuel B. Fishbein promoted to new post of asst. gen. sales mgr., DuMont military operations dept. . . . Clark A. Crawford promoted to Corning Glass asst. coordinator for Pyroccram.

Radar display which can present signals from as far as 4000 mi. has been developed by DuMont under sub-contract with MIT's Lincoln Labs.

## Network Television Billings

October 1957 and January-October 1957

(For Sept. report see *Television Digest*, Vol. 13:45)

**F**IRST FULL MONTH of 1957-58 TV season, Oct. saw network TV billings 8.2% ahead of Oct. 1956 and 17% ahead of preceding month (Vol. 13:45), according to Publishers Information Bureau. For first 9 months of 1957, total billings were 4.8% higher than corresponding 1956 period. Oct. billings this year were \$49,201,406, CBS again leading with \$22,335,986 (up 9.2% from Oct. 1956)—though ABC, with \$8,093,724, showed greatest percentage increase over Oct. 1956 (17.7%). Cumulative total billings for Jan.-Oct. 1957 were \$418,394,205. The complete PIB report for Oct.:

### NETWORK TELEVISION

	Oct. 1957	Oct. 1956	% Change	Jan.-Oct. 1957	Jan.-Oct. 1956	% Change
CBS	\$22,335,986	\$20,446,755	+ 9.2	\$195,811,480	\$183,258,519	+6.8
NBC	18,771,696	18,142,005	+ 3.5	156,206,019	152,661,346	+2.3
ABC	8,093,724	6,878,183	+17.7	66,376,706	63,407,570	+4.7
<b>Total</b>	<b>\$49,201,406</b>	<b>\$45,466,943</b>	<b>+ 8.2</b>	<b>\$418,394,205</b>	<b>\$399,327,435</b>	<b>+4.8</b>

### 1957 NETWORK TELEVISION BY MONTHS

	ABC	CBS	NBC	Total
Jan.	\$ 6,715,581	\$ 20,231,474	\$ 16,554,941	\$ 43,501,996
Feb.	6,175,488	18,309,088	14,900,631	39,385,207
March	6,848,848	20,172,173	16,631,974	43,652,995
April	6,682,786	19,385,098	15,154,388	41,222,272
May	7,258,807	20,307,762	15,811,033	43,377,602
June	6,413,708	18,356,892	14,746,537	39,517,137
July	6,348,496	18,537,069	13,874,872	38,760,437
Aug.	6,134,380	18,240,823	14,473,677	38,848,880
Sept.	5,704,888	19,935,115*	15,286,270*	40,926,273*
Oct.	8,093,724	22,335,986	18,771,696	49,201,406
<b>Total</b>	<b>\$66,376,706</b>	<b>\$195,811,480</b>	<b>\$156,206,019</b>	<b>\$418,394,205</b>

\* Revised as of Dec. 10, 1957.

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.

**NARTB on Pay TV and Canon 35:** "Distribution" and "accessibility" of information are the vital issues involved in pay TV and American Bar Assn.'s Canon 35, respectively, according to NARTB pres. Harold E. Fellows. Addressing Federal Communications Bar Assn. meeting in Washington this week, he stated that pay TV would inhibit "total circulation of total information . . . If for no other reason, I find this sufficient cause to take issue with the proponents of pay TV." Of Canon 35's prohibitions against use of cameras & microphones in courts, he asserted. "We believe that Canon 35 infringes upon the public's right to know and, in this 20th century to be informed through the up-to-date means of electronic journalism." He said broadcasters don't want to take authority away from judges in administration of courts but do want to eliminate Canon 35's restrictions because they've "obtained regulatory force in numerous jurisdictions."

ABC-TV adds KSHO-TV, Las Vegas (Ch. 13) as primary affiliate effective Dec. 15.

**Matty Fox's British Toll Deal:** International pay-TV agreement was signed this week by Skiatron International TV Corp. with Rediffusion Ltd., big British wired TV-radio firm which also is part owner of commercial TV programmer Associated-Rediffusion.

The 21-year pact, announced by Skiatron TV pres. Matty Fox, calls for Rediffusion to survey, install & supervise closed-circuit systems for Skiatron anywhere in the U. S. or abroad. As part of deal, Skiatron International acquires 50% interest in Rediffusion Inc., Canadian subsidiary of British company.

In programming step at same time, Fox signed up impresario Sol Hurok to direct all "cultural" entertainment in Skiatron subscription TV operations which Fox said he hoped to start in Los Angeles & San Francisco by end of April, depending on authorizations by local authorities. Fox also indicated he'd file franchise application for N. Y. within 2 months.

In other developments on pay-as-you-see TV fronts:

(1) Metropolitan Phoenix Broadcasters Assn., headed by pres. & gen. mgr. Tom Chauncey of KOOL-TV, mobilized opposition to toll-TV franchise issued by Ariz. Corporation Commission to Direct Wire Service Inc. as public utility in Maricopa County. Court test of state body's right to grant license to entertainment enterprise was threatened.

(2) Movie exhibitors' Joint Committee on Toll TV (Vol. 13:47) started national campaign against pay TV, asking all movie exhibition groups to urge Congress to ban all forms of subscription TV.

(3) Writers Guild of America, West, asked major film studios for flat 10% of gross from pay-TV showings of all theatrical pictures produced prior to Sept. 2, 1957, with sliding scale for later pictures.

First remote taped commercials were recorded this week by CBS-TV for use on live Dec. 19 *Climax!* show. Production crew fed pictures to CBS mobile unit at Santa's Village in San Bernardino mountains, and commercial was taped at Hollywood TV City from microwave relay. Entire 60-min. *Climax!* Dec. 26 drama will be taped Dec. 22, to avoid necessity of Christmas Day dress rehearsal.

Need for outer-space law will be discussed by gen. counsel Andrew G. Haley of American Rocket Society on Dave Garraway's *Today* on NBC-TV Dec. 17. The Washington communications attorney proposes UN take steps to avert international conflicts in interplanetary claims.

## Bound and Indexed

We will index and bind, between embossed hard book covers, a limited quantity of all 1957 issues of the Television Digest Weekly Newsletters, plus the semi-annual TV Factbooks with all Addenda, plus all Supplements and Special Reports. This volume will provide a handy and handsome permanent reference for your own or your company library. Orders will be taken until Dec. 30. Price: \$25 per volume.



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**THE  
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FOR EXECUTIVES OF THE  
VISUAL BROADCASTING  
AND ASSOCIATED  
RADIO & ELECTRONICS  
ARTS AND INDUSTRIES

# Television Digest

with **ELECTRONICS REPORTS**

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## SUMMARY-INDEX OF THE WEEK'S NEWS — December 21, 1957

**CBS BUYS WCAU-TV & WCAU**, Philadelphia, in \$20,000,000 deal embracing \$4,400,000 for plant and 10-acre land tract in boom area (p. 1).

**UHF TAX RELIEF** hopes virtually dead as increased defense spending, psychological factors rule out even token tax cuts (p. 2).

**WIRED PAY-TV** franchises granted by Los Angeles; referendum on issue threatened. VIT denies Bartlesville telemovie "disappointment" (p. 2).

**TV-ACTIVE CONGRESS** session probable, with Committees planning to survey FCC performance, fee TV, networks, ASCAP-BMI, allocations (p. 3).

**AMARILLO GETS 3RD VHF** as KVII begins; Ann Arbor uhf WPAG-TV leaving air after losses since 1953. Notes on upcoming stations (p. 7).

**UNITED ARTISTS'** purchase of control of AAP for \$8,400,000 challenged by NTA which claims to be prior buyer; courts will decide (p. 9).

**VHF TRANSLATORS & BOOSTERS**, limited to ¼ watt, proposed by Ben Adler in FCC rule-making (p. 8).

**INSTANT RATING SERVICE** orders are heavy, ARB says. Automatic N. Y. rating tallies to cost subscribers \$850-\$2700 monthly starting Jan. 1 (p. 16).

### Manufacturing-Distribution

**PHONO BUSINESS 1957:** Industry producing 5,000,000 units in year; boom in high end to continue next year, adding another \$100,000,000 at retail (p. 11).

**PRODUCT DIVERSIFICATION** is set makers' aim, Admiral making disposable hypodermic device; Packard-Bell reports on unique new products (pp. 12 & 13).

**REBUILT TUBES** account for nearly 25% of 10,900,000 picture tubes sold in first 10 months; receiving tube sales hold at about same level as 1956 (p. 12).

**WESTINGHOUSE ADVANCES CRESAP** to pres., Hodnette to exec. v.p., Huggins to head exec. committee. Looks to \$2 billion year (p. 14).

**\$20,000,000 FOR PHILADELPHIA OUTLETS:** CBS diversifies its expanding holdings to include a booming real estate tract as well as Philadelphia stations WCAU-TV (Ch. 10), WCAU (1210 kc, 50 kw) and WCAU-FM (98.1 mc) in \$20,000,000 cash purchase deal made with Philadelphia Bulletin Dec. 20. It's the biggest transaction yet involving a single TV-radio entity, with valuation of \$12,600,000 placed on TV, \$3,000,000 on radio, \$4,400,000 on physical plant with 10-acre tract situated in now booming business area at City Line & Monument Ave.

Purchase gives CBS its full allowable complement of 5 vhf's, 2 uhf's, 7 AMs—though recent FCC-approved \$4,000,000 deal for purchase of KWK-TV, St. Louis (Ch. 4), in which \$1,500,000 valuation was included for studio & real estate, is still at loose ends because of protest now before courts (Vol. 13:36 et seq). Bulletin pulls out of TV-radio, is expected to dispose of its 75% interest in WDAU-TV, Scranton (Ch. 22), acquired last year (Vol. 12:31, 42).

WCAU Inc. pres. & gen. mgr. Donald W. Thornburgh and staff will remain for CBS, though he's due for retirement in about 2 years. He is an ex-CBS executive of 18 years service—last post having been Pacific Coast v.p.—who quit to head Bulletin stations about 8½ years ago. Bulletin founded WCAU-TV in 1948 after having bought out radio WCAU, along with Philadelphia Record, from J. David Stern for \$10,500,000 in 1947 and closing down the paper. (It's interesting to note that Philadelphia Inquirer interests, now owning WFIL-TV & WFIL in that city plus 4 TVs, 4 radios and 50% of another radio in other cities only last week bought up tabloid Philadelphia Daily News which it is continuing to publish with exception of Sunday edition; see Vol. 13:50.)

Biggest previous deal in TV-radio history was Bitner's package sale of 3 TVs & 3 AMs to Time Inc. for \$15,750,000 (Vol. 12:47,50-52; 13:11,16). Storer paid \$10,000,000 to buy Herbert Mayer's Cleveland vhf and Portland uhf along with an electronics plant (Vol. 10:2, 44). Westinghouse paid then-record \$9,750,000 cash for DuMont's pioneer Pittsburgh station, now KDKA-TV (Vol. 10:49-50), after having paid \$8,500,000 cash for Philco's WPTZ, Philadelphia, now WRCV-TV (Vol. 9:8, 22), which along with radio KYW was later swapped for NBC's Cleveland stations and \$3,000,000 (Vol. 11:21 & 12:3).

[For complete listings of all TV sales and transfers up to last Aug., see pp. 296-301, TV Factbook No. 25. For list of CBS stations, see p. 42.]

**UHF SET TAX RELIEF HOPES VANISHING:** Sputnik, Muttnik and the Treasury Dept. appear to have killed all hope for aid to uhf via exemption of all-channel sets from manufacturers' 10% excise tax, despite excellent industry job of acquainting Congressmen with issue and principle involved.

House Ways & Means excise tax subcommittee discussed industry proposal this week—but members and staff were put under heavy secrecy wraps by Chairman Forand (D-R. I.). However, one senior subcommittee member told us that no decision had been reached on any excise tax changes, that all recommendations had been deferred until Jan.

One of most active supporters of uhf tax exemption on Ways & Means Committee—though not a member of excise subcommittee—is Rep. Boggs (D-La.). We asked him this week to appraise chances of measure in view of recent developments. His answer was simple, to the point, and in one word: "Zero."

Two other revelations this week cast further doubt on any remaining chances of action on tax changes which involve cuts in revenues to Govt.: (1) Publication in copyright Washington Post story of account of top-secret Gaither Report on U. S. defenses, portraying U. S. as in gravest danger in history and hinting that tax increases should be explored. (2) Defense Secy. McElroy's disclosure that Administration will ask Congress for an extra \$1 billion for defense in current fiscal year.

TV tax cut proposal has been consistently opposed by Treasury Dept., despite fact that Govt. stands to lose relatively small amount of revenue. Psychologically, it now seems certain that Congress will be in no mood to poke even a small hole in tax dike by making revenue-losing revisions.

Full Ways & Means Committee is scheduled to begin formal tax revision hearings Jan. 7, with testimony by top Administration officials. Gist of their pleas undoubtedly will be: Don't cut any taxes; instead, give consideration to methods of bringing in more revenue. Rep. Mills (D-Ark.)—who strongly opposes tax cuts now—is expected to succeed the late Rep. Cooper (D-Tenn.) as Committee chairman.

**L. A. WIRED PAY TV OKAYED; BALLOT TEST DUE:** When Los Angeles became first major city to approve closed-circuit toll-TV franchises this week, it also set stage for what may become first voter referendum on subscription TV.

By bare 8-6 majority, Los Angeles city council Dec. 18 ratified ordinances granting 21-year wired-TV franchises to Skiatron TV (Matty Fox) and to Fox West Coast Theatres-International Telemeter (Paramount) combination. By law, 8 members of the 15-member council constitute majority required to adopt ordinance.

Action came after bitter hearing at which Southern Cal. Theatre Owners Assn. put up last-ditch fight to delay vote until after Congress has had time to consider bills to outlaw pay TV. Theatre Owners' representative Julius F. Tuchler, in advance of vote, issued "ultimatum" (his own word) that, if franchises were granted, exhibitors would collect the more than 50,000 signatures needed to put issue on ballot.

If referendum petition, with required number of signatures, is filed, franchises would automatically be postponed until after public vote is held.

In Phoenix, Ariz., meanwhile, Maricopa County Board of Supervisors unanimously rejected wired TV application by Direct Wire Service Inc., after campaign against it led by Metropolitan Phoenix Broadcasters' Assn., headed by pres.-gen. mgr. Tom Chauncey of KOOL-TV.

Joint Committee on Toll TV, representing all national theatre-owning groups, began mobilizing



its local-level campaign aimed at anti-fee legislation. Funds will be supplied by theatres, which will be asked to pay \$7.50-\$75 annually, on basis of seating capacity.

AFL-CIO indicated that it would work actively against pay TV when its second constitutional convention reaffirmed anti-subscription position taken by the first one 2 years ago. Vote of the 130 unions was recorded as unanimous, although 2 AFL-CIO unions—Screen Actors Guild & Actors Equity—opposed resolution and have been campaigning for toll TV. These unions, however, are 2 of 5 banded together in Associated Actors & Artistes of America, which has one vote.

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There was a flurry in Bartlesville, Okla. this week—after United Press carried story starting: "Is America's first telemovies experiment heading for the rocks?" and stating that "the danger sign was hoisted." It quoted Video Independent Theatres' Kenneth Blackledge to effect that results to date are disappointing, noted that local VIT mgr. Phil Hays had resigned this week.

"We're not at all disappointed," VIT v.p. C. O. Fulgham told us. He confirmed Hays' resignation, declined to give reasons. "The operation is going about according to plan," he said. "Some 150 homes had been attached at the beginning, without cost, to serve as monitors. We've lost a good many of them, but they've been more than replaced by paying subscribers. We now have total of 553—and our aim is about 1000 at the end of one year; we've been operating now on a payment basis for about 3 months. We have about 200 more applications waiting for service in areas not yet wired. These must wait until the phone company can reach them.

"We're now getting about \$5000 a month income from telemovies. Our theatres in town have lost attendance—but absolutely to no more degree than in other Okla. towns where we operate theatres. In short, we're getting a substantial new income that we would not have received otherwise."

That VIT is in telemovies to stay—until it has definite answers—is emphasized by fact it's known to be planning to apply for cable-movie franchises in at least 4 more towns—and by fact it plans to give a real try to per-program metering method of billing, possibly next spring; Jerrold is working on metering equipment.

**CLOSER SCRUTINY OF TV BY CONGRESS:** TV industry and the FCC are due to come under the Congressional microscope again after Congress reconvenes next month—and preliminary information indicates that some crucial aspects of TV business may get more thorough going-over than last session.

Subjects to be investigated include the same old chestnuts—but before the rush of Congressional business has begun, at least, lawmakers are promising to dig more deeply this time. Included in promised inquiries are all angles of network business, performance of FCC, subscription TV, ASCAP-BMI, overhaul of Communications Act, and—yes—allocations again.

At least 3 Committees will be watching FCC closely for follow-up of Barrow network study staff report, impatient for action. If Commission doesn't begin some concrete actions soon after Congress reconvenes, you can expect further investigations and introduction of bills to carry out some of the Barrow report's recommendations.

Commission spent 2 days this week in briefing session on Barrow report, meeting with ex-network study group chairman Roscoe Barrow and others responsible for staff report. Session took longer than expected, covered only about half of report's territory, so FCC has scheduled further briefing Jan. 6-7—which precludes any action on report before Congress meets.

Here's rundown on major contemplated Congressional TV activities:

Legislative oversight subcommittee—Headed by Rep. Moulder (D-Mo.), this House Commerce Committee group has been actively investigating independent regulatory agencies since last summer, FCC being one of prime subjects. Object of probe is to determine to what extent regulated industries dominate govt. agencies. Subcommittee has requested such a mass of data on personal activities of Commissioners, etc., that Commissioners met this week with Chairman Moulder in attempt to clarify

and narrow down material requested, and to reach understanding on object and scope of probe.

Subcommittee isn't due to meet until after Moulder returns from home district Jan. 4 or 5, has set no schedule for hearings. Best guess on timetable: SEC & CAB first, FCC next. Subcommittee counsel Bernard Schwartz has been running quiet shop, under heavy wraps voted by subcommittee, since his early tactics in agency fishing expedition (appeals for informers, etc.) brought violent protests from Rep. Heselton (R-Mass.) and other Republican members.

Senate Commerce Committee—Potentially most inflammatory item on agenda is bill by Sen. Smathers (D-Fla.) to divorce networks and stations from ownership of music publishing and phono record firms. This bill is virtually certain to get hearing, which will center around ASCAP-BMI controversy and will again send network presidents scurrying to Washington. Though there are indications that Smathers feels less strongly on issue since he met with broadcasters from his own state and elsewhere, he still wants thorough hearing—and Committee presumably will be ready, staff having conducted quiet investigation this summer & fall at request of Chairman Magnuson (D-Wash.).

Magnuson indicated this week that pay TV will again "receive serious attention from the Committee," which hopelessly split on the issue of a trial last session. Magnuson himself again went on record as favoring test.

Ghost of past allocation hearings will come up again when Magnuson unveils the now largely academic report of ad hoc engineering allocations study headed by Dr. Edward L. Bowles of MIT. Bowles' draft has been in circulation among committee members for months, but in its original form he reportedly could get no one to sign it except himself.

Committee expects to watch FCC progress on Barrow recommendations, and Magnuson predicted "further inquiry into TV [will] occupy a prominent place in the Committee's work."

House Commerce Committee—Top TV priority on this Committee will be the promised investigation of pay TV. Among other activities promised by Chairman Harris (D-Ark.) are (1) examination of Communications Act—particularly whether Congress should take over direct frequency allocations responsibility; (2) investigation of whether direct Congressional action is necessary on Barrow report.

Anti-trust subcommittee—Rep. Celler's subcommittee will continue its close scrutiny of FCC, particularly with regard to Barrow recommendations. But it's expected to turn an even sharper eye on Justice Dept. investigations in TV field. This subcommittee may call Justice Dept. officials to hearing to explain status of TV inquiries.

Note: Though FCC is still officially being "briefed" on Barrow report, effects of some of the recommendations are already being felt. It's understood that Commission has held up renewal of some TV station licenses on basis of suspicion that the outlets have used their power to block network affiliation of stations in nearby areas.

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Seems like old times on network radio: CBS plans 2-hour radio spectacular May 4, sponsored by C. H. Masland & Sons (carpets) and said to have budget "in the TV category," costing more than any single radio show in 15 years or more. NBC announced return of Jerry Lewis to radio, with \$350,000 sale to Oldsmobile of ten 5-min. "Star Dust" segments weekly on *Monitor* and *Nightline*. Already sold are Fibber McGee & Molly and Bob & Ray "Star Dust" briefs; available are George Gobel and Ed Gardner. Twentieth Century-Fox has ordered saturation campaign of 100 partics. plugging new feature "The Enemy Below," Dec. 23-28 in 5 of ABN's live weekday shows.

TV traffic violation was charged by Hamilton, Ont. police against motorist this week for operating car equipped with receiving set—8½-in. screen in dashboard of convertible. It was first reported case of kind since prohibition against TV in cars was written into Ontario Highways Act in 1953.

In trouble again: For second time, *Mike Wallace Interview* has brought ABC-TV chief Oliver Treyz on air with public apology for guests' statements on show. Charge by Drew Pearson that Pulitzer Prize-winning *Profiles in Courage* by Sen. Kennedy (D-Mass.) was ghosted "is unfounded," Treyz told audience week after columnist appeared on program. Earlier Treyz apologized for accusations against Los Angeles police made by ex-gambler Mickey Cohen when he was questioned on show by Wallace (Vol. 13:45).

Paramount Pictures and color: (1) Paramount's KTLA, Los Angeles, is dropping colorcasts because of inability to attract sponsors willing to absorb extra cost, is reported planning to sell mobile unit custom built by late mgr. Klaus Landsberg. (2) Dec. 17 *Wall St. Journal* reports Paramount v.p. Paul Raibourn stating that Lawrence color tube, under development by DuMont (part-owned by Paramount), is "100% sound" and production is "imminent."

**Personal Notes:** Charles C. Cowley advanced to pres. of Muzak Corp., replacing Harry E. Houghton, who sold interest in company to Jack D. Wrather in Sept. (Vol. 13:38) . . . Charles Boasberg, gen. sales mgr. of Warner Bros., elected pres. of subsidiaries Warner Bros. Pictures Distributing Corp. and Warner Bros. Pictures Distribution Co. Ltd. . . . Robert W. Morris elected pres. of Broadcast Advertisers Reports, succeeding Phil Edwards, who retires as pres. but continues as exec. committee chairman & publisher . . . Roger L. Putnam, chairman of WWLP, Springfield, Mass., named Knight of Malta by Pope Pius XII . . . Miller C. Robertson, ex-WTCN-TV, Minneapolis, named station mgr. of upcoming KIRO-TV, Seattle . . . James A. Schulke, ex-James L. Saphier Agency, joins Paramount Pictures in TV development capacity . . . Edward E. Hewitt, ex-KGO-TV, San Francisco, United Film Service and ABC Spot Sales, named mgr. of CBS TV Film Sales San Francisco office . . . Otis H. Segler promoted from sales mgr. to station mgr. of WDEF-TV, Chattanooga, succeeding Harold (Hap) Anderson, now pres. of Founders Corp., which has 50% interest in KTVR, Denver, and in 4 AMs . . . E. J. Paxton Jr. named managing director of WPSD-TV, Paducah, Ky.; Sam Livingston moves from sales to gen. mgr.; Charles M. Neel becomes sales mgr. . . . Oliver C. B. Howard, regional sales director of WGR-TV, Buffalo, also named public relations director . . . Warren Marshall, from radio KGHL, will be sales mgr. of upcoming KGHL-TV, Billings, Mont. (Ch. 8), due next spring . . . Robert B. Cheyne, ex-Allied Appliance Co., Boston, joins WHDH-TV & WHDH there as sales promotion director . . . R. J. McNamara, ex-Peters, Griffin, Woodward, joins H-R Television as client services dir. . . . Paul Jones, ex-Playboy, joins Screen Gems as national sales executive . . . Norman Kennelly, ex-NBC, joins *American Weekly* as sales promotion supervisor . . . George Hankoff, Screen Gems account executive in Philadelphia-Baltimore-Washington area, shifts to national sales, N. Y., replaced by Marvin Fraum.

Mrs. E. C. Page, wife of the senior partner of Page Communications Engineers Inc., gave birth to a daughter Dec. 17. She's the former Virginia Erwin, was once FCC's first woman engineer, and it's their second daughter; he has 4 other daughters by previous marriage.

**Advertising Agencies:** Charles H. Brower elected BBDO pres. & exec. committee chairman, succeeding Bernard C. (Ben) Duffy, who becomes vice chm. . . . C. Terence Clyne promoted to a senior v.p. of McCann-Erickson to oversee worldwide TV-radio activities; George Haight succeeds him as v.p. in charge of home-office TV-radio . . . Charles Powers, from N. Y. office, named director of McCann-Erickson TV-radio commercial services dept., Los Angeles; Thomas Greenhow promoted to Los Angeles programming director . . . Harold J. Saz, business mgr. of Ted Bates TV-radio dept., and James A. Benham, account supervisor, promoted to v.p.'s . . . Mark Byrne, a Wm. Esty v.p., named media director . . . Kenneth E. Moore appointed marketing services v.p. of Fuller & Smith & Ross; Robert P. Clark, administration v.p. . . . Wm. R. Gillen, a BBDO v.p., named Chicago office mgr., succeeding J. H. Haupt, resigned for health reasons . . . Robert Brinkerhoff, a Young & Rubicam v.p., named head of Chicago office . . . E. Louis Figenwald named exec. v.p. of Lee-Stockman in charge of TV & radio . . . Julian L. Watkins, ex-Campbell-Ewald, Detroit, joins Leo Burnett, Chicago, as a v.p. and plans board member . . . R. A. Phelps named to new post of v.p. & marketing development director of Earle Ludgin . . . Wm. Pitts promoted to creative services v.p. of Ben Sackheim.

Recent changes among Washington communications law firms: Lyon, Wilner & Bergson adds David Reich, former special asst. to Attorney General, a specialist in Administrative Procedures Act; Roberts & McInnis adds Richard R. Paradise, 1955 NYU graduate recently with N. Y. firm of Hall, Haywood, Patterson & Taylor, and George W. Perry, from N. Y. firm of H. Howard Babcock; Wilkinson, Cragun & Barker advances Donald C. Gormley to partner, Carl S. Hawkins withdrawing from firm; Rhyne, Mullin, Connor & Rhyne adds 1957 Duke U graduate Charles A. Dukes Jr. and 1957 Georgetown U graduate Edward F. Kearney; Miller & Schroeder adds 1955 Harvard U graduate John P. Bankson Jr.; Weaver & Glassie adds 1957 U of Va. graduate Edwin C. Majer.

Jack Van Volkenburg, ex-CBS-TV pres., heads new applicant (one of 5) competing for Ch. 10, Tampa-St. Petersburg. Group includes, along with local businessmen: John S. Houseknecht, Screen Gems account executive; Fred Waring, orchestra leader; Harry W. Bennett Jr., Joseph Katz Agency exec. v.p.; Hal James, TV-radio v.p. of Doherty, Clifford, Steers & Shenfield; Frederick C. Hutchinson, mgr. of St. Louis Cardinals. [For full details, see *TV Addenda 25-U* herewith.]

New TV-radio brokerage firm of Robert Carpenter Enterprises Inc. is formed at 527 Madison Ave., N. Y., by Robert W. Carpenter, ex-MBS station relations v.p.

Video Film Inc., Hollywood film producer & distributor, names Betty Luster Assoc. as eastern sales representative.

### Obituary

Ann Gillis, 44, who began in radio as a secretary and publicity & news aide at the old WJSV, Washington (now WTOP), and who assisted ex-CBS v.p. Harry C. Butcher in staging President Roosevelt's "fireside chats," died of leukemia Dec. 16 in New York. Recently an NBC producer, she handled Queen Elizabeth's visit in Oct., worked on such shows as *Comment, On the Line, Tonight, Who Said That?* and was preparing a news program for children at time of her death. Surviving are husband, *N. Y. Mirror* columnist Bill Slocum, and their 12-year-old daughter. Earlier marriage to CBS newsman Wells Church ended in divorce.

**Buick Bumps Kudner:** In crash which reverberated all along Madison Ave. this week, Buick div. of GM dropped its \$24,000,000 advertising account with Kudner Agency Inc. after 22 years. Including big current TV shows (NBC's *Wells Fargo*, ABC's *Patrice Munsel Show*) and such other-season favorites as Jackie Gleason & Milton Berle, Buick's account had represented more than third of Kudner business. Only comparable Madison Ave. noise was heard 2 years ago when Coca-Cola shifted its \$15,000,000 annual business from D'Arcy to McCann-Erickson. Unanswered question at week's end was where Buick is going. Trade talk had Leo Burnett, Ted Bates, Benton & Bowles leading agency race to pick up pieces from Kudner. Buick gen. mgr. E. T. Ragsdale explained only that he feels "it is now in the best interests of both parties." Buick sales have been slipping. But company was said to have been satisfied with Kudner's recent TV offerings, although Buick displeasure was expressed at premature commercial at end of NBC-TV's telecast of Floyd Patterson-Hurricane Jackson championship fight last summer. Chain reaction set off at Kudner this week included these personnel upheavals: Myron P. Kirk, senior v.p. & TV-radio director, resigned, replaced temporarily by newly-elected v.p. Donald Gibbs. C. M. Rohrbaugh, v.p. & secy., was elected exec. v.p., replacing pres. J. H. S. Ellis as head of exec. committee. Ellis himself denied he was resigning.

**Telecasting Notes:** Two trends for 1958-59 TV season have been spotted by *Variety's* veteran N. Y. & Hollywood trend-spotters in Dec. 18 issue. From N. Y., TV editor George Rosen sees potential "economic turmoil" at the networks as result of "the growing sponsor yen for once-a-month exposure with full hour or 90-min. TV specials instead of weekly or alt.-week shows" . . . "At least half a dozen major advertisers currently riding the TV networks with weekly or alt.-week programming have been making overtures in recent weeks toward embracing the new sponsorship formula," says Rosen, qualifying statement with phrase, "it's reported." Big problem from networks' standpoint, he says, is that "there's no money in it," weekly & alt.-week sponsorship being their bread-&-butter item and "specials" invariably meaning a loss for the network . . . From Hollywood, *Variety* sees trend to 60-min. film shows, a la *Wagon Train*, *Maverick* and *Perry Mason*, with "a whole flock" now being prepared out there aimed at network showcasing. Among those *Variety* says are now working on new 60-min. film series are Warner Bros., CBS-TV (2), Revue Productions, MGM—most of them working on westerns . . . First movie major to enter TV commercial field—10 years ago—Universal Pictures is now estimated to account for 30-50% of all filmed commercials, reports Dec. 16 *Billboard* in its "TV Commercial Quarterly" section, which features heavy coverage and analysis of beer commercials, among other things . . . Film-to-live switch on ABC-TV: Betty White's filmed *Date with the Angels* will be succeeded by live comedy-variety *Betty White Show* Feb. 5 . . . Full-page ads in Dec. 19 *N. Y. Times* and *Wall St. Journal* proclaim that "Per average evening minute, 57% more homes watch ABC-TV than a year ago," crediting new affiliates and better programs . . . Sales in 10 Latin American TV markets—all markets except Dominican Republic & Cuba—have been chalked up by NTA for its Spanish-dubbed *Sheriff of*

*Cochise* . . . Ace drama producer Fred Coe, who recently left NBC, reported ready to sign 3-year contract with CBS, providing for 4 "specials" a year plus development of live & filmed series; there was speculation that he may produce some *Playhouse 90* dramas next year . . . Betty Furness signs new contract with Westinghouse, continuing as announcer-demonstrator through 1958; she'll move to Hollywood with *Studio One* . . . Leaving Sunday afternoon "intellectual ghetto" for one night only, NBC-TV's *Omnibus* moves to prime time Jan. 14 for special musical color-cast 8-9 p.m., pre-empting *George Gobel Show* . . . "World's largest news medium" is how CBS-TV is billing its 10-year-old *Douglas Edwards with the News*, basing its claim of 14,156,400 viewers a day and 33,975,360 a week on latest Nielsen ratings. How does this compare with other news media? *Life*, the largest, claims to reach 30,426,000 a week (average 5.2 readers per issue, 5,851,168 circulation); *London Daily Mirror*, biggest in daily field, reaches 12,421,834 (circ. 4,732,131 with 2.63 per issue); in U. S. *N. Y. Daily News* has 5,480,846 readers (circ. 2,083,927) . . . Correction: Washington Post Broadcast Div. (WTOP-TV & WTOP, Washington & WMBR-TV & WMBR, Jacksonville) pres. John S. Hayes chides us for reporting in this column last week that Westinghouse Broadcasting was only U. S. non-network station group with correspondent at NATO Paris meeting. His stations sent ace newsman Murrey Marder to Paris.

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Cut in commercials by partic. sponsors of feature films on WGN-TV, Chicago, was made effective this week, station voluntarily reducing breaks to 15-min intervals instead of maximum of break for each 5-min. of programming permitted by NARTB code. "In our opinion, the present formula permits too frequent interruption of the plot of these dramatic presentations," WGN-TV v.p. & gen. mgr. Ward L. Quaal said.

TV is "terrorvision," according to new critic James Thomas of *London Daily Express* in recent series of articles headed "The Case of the Captive Child." He said something should be done to save 3,500,000 British children from nightly torments of "horror" films imported from U. S. But *Express* campaign has "sputtered out like a spent rocket" following "explosive start and about half a dozen erratic orbits," L. Marsland Gander reported in Dec. 15 *N. Y. Times*. Council for Children's Welfare joined *Express* campaign at first, calling TV movies "nasty," but Gander wrote that *Express* began to drop crusade after Rev. Marcus Morris, editor of 4 children's newspapers, "came on the air and said unequivocally that he was all for horror, and he thought it ridiculous to pretend that TV pictures were brutalizing children." Note: Gander, dean of British TV critics, is on staff of rival *Daily Telegraph*.

Should TV stars sell, too? Answers to troublesome question of whether TV performers cheapen themselves and/or products by delivering sponsors' commercials are attempted by Dec. 20 *Printers' Ink*. Magazine polled sponsors, agencies, network programmers, critics, performers themselves, found total of 20 favored practice, 18 gave "yes-but" opinions, 15 opposed. Sponsors & agencies generally favored. Programmers & performers split nearly evenly. No critic gave unqualified approval.

In England, too, theatres are suffering from the impact of TV—more than 700 having been closed down since last May, according to govt. report to House of Commons. Total movie houses closed in U. S. since start of year: 1200.

TV's "little hell": Damages of \$3000 against CBC have been awarded by Quebec Superior Court to Dr. E. E. Robbins, 77-year-old Montreal physician, for display of his name, address & telephone number on TV in Feb. 1956. He had written to govt.-owned network complaining about CBC's *Tabloid* show. Commenting on letter, master of ceremonies Dic MacDougall had Dr. Robbins' identification flashed on screen, suggested viewers get in touch with him to make him "feel better." Result, according to doctor who sued for \$10,000, was that they made his life "a little hell." Assoc. Chief Justice W. B. Scott agreed that privacy had been badly invaded, said he was impressed by psychiatrist's testimony that "marginal viewers" could have been expected to react in hostile manner toward Dr. Robbins.

Quiz show anti-climax was reached this week by contestant Theophilus Adepoju Aderonmu on CBS-TV's *The \$64,000 Question*. Nigerian native, who says he is tribal chief's son, took \$64,000 he had won last month and left program, although he had since gone on to \$96,000 and was due to try for \$128,000—and possible \$256,000—by answering Bible questions. "I have been so embarrassed I can't concentrate on what I'm doing," he explained to quizmaster Hal March. Reasons: Following admission that he owed divorced wife support payments (Vol. 13:49) it was publicly disclosed that: (1) He had remarried without mentioning earlier domestic status. (2) Immigration Service was questioning his status as medical student.

Video tape recorder will be placed in mobile unit by San Francisco's KRON-TV for remote pickups. Station has 2 Ampex recorders on order.

**New and Upcoming Stations:** One vhf starter, one uhf going dark leaves on-air total at 520, uhf's dropping to 89. KVII, Amarillo (Ch. 7), ABC-TV affiliate, began programming Dec. 21, third vhf in city where KFDA-TV (Ch. 10) and KGNC-TV (Ch. 4) have been operating since 1953. WPAG-TV, Ann Arbor, Mich. (Ch. 20), which began April 3, 1953, asked permission to go dark for 6 months Dec. 31, listing following losses: \$24,990 for 1953; \$30,036, 1954; \$30,057, 1955; \$30,654, 1956; \$26,944 first 9 months of 1957. Also reported temporarily off air because of Dec. 15 fire was KSWO-TV, Lawton, Okla. (Ch. 7). In Canada, satellite CFCL-TV-1, Kapuskasing, Ont. (Ch. 3) began Dec. 15 repeating parent CFCL-TV, Timmins, Ont. (Ch. 6), 81 mi. away. It has 15-watt Canadian GE transmitter, 200-ft. tower. CFCL-TV base hour is \$180. Reps are McGillvra, Paul Mulvihill & John N. Hunt.

KVII has 5-kw RCA transmitter and 12-section antenna on 833-ft. Andrews tower. Ownership, interlocking with radio KAMQ, Amarillo, consists of five local businessmen, each with 20%, headed by John L. McCarty, chairman; Murry Woroner, pres.-gen. mgr., formerly asst. gen. mgr. of KFDA-TV. Jerry Gardner, from KAMQ and ex-KFDA-TV, is production mgr.; Don Daniels, ex-KFDA-TV, chief engineer. Base hour is \$300. Rep is Venard, Rintoul & McConnell.

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

KTVU, Oakland-San Francisco (Ch. 2) had 25-kw RCA transmitter due Dec. 20, plans early March programming, writes Wm. D. Pabst, exec. v.p. & gen. mgr. Transmitter house walls are up, bids are in for studio building. Foundation is ready for 100-ft. Ideco tower on Television Peak, San Bruno Mt. Rates not set as yet. Rep will be H-R Television.

WIPR-TV, San Juan (Ch. 6, educational) with test

Capitol Cities Television Corp. is new name for operating company of so-called Lowell Thomas group, representing merger of ownership of WTEN, Albany (Ch. 10), formerly WCDA, with satellite WCDC, Adams, Mass. (Ch. 19); radio WROW, Albany; WTVD, Durham, N. C. (Ch. 11); pres. Frank Smith owns 1/3 of CP for Ch. 40, Baton Rouge. There are 2,000,000 shares authorized, 1,048,944 outstanding, with additional 52,000 being offered over-the-counter 6%-7. Pres. is Frank M. Smith, 13.91% stockholder, onetime WLW and Transamerican executive, mgr. for Lowell Thomas for last 10 years. Vice-presidents are Wm. J. Casey, 4.87%, Alger B. Chapman, 4.85%, and John P. McGrath, 5.99%; N. Y. attorneys; Harmon L. Duncan, 2.18%, and J. Floyd Fletcher, 3.81%, ex-owners, now comgrs. of WTVD; Thomas S. Murphy, 1.16%, mgr. of Albany stations. Lowell Thomas and family, largest stockholders, own 18.2%. Among 50-odd other stockholders, all under 4%, are GOP Congressman Dean P. Taylor, Troy, N. Y., 3.15%; Democratic Congressman Leo W. O'Brien, Albany, 2.34%; H. V. Kaltenborn, news analyst, 1.19%; radio WDNC, Durham, 1.53% (Carl C. Council, pres.).

"Fisbie" trademark is being registered by WHAS-TV, Louisville, to identify station with slogan, "Foremost in Service, Best in Entertainment," and sketch of head with Ch. 11 numerals superimposed which has been used for promotion since Jan. 1956. Name was picked in contest which drew 40,000 entries.

patterns on air since Aug. 30, plans Jan. 6 programming, reports gen. mgr. R. Delgado Marquez. It has 25-kw RCA transmitter feeding 6-bay antenna on 200-ft. Blaw-Knox tower at TV-radio plant 15 mi. from San Juan.

CKRN-TV, Rouyn, Que. (Ch. 5), planning Christmas programming, has 760-ft. Wind Turbine tower nearly ready for 4-bay GE antenna, reports pres.-gen. mgr. D. A. Gourd. It will use 35-kw Canadian GE transmitter. Programming will be network only until studio facilities are completed. George A. Chartrand, from radio CKRN, is station mgr.; Vernard Valiquette, ex-Canadian Press & British UP, news editor; Jean-Guy Langevin, CKRN, technical director. Base hour will be \$160. Reps will be Weed and Joseph Hardy & Co.

RCA shipped 24-gain antenna and used 1-kw transmitter Dec. 2 & 3 to upcoming WBPZ-TV, Lock Haven, Pa. (Ch. 32), due in Jan.; 8-section superturnstile antenna Dec. 13 to WTVC, Chattanooga (Ch. 9), due to resume early in 1958 after move from Rome, Ga. where WROM-TV call was used; 1-section superturnstile antenna Dec. 13 to WWJ-TV, Detroit (Ch. 4); 1-section superturnstile antenna Dec. 19 to KVAL-TV, Eugene, Ore. (Ch. 13).

Battle of daytime AM stations to get longer operating hours was marked this week by FCC's issuance of rule-making proposing to permit operation from 5 a.m. or local sunrise (whichever is earlier) to 7 p.m. or local sunset (whichever is later)—in lieu of present sunrise-sunset-only provisions. Comments are due March 18, replies 30 days later.

Translator starts: K74AL, Gold Beach, Ore. began equipment tests Dec. 13 repeating KIEM-TV, Eureka, Cal.; K80AG, Show Low, Ariz. Dec. 10 began repeating KGUN-TV, Tucson; K80AK, La Grande, Ore. plans Jan. 4 start with KREM-TV, Spokane.

CBS-TV adds WBOY-TV, Clarksburg, W. Va. (Ch. 12) as secondary interconnected affiliate, effective immediately.

New ABC-TV affiliate is WLBR-TV, Lebanon, Pa. (Ch. 15), effective Jan. 5.

Rate increases: KCOP, Los Angeles, has raised base hour from \$1350 to \$1500, min. \$350 to \$425. WTEN, Albany, N. Y., formerly WCDA, Nov. 1 raised hour from \$625 to \$900, min. \$130 to \$175. KGW-TV, Portland, Ore. Jan. 1 raises hour from \$700 to \$800, min. \$200 to \$225. WGR-TV, Buffalo, Dec. 1, hour \$700 to \$750, min. \$190 to \$255. WHO-TV, Des Moines, Dec. 1, hour \$700 to \$750, min. remaining \$150. WHCT, Hartford, Dec. 15, hour \$650 to \$700, 20 sec. remaining \$130. KGMB-TV, Honolulu, hour \$350 to \$400, min. \$75 to \$87.50. WBRZ, Baton Rouge, hour \$300 to \$400, min. \$65 to \$90. WLBR-TV, Lebanon, Pa. Jan. 1, hour \$200 to \$350, min. \$46 to \$80.50. WAPA-TV, San Juan, Jan. 1, hour \$250 to \$325, min. \$55 to \$70. KROC-TV, Rochester, Minn. Dec. 31 adds Class AA hour (7-10:15 p.m. daily) at \$300, min. at \$60, Class A hour going from \$250 to \$240.

WBLN, Bloomington, Ill (Ch. 15) off air since June 3 (13:26) has sold \$66,225 worth of common stock to public at \$25 a share, according to application filed with FCC by mgr. Worth S. Rough, who changes from majority to 12% owner. Station also reports it is liquidating indebtedness by paying off creditors at 10%, except for GE which is to get \$22,500 or approximately 17% of \$142,014 remaining on equipment.

Charles B. Jordan is exchanging his 25% of KFDA-TV, Amarillo, Tex. (Ch. 10) & KFDA for full control of radio KFDA plus note for approximately \$112,000.

**Adler's Vhf Repeater Proposal:** Vhf translators, as well as uhf translators and on-channel vhf boosters, are proposed by Adler Electronics Inc. as answer for sparsely settled areas. Filing comments in FCC's vhf booster rule-making proceeding, Adler suggests that vhf translators could be supported economically by 50 families.

To guard against interference, company recommends that power output not exceed 0.25 watt and that transmitters have equipment which will shut them down automatically if objectionable radiation outside assigned channel is generated. Also suggested is increase in uhf translator power from 10 to 100 watts maximum.

Washington State TV Reflector Assn., biggest defender of unauthorized vhf boosters, urged Commission to permit continued use of operating boosters wherever absence of interference can be proved.

KXLY-TV, Spokane, and KELP-TV, El Paso, suggested low-power vhf outlets be authorized with "minimum necessary safeguards."

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There was still another step this week in long fight over WESH-TV, Daytona Beach (Ch. 2)—when Commis-

sion instructed staff to draft decision affirming Feb. 6 grant authorizing move to site 25 mi. from Daytona Beach, increase in power & height—denying protest of WLOF, Orlando.

By bare majority (Doerfer, Hyde & Mack dissenting), Commission authorized grantee KVVU, Santa Fe (Ch. 2) to change site to towering Sandia Crest, 43 mi. away, location of the Albuquerque stations.

In allocations, Commission: (1) Denied WENS (Ch. 16) proposal for 4th commercial vhf in Pittsburgh, adding either Ch. 6 or 9 by extensive channel shifts in wide area. (2) Set Jan. 17 deadline for comments on WWLP, Springfield, Mass. (Ch. 22) proposal to substitute Ch. 15 for 75 in Concord, N. H., Ch. 21 for 15 in Portsmouth, N. H.; 75 for 30 in St. Johnsbury, Vt.; 69 for 74 in Bennington, Vt. and give 74 to Springfield, Vt. (3) Denied request by Veterans Bcstg. Co. Inc., Ch. 10 applicant in Vail Mills, N. Y. (Albany area), for temporary stay of operation of WTEN on Ch. 10.

Grantee WXTV, Youngstown (Ch. 73), petitioned for substitution of Ch. 33 for 73, Ch. 22 for 47 in Pittsburgh, Ch. 79 for 22 in Clarksburg, W. Va.

Translators authorized: Ch. 75, Indio, Cal.; Ch. 78, Joplin, Mont.; Ch. 76, Shelby, Mont. [For details, see *TV Addenda 25-U* herewith.]

**Radio Station Sales Approved by FCC:** KGA, Spokane, Wash. by Bankers Life & Casualty Co. for \$250,000 to Gran Bcstg. Co. (Vol. 13:48) . . . WHOO, Orlando, Fla. by Edward Lamb for \$250,000 to Ted Estabrook (Vol. 13:47) . . . WAND, Canton, O. by P. C. Wilson for \$150,000 to Agnes J. Reeves Greer (Vol. 13:44) . . . WROD, Daytona Beach, Fla. by Jim McDonough & John Murphy for \$145,000 to Radio of Daytona Inc., owned 20% by McDonough (Vol. 13:46) . . . KBTM, Jonesboro, Ark. by Helen W. & Harold E. King for \$110,000 to brothers Alan G. Jr. & Matthew C. Patteson (Vol. 13:48) . . . WCOS, Columbia, S. C. by Charles Pittman for \$107,500 to George H. Buck Jr. (Vol. 13:47) . . . KTKT, Tucson, Ariz. 50% by Thomas J. Wallace for \$90,000 to Art Linkletter & John Guedel (Vol. 13:33) . . . KYNG, Coos Bay, Ore. by Harold C. Singleton & Walter N. Nelskog for \$70,000 to KYNG Radio Inc. (Vol. 13:48) . . . KLEE, Ottumwa, Ia. by Jack Lester & Wm. O'Connor for \$57,500 to Carroll Marts ex-MBS central div. (Vol. 13:43).

Dominican Republic demand that FCC require CBS Radio to give Trujillo govt. "free time or some form of redress" to answer May 20 documentary on "The Galindez-Murphy Case" was rejected by Commission this week. Dominican Information Service in N. Y. also had asked FCC to force CBS to "accept sponsored time if free time is not obligatory" for reply to broadcast account of disappearance of Jesus Maria de Galindez, Trujillo foe, and death of Dominican Airlines pilot Gerald L. Murphy. Pointing out that it exercises no network program supervision, FCC said it "is unable to conclude at this time that CBS has failed to discharge its responsibility as broadcast licensee."

Sale of KREM-TV, Spokane (Ch. 2) by Louis Wasmer to group headed by Mrs. A. Scott Bullitt, was given go-ahead again this week as FCC dismissed protest which had been filed by TV Spokane Inc. (Vol. 13:47). Protestant, one-time applicant for Ch. 2, withdrew objection after private settlement—terms undisclosed. Comrs. Bartley & Ford dissented, saying they wanted to know more about "the circumstances surrounding the withdrawal."

Construction of 1082-ft. TV tower has been started in Tokyo by Nippon Television City Corp.

**Reports of Radio Station Sales:** KXLW, St. Louis, by John Kluge & Mark Evans for \$500,000 to R. J. Miller, N. Y. finance exec. and George Eng, pres. of Peninsula Swift Homes Inc., Norfolk (Blackburn & Co.) . . . KANS, Wichita, Kan. by Kenyon Brown and Frank Lynch for \$300,000, including assumption of liabilities, to J. Wm. O'Connor and associates (Hamilton, Stubblefield, Twining & Assoc.) . . . KPLA (FM), Los Angeles, by Don Martin for \$100,000 to John H. Poole . . . KEAR (FM), San Francisco, by Stephen A. Cisler for \$100,000 to Harry H. Nasburg, publisher of *The Argonaut*, weekly literary magazine.

Next move in "Ch. 13 case" is up to FCC—and prospects of N. Y. Board of Regents' acquisition of channel for proposed educational uses, in lieu of projected \$3,500,000-plus sale of WATV with WAAM to National Telefilm Associates (Vol. 13:49, 50), appear enmeshed in cloud of legal arguments. This week, replying to WATV and NTA briefs opposing proposed rule-making to change Newark station's channel to educational, counsel for Regents filed 31-page brief, insisting FCC has authority to make change, citing precedents and reiterating intention of seeing to it that "no harm shall be caused WATV," i.e., that WATV owners will be paid. Meanwhile, the trade journal *Sponsor*, in unverifiable reports, stated this week that N. Y. educational exponents are working on plan whereby the 6 metropolitan stations "put up \$1,000,000 each to buy the 7th for the educators" in order to "cut down commercial competition and soften pressure on themselves for more educational fare."

Film interests are represented in new AM application for Albuquerque (1310 kc, 1 kw, daytime) reportedly also have pay-TV plans: Larry Stern, pres.-treas., 33⅓%, eastern sales rep of M & A Alexander Productions; Arthur Alexander, v.p., 33⅓%, pres. of M & A; Murray J. Chikofsky, secy., 33⅓%, asst. house counsel of 20th Century-Fox, N. Y.

Inconsistencies in govt. agency decisions and some reasons therefor are discussed in Dec. 5 *Virginia Law Weekly* by Paul Dobin, former chief of FCC rules & standards div., now member of Cohn & Marks, Washington law firm.

**Who Owns AAP?** United Artists made its bid to become major factor in TV industry this week with announcement that it had purchased 51% of Associated Artists Production Corp.—which was immediately challenged by NTA, which claims it has previous legal contract for purchase of controlling interest in AAP (Vol. 13:46 et seq.). Web of litigation arising out of conflict must be untangled by courts to determine actual purchaser.

UA's purchase was negotiated in Canada, buying outfit being new UA subsidiary Gotham Television Film Corp. Gotham announced it has purchased 700,000 shares of AAP stock (51%) for \$12 a share, consisting of \$6 cash and \$6 in debentures guaranteed by UA. Sellers were Canadian financier AAP chairman Louis Chesler and his group. UA says it will offer same deal to other stockholders. Chesler confirmed sale to Gotham TV this week. The offer which NTA says AAP

officials accepted involved sale of 820,000 shares by same group for \$4.375 cash, \$4.40 in debentures and 1/10 share of NTA stock for each AAP share.

Chesler, Maxwell Goldhar and M. Mac Schwebel have resigned as AAP officers and directors, but pres. Eliot Hyman and other management personnel of AAP are slated to remain if UA sale sticks.

What makes AAP so desirable is its ownership of pre-1948 Warner Bros. film library, plus Paramount's *Popeye* cartoons.

UA recently organized new subsidiary United Artists Television Corp., to be headed Jan. 1 by Herbert L. Golden, well-known in TV industry as head of entertainment industries div. of Bankers Trust Co., N. Y. (Vol. 13:50); Bruce Eells is exec. v.p. John Leo, who has been director of feature film sales for UA, continues in that post.

At Bankers Trust Co., asst. v.p. Edgar A. (Ted) Manning succeeds Golden as chief of entertainment industries div., which handles loans to film producers.

Slip of the decimal point in Nov. 2 *Television Digest* (Vol. 13:44) caused us to cite incorrect prices for European Broadcasting Union's excellent TV & FM station directories. *List of Television Stations* contains latitude & longitude, frequency, power and polarization of all Western European TV stations as of April 1, together with each country's TV standards. *List of Sound Broadcasting Stations (VHF Band)* gives same data for FM stations. Both have separate lists arranged by country and by frequency. They're available from EBU Technical Centre, 4 Rue de la Vallee, Brussels, for 25 Belgian francs each, or about 50¢ (not \$5 as erroneously stated). EBU also has announced new monthly publication, *EBU Review*, a printed periodical which replaces the bi-monthly mimeographed *EBU Bulletin* next month. New publication, printed in English and French editions, will be divided into 2 parts, each published semi-monthly. Technical edition will be issued in Jan. and bi-monthly thereafter, with General & Legal edition beginning in Feb. Annual subscription by surface mail is 300 Belgian francs (about \$6); single copies of Technical edition are 30 Belgian francs.

**Baseball TV Plan Stands:** CBS-TV proceeded this week to negotiate Sunday baseball game telecasts with 5 major league clubs next season despite howls by minor clubs and promise of investigation by House Judiciary anti-trust subcommittee (Vol. 13:49-50). Network stressed that telecasts wouldn't be carried in areas where minor clubs play Sunday home games, but minor league czar George Trautman said that wouldn't prevent damage to Sunday gates. "Apparently Columbia has but one thing in mind and that is the preservation of Columbia and the destruction of the minors," he said pursuing demands that Congress step into minor-major dispute. Trautman wants baseball exempted from monopoly laws so that clubs can join together to control broadcasts of games.

**Broadcast Americana:** CBS Radio presented Library of Congress this week with complete tape recordings of May 13-26 network programs, 397 reels becoming part of permanent collection of audio-visual reference materials. Accepting gift from CBS Radio pres. Arthur Hull Hayes, librarian L. Quincy Mumford said: "In a day when mass media comprise a major aspect of American civilization, it is appropriate that the Library of Congress should preserve representative examples of the offerings of network radio to the American people."

NARTB promotes Howard H. Bell to asst. to pres. in charge of joint affairs effective Jan. 1, aiding pres. Harold E. Fellows in staff planning, activities with state broadcasting assns. and freedom of information campaign. In new post, Bell will lift some of administrative load from Fellows—who will be 59 in March—and as NARTB spokesman puts it "has been doing work of 3 men," asserting that Fellows has "nothing organically wrong with him." NARTB also announced appointment of employer-employee committee, chairman Leslie C. Johnson, WHBF (AM-TV), Rock Island, Ill.; initial meeting is scheduled tentatively for Feb. 27 in Washington.

NBC Opera Company has attained "major importance" in musical world, which no longer can regard troupe as "precocious upstart bred by a medium with spasmodic pretensions to culture," *N. Y. Times* critic Howard Taubman wrote Dec. 15. Reviewing NBC-TV's production of Francis Poulenc's "Dialogues of the Carmelites" which opened 9th season Dec. 8, Taubman lauded company's "valuable contribution to the cause of opera in America."

Inroads on FM band have never been proposed by Commission, FCC said this week—issuing special notice to answer numerous inquiries (Vol. 13:48). "It is emphasized," notice stated, "that the Commission has not instituted any rule-making proceeding directed toward reallocating any part of the FM broadcast band (88-108 mc) although proposals have been received by the Commission to make such spectrum space available for use by other radio services."

Memo on subliminal advertising, circulated Dec. 16 to all dept. heads by AB-PT pres. Leonard H. Goldenson, reads in part: "Until such time as full and complete information concerning the effects of this technique is available for careful consideration, the ABC-TV network and its owned-&-operated stations, in keeping with their policy that all commercial announcements shall be clearly identified as such, will not broadcast messages utilizing the technique of 'subliminal perception' . . ."

San Francisco TV blackout of National Football League's western div. playoff Dec. 22 is being investigated by Justice Dept., asst. attorney general Victor Hansen revealed this week. The anti-trust div. chief pointed out that tickets for game at San Francisco's Kezar Stadium have long been sold out and event is being televised coast-to-coast, except to San Francisco area.

**Major TV Study:** Fund for the Republic, Ford Foundation-financed group devoted to issues involving Constitutional rights, this week announced study of "mass media of communication," which will begin with "an analysis of the relationship between Govt. and TV." According to pres. Robert M. Hutchins, project "will include a study of the application of the First Amendment's guarantee of free speech to the medium of TV, and an analysis of the role of the FCC as a regulatory body in this field." Explaining project's emphasis on TV, Hutchins stated: "Surveys have shown that people spend more time with TV than with magazines, newspapers and radio combined . . . It has become increasingly clear that TV is having a tremendous impact on our society." Responsible for mass media study will be Princeton U history professor Eric F. Goldman, former *Time* magazine staffer. Acting as liaison directors will be 3 members of Fund's board, none of them identified with TV: Miss Alicia Patterson, editor & publisher of *Long Island Newsday*; Bruce Catton, editor of *American Heritage* magazine; Harry Ashmore, exec. editor of *Little Rock Arkansas Gazette*.

Advanced science reporting course for broadcasters, newspapermen & magazine writers under \$70,000 grant by Alfred P. Sloan Foundation, was announced this week by Columbia U's Graduate School of Journalism. Selected reporters & writers, preferably those with 3-6 years' experience, will be given tuition plus \$550 monthly for living expenses. Dean Edward W. Barrett said fellowships are intended to "increase the number of dependable science & technology writers for newspapers, press services, magazines, radio, TV & industry."

"First intercity big-screen closed-circuit colorcast" is claimed by Closedcircuit Telecasting System (Fanshawe Lindsley, pres.) for Dec. 12 Greater N. Y. Dental Meeting at Statler Hotel, where 1500 dentists viewed mouth surgery and tooth repair demonstrations which originated at U. S. Institute of Pathology, Walter Reed Hospital, Washington. N. Y. color picture was displayed by 3 RCA color projection units.

CBS-TV Affiliates, holding 2-day general conference in Washington's Hotel Shoreham Jan. 13-14, will be addressed at luncheon meeting first day by Vice President Nixon, second day by Senate majority leader Lyndon Johnson (D-Tex.) whose wife heads company owning KTBC-TV, Austin, and has interests in KWTX-TV, Waco, and KRGV-TV, Weslaco.

Mass media data covering TV, radio, movies, newspapers, magazines, books are compiled & evaluated in *Mass Communications: A Statistical Analysis* by Richard E. Chapin (Mich. State U Press, East Lansing, 148 pp., \$5.75). Chapter on TV & radio industries says their statistics "are more complete, more available, and more consistent than those for any of the other mass media."

One application for TV station, one for translator, were filed with FCC this week, bring total to 123 (33 uhf) for stations, 23 for translators. Applications: For St. Petersburg, Fla., Ch. 10, by group headed by ex-CBS-TV pres. J. L. Van Volkenburg; translator was for Ch. 78, Libby, Mont. [See *TV Addenda 25-U* herewith.]

Soviet bloc TV-radio programs will be exchanged under agreement between communications ministers of Communist countries, Tass reported this week. Pact also calls for development of telecommunications & mail services.

Tele-Pay Productions is new firm formed to make films exclusively for toll TV. It's headed by George Weiss, with Ted Adair as casting director; office is at 723 Seventh Ave., N. Y.

"Educational Television & Groucho Marx" titles strikingly illustrated booklet being distributed by NBC. Theme: "Because millions enjoy Groucho—and other popular entertainers like him—TV has grown into the greatest advertising medium in history. Every year American industry, recognizing TV's matchless ability to reach the entire family, has poured increasing millions of dollars into TV advertising. This money serves 2 functions. It lights up TV screens across the nation with a week-long schedule of the most diversified entertainment available. At the same time it enables the networks to go beyond mass entertainment to create the so-called 'special interest' programs, programs designed to instruct and uplift, to enrich and enlarge the cultural life of the American people." Booklet describes, in words and pictures, such NBC-TV cultural ventures as NBC-Educational TV & Radio Center educational series, "Project 20" documentaries, NBC-TV Opera, *Wisdom* series, etc. Note: One of NBC-TV's prestige programs, *Wide Wide World*, was scheduled to feature Vice President Nixon, who was due to participate in show featuring story of American justice and law enforcement Dec. 22.

**Electronic Eyes for Military:** Army awarded 2-year \$1,500,000 contract this week to Cornell Aeronautical Lab, Buffalo, for development of TV and other electronic surveillance methods for battlefield use. Contract provides for study of TV, radar, conic, meteorological, drone reconnaissance & photographic systems for observing enemy positions and actions. Research & development will be carried out by 35 key Cornell Lab scientists and some 35 military personnel of Army Combat Surveillance Agency.

**Add mergers:** Compton Adv. acquires Western Adv., Los Angeles, transferring its personnel & accounts to Compton offices there Jan. 1, merger raising latter's west coast staff to 49. Edward E. Keeler, former Western head, joins Compton as a v.p.

Headline of the week: "Hi-Fi Followers Want a Static FM"—Dec. 15 *N. Y. Times* story by Jay Walz detailing drive by FM stations and others to prevent encroachment of other services on 88-108 mc band.

Assn. of National Advertisers directors name Donald S. Frost, Bristol-Myers v.p. in charge of advertising, as treas. He succeeds Henry Schachte, Lever Bros. v.p., now ANA vice chairman.

First live radio coverage of N. H. state legislature has been approved by its rules committee for special Jan. session, permission going to WKXL, Concord. Facilities will be shared by WMOU, Berlin, and WJWG, Conway.

New closed-circuit TV dept. of Bramson Entertainment Service, headed by Nat M. Abramson, mgr. of WOR Artists Bureau, opens at 1440 Broadway, N. Y.

Summarizing radio growth, NARTB estimates 1957's gross will run to record of about \$650,000,000, up 14% from 1956's \$571,000,000, which was up 5% from 1955.

### Bound and Indexed

We will index and bind, between embossed hard book covers, a limited quantity of all 1957 issues of the Television Digest Weekly Newsletters, plus the semi-annual TV Factbooks with all Addenda, plus all Supplements and Special Reports. This volume will provide a handy and handsome permanent reference for your own or your company library. Orders will be taken until Dec. 30. Price: \$25 per volume.



**PHONO BUSINESS 1957—THE FI IS REALLY HIGH:** Ten-month figures in hand are showing that packaged phono-hi-fi business this year is surging to its majority with about 5,000,000 units of factory sales and retail value of about \$500,000,000. The figures make emphatic this message to price-depressed TV-radio manufacturers: The big-ticket hi-fi bracket is booming. Second item: Following TV in style though not yet in price, the portable phono is full-fledged trend -- with some automatic and with-radio models showing increases best described as spectacular.

Both points add up to a dollar story that TV & radio manufacturers haven't been hearing lately. TV retail sales have slipped from \$1.4 billion to \$1.3 in 2 years; home radio has held constant at about \$250,000,000 despite 6-year unit sales records (Vol. 13:49). But after ignoring the recent growth of phono industry for almost 2 years, all major TV & radio makers got in (with one or 2 outstanding hold-outs) with big production at the high phono-only end last year and the high radio-phono end this year. TV & radio makers are now sharing in phono retail dollar boom. Retail value in 1957 will have topped 1956 by \$100,000,000, most of it in sales of units over the \$100-\$125 line -- and 1958 is expected to add another \$100,000,000 retail, again from increased activity in the higher-end areas.

Industry opinion explains all this with a happy story. People have learned what good sound is and are willing -- conditioned, if you will -- to pay upwards of \$100-\$125 for hi-fi. Same opinion says high-end matched constant low-end in 1956 in retail dollars, doubled it in 1957, will triple it in 1958.

Figures from Electronic Industries Assn. help spell out some of the story -- and point up some dramatic areas. But caution is the word from most interpreters of EIA's detailed breakdowns of phono-hi-fi mix. While some models & price brackets show huge percentage gains, many of these categories started from near zero in comparable periods last year as manufacturers were still "discovering" their market. EIA breaks its statistical studies of the packaged phono market (components not included) into 3 major merchandise groups: record player attachments, phonographs (without radios), combinations (radio-phonos & TV-radio-phonos) -- then breaks these into many price & model categories. Here are selected views of total picture:

\* \* \* \*

(1) Through Oct., total factory sales in units are up 25% over 10 months last year -- and EIA's exec. v.p. James D. Secrest sees year leveling off at 16% increase (Vol. 13:50), with about 5,000,000 units vs. 4,175,000 in 1956.

(2) Record player attachments as a group are down 5% from last year.

(3) Phonographs as a group are up 97% in 10 months; of 17 categories, 6 are down, 11 up. All non-automatic phonos are down except low-end single-speed single-play category, which is booming. All multi-speed automatics are up except the \$100-\$150 table model, which is off slightly. Low-end tables are up sharply; high-end tables have doubled. All portables are up, especially the over-\$100 list category, which has doubled. All consoles are up, the high-end (over-\$200) having tripled -- from 100,798 in 10 months of 1956 to 304,884 in 10 months this year.

(4) Combination group is up 16%; 6 of 8 radio-phono categories are up -- and activity in highest end is dramatic. Low-end tables and portables are down slightly or even. Middle- & high-end portables have doubled. Low- & middle-end consoles have doubled. High-end console radio-phono combinations have more than doubled, and TV-radio-phono combinations are up slightly.

Growth of most expensive (over-\$300 list) radio-phono is impressive. In 1955, factory sales totaled 23,097 units; in 1956, 51,244 were sold. In 10 months of 1957,

factories had already moved 196,275 -- 31,678 of these in new "over-\$500" bracket.

Further growth patterns are pointed by shifts in percent-of-industry done by certain merchandise categories in last 2 years. For example, in 10 months of 1957 vs. like period last year, analysis of EIA factory sales by units shows: consolette & console phonos at all prices did 14% of factory sales vs. 8.7% in 1956. Console radio-phono in the \$200-to-over-\$500 class grew to 9.3% vs. 3.3%. Middle- & high-end portable radio-phono grew to 4.6% from 2.1%. In lower priced goods, portable automatic, multi-speed phonos held at about 22% for both years. Portable single-play multi-speed phonos slipped to 15% from 21%. All single-speed, single-play models slipped to 13% of production total from 19% last year.

Note: In Dec. 23 issue, Time cover story sees continuing boom of hi-fi (and helps it along), pointing out that phono ownership in U.S. homes has risen 37% in 5 years to 30,000,000; that there are 2,000,000 (component) hi-fi rigs in use; that LP records now do 2/3 of pop record business. In Dec. 2 issue, Newsweek points to tomorrow's stereo tape business noting 40 firms making stereo library, which grows by 100 titles a month and will soon top 1000. Finally, bringing packaged phonograph (\$500,000,000), records & tapes (\$300,000,000) and tape recorders (\$100,000,000) together in retail dollars as one major maker does, we've got -- or will have by 1958 -- a \$1 billion "music in the home" market to be vigorously worked. (More of that in coming issues of Television Digest.)

**ADMIRAL'S HYPOS—AND A FEW 'SLEEPERS':** Most unusual area of product diversification we've yet encountered in the unpredictable TV-radio-electronics fields is Admiral Corp.'s move into, of all things, plastic hospital supplies. First product is a disposable syringe used for one hypodermic shot then thrown away. It's favored by medics because some types of germs can't be destroyed by the usual boiling or steaming -- and about 2,000,000 a month are already being marketed to hospital supply houses through some Admiral distributors and certain others assigned closed territories.

It's not a high-price item, nor will it bulk large in Admiral's over-all sales, adding up to some \$8,000,000 next year (when sales should be 10,000,000 units a month) and an expected \$12-\$15,000,000 by 1959. But it's opening up an entirely new field, for now being perfected are disposable plastic sheets and pillow cases which, like the syringe, can be thrown away after one use. These are designed to help obviate the bane of all sickrooms, danger of infection, besides cutting down laundry labor and costs.

Whole field has enormous potential, says pres. Ross Siragusa, who recently engaged V.M. Stilson, ex-Erie Resistor, to head it up. Molded Products Corp., 100% subsidiary acquired from estate of Siragusa's brother, is the producer. At big plant covering more than 3 acres in west Chicago, it is also turning out certain fiberglass materials and plastic parts for Fisher Body, Pontiac, Plymouth, Buick; it has always made the plastic cabinets for Admiral's TVs and radios.

[For further report on Admiral and other "diversifiers," see p. 13.]

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**TV Tube Rebuilders:** Increasing part of TV picture tube market going to the tube rebuilders is emphasized by latest EIA breakdown showing renewal tube sales by rebuilders at 2,600,000 in 10-months through Oct., compared with 2,400,000 in 1956 period. At same time, sale of new tubes to setmakers totaled 5,300,000 vs. 6,300,000 in first 10 months of 1956, tied to production decline (Vol. 13:49). New tubes for renewal market were 2,400,000 -- same as in 1956. Exports also remained static at 600,000 -- bringing total picture tube sales through Oct. to 10,900,000 vs. 11,500,000 last year. By sizes: 15-in. & under, 6% in 1957, 14% in 1956; 17-in., 23% vs. 17%; 21-in., 65% vs. 62%; 24-27-in., 6% vs. 7%.

Receiving tubes for same period totaled 389,000,000, holding about even with 390,000,000 in first 10 months of 1956. Continued high volume, despite TV drop, is attributed to radio upsurge, increased industrial, commercial, military uses. Here's breakdown: Initial equipment, 210,000,000 through Oct. 1957, 220,000,000 in 1956;

renewal, 153,000,000 vs. 140,000,000; export, 19,000,000 vs. 22,000,000; Govt., 6,600,000 vs. 7,900,000. Marketing specialists expect 1958 increase in sales as greater number of units-in-use require more replacement tubes.

Note: EIA didn't compile TV-radio production figure for week ended Dec. 13, statistical dept. explaining that too few manufacturers reported output. Figures will be reported as soon as available.

**Diversification & Profitability:** Admiral is diversifying into plastic products for hospital uses, among other items (see p.12), and other companies are also finding new lines besides the ever-varying requirements of govt. contracts. But their original products remain TV-radio and related household items, now given big lift by the enormous upsurge of hi-fi.

For example, Packard-Bell's report for fiscal year ended Sept. 30, showing sales at record \$32,262,878 and earnings of \$704,447 (\$1.02 per share) vs. \$28,405,059 & \$862,356 (\$1.25) in preceding year, describes the various communications, missiles, radar & computer products it turns out. But it also makes the Foetoscope for hearing and visualizing the heartbeat of an unborn child; the Sigalert emergency radio warning system for police, highway patrols, doctors, firemen; an electronic garage door opener; wooden doors in 12 sizes for homes and building—latter in own Bellwood Co., wood factory which also makes its TV-radio-hi-fi cabinets.

Yet TV represents about 30% of total corporate sales, and continues profitable, says report, while radio and hi-fi have "increased dramatically"—latter up 49% and still climbing. Pioneer Los Angeles radio-making firm calls itself "oldest and largest manufacturer of TV, radio and hi-fi in the West"—presumably because bigger Hoffman Electronics Corp. is now accenting its many electronics products—and report says it plans to expand distribution throughout the 11 western stations "and possibly the nation."

At Dec. 12 stockholders meeting, pres. Robert S. Bell foresaw home products such as TV, radio, hi-fi and garage door openers facing "limitations [that] probably will no more than double [their] sales in the next 5 years." However, in same period, he expects technical products and electronics can "expand to 10 times our current sales." In last fiscal year, he reported, technical products div. contributed 38% of total corporate sales.

While it isn't one of the biggest companies in the field, Packard-Bell offers fascinating reading in its report as an example of diversification effort; you can get a copy by writing Mr. Bell at 12333 W. Olympic Blvd., Los Angeles.

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Still another report on diversification: General Instrument Corp., back on profit and dividend-paying levels (earnings \$247,053, or 18¢ a share, on sales of \$15,200,170 in 6 months ended Aug. 31 vs. only \$35,561, or 2½¢, on \$13,979,913 in same period of preceding year), informed its stockholders this week:

"Our program is to convert . . . from a manufacturer primarily of components for the radio-TV industry into one which has its base in all phases of electronics activity. Thus, your management plans, without in any way diminishing our leading position as a supplier of TV and radio components, to lessen dependence on the vagaries of the radio-TV market . . ."

Recently, GI acquired Radio Receptor Co. for expansion into industrial and military electronics, notably semi-conductors. Its military backlog at Nov. 20 was \$13,000,000 against \$1,800,000 last year. Its F. W. Sickles div. has introduced a new, cheaper, smaller uhf tuner which chairman M. H. Benedek states should "help bring down uhf set costs and, perhaps, thus stimulate this area of TV broadcasting."

Note: Govt. is by far electronics industry's best customer, as EIA exec. v.p. James D. Secrest reported last week (Vol. 13:50), representing 50% of over-all 1957 factory dollar volume—and Admiral this week reported that, after long lean period in the field since 1950 when it had \$50,000,000 in govt. contracts, it now has backlog of \$25,000,000 as against half that amount year ago. But Admiral, too, still depends on TV ("inventories down 35% from last year's levels"), radio and hi-fi ("booming") and on its appliance lines for by far most of its volume, according to pres. Ross Siragusa.

He's especially hot on prospects for new lines of refrigerators, freezers, dishwashers, ranges—and predicts 1958 will be as good as if not better than 1957 in spite of soft markets expected in first half. Admiral's own 4th quarter will run in black as high as it was in red last year, he said, meaning around \$750,000. Officially reported so far this year are 9-mo. figures only, showing \$572,662 net profit (24¢ per share) on sales of \$126,125,817 vs. \$1,792,029 (76¢) on \$134,204,988 in same 1956 period. For all 1956, earnings were \$1,037,274 (44¢) on sales of \$182,046,168, both lowest since 1950.

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Distribution reorganization move by GE converts all General Electric Appliance Co. (GEA) branches and TV-appliance depts. of GESCO branches to district offices of a new unit—sales & distribution dept. of the appliance & TV receiver div. Move, designed to speed communications between production and field, is basically a change in method of reporting and change in nomenclature, GE says. Pat A. Tilley, formerly pres. of GEA, becomes gen. mgr. of new dept. with headquarters at Louisville; R. C. Hawley, formerly mgr. of GESCO appliance & TV dept., mgr. of western districts; W. D. Dance, former GEA sales mgr., mgr. of eastern districts. GEA branch mgrs. become sales & distribution district mgrs. Physical structure of distribution remains the same. L. G. Hertzler will contact independent distributors. Radio and small appliances will still be distributed through GESCO, with headquarters in Bridgeport, Conn.

Christmas-inventory furloughs were started this week by most TV plants, greatest number of employes affected being 4800 at RCA Bloomington & Indianapolis TV & tube plants. Spokesman said Bloomington plant would be closed one week, Indianapolis 2, emphasizing this was not a layoff or reduction in force. Westinghouse laid off about 400 at Metuchen, N. J. TV-radio plant, attributed partly to season, partly to soft sales.

Consent judgment has resulted in dismissal of patent infringement suit by Kay-Townes Antenna Co. against Channel Master Corp. which will continue to make conical-yogi antennas under license from Kay-Townes.

**Westinghouse Ups Executives:** Westinghouse Electric Corp., its 1957 sales at all-time peak of about \$2 billion and anticipating "even higher in 1958," changes presidents as of Jan. 1—48-year-old exec. v.p. Mark W. Cresap Jr. ascending to that post while chairman-pres. Gwilym A. Price remains as chairman. Cresap has been with Westinghouse since 1951 when he became v.p. & asst. to the president after conducting a management survey for his then firm, Cresap, McCormick & Paget. Price, 62, has been pres. since 1946 and pres.-chairman since 1955.

E. V. Huggins, 50, to whom the broadcasting, defense products plant at Baltimore and international subsidiaries and the law, tax, patent & secretary's depts. continue to report, becomes v.p. & chairman of executive committee changing title from v.p.-corporate affairs and secy. He's a lawyer, formerly with Cravath, deGersdorff, Swain & Wood, who joined Westinghouse in 1943 after serving 2 years as Asst. Secy. for the Air Force.

John K. Hodnette, v.p. & gen. mgr. since 1955, becomes exec. v.p.; George G. Main, v.p.-finance & treas.; Francis E. Dalton, controller; Carlisle P. Myers, gen. counsel since 1955, corporate secy. in addition to gen. coun-

sel; Russell B. Read, asst. treas. as well as planning director.

Executive committee comprises Price, Cresap, Huggins. As operations head, exec. v.p. Hodnette continues to have reporting to him Chris Witting, v.p. consumer products group (all appliances, distribution, tubes, semi-conductors); A. C. Monteith, v.p. apparatus products; Wm. Sproul, v.p. industrial products; Charles Weaver, atomic products.

A major contractor in nuclear fields, big producer of heavy duty electrical and electronic apparatus, Westinghouse is also an important factor in broadcasting, owning 5 TV & 7 AM stations—highly successful properties headed by Don McGannon. He was formerly a colleague of Witting's when latter headed DuMont Broadcasting Co.

In year-end statement this week, Price had this to say about consumer lines: "Prospects for improvement in the consumer products field are hinged to a modest increase in residential construction and the continued rise of personal consumption expenditures even though the rate will not be as rapid as in the past several years. Consumer acceptance of radical new designs in appliances helped to reverse a year-long slump in appliance sales in the late summer of 1957 and since then sales have shown gains over comparable months of 1956."

**Topics & Trends of TV Trade:** Shipments of TV's to dealers totaled 4,873,819 in year's first 10 months, when production was 5,251,158 and retail sales 5,024,670, according to EIA state-by-state report. They compare with shipments of 5,433,750, production of 6,080,052, retail sales of 5,287,199 in first 10 months of 1956. Oct. shipments were 624,044 vs. 789,675 in Sept. and 843,508 in Oct. 1956. Here's 10-mo. report:

State	Total	State	Total
Alabama	68,690	New Jersey	174,330
Arizona	30,544	New Mexico	18,122
Arkansas	42,724	New York	561,991
California	472,389	North Carolina	96,821
Colorado	39,636	North Dakota	17,134
Connecticut	78,933	Ohio	273,385
Delaware	11,763	Oklahoma	55,753
District of Columbia	51,146	Oregon	48,050
Florida	170,836	Pennsylvania	344,042
Georgia	96,365	Rhode Island	26,182
Idaho	14,839	South Carolina	37,992
Illinois	297,702	South Dakota	18,604
Indiana	124,930	Tennessee	81,113
Iowa	56,571	Texas	254,212
Kansas	57,508	Utah	20,648
Kentucky	79,113	Vermont	9,743
Louisiana	87,978	Virginia	80,124
Maine	26,675	Washington	74,193
Maryland	66,758	West Virginia	50,995
Massachusetts	145,788	Wisconsin	87,754
Michigan	188,310	Wyoming	9,673
Minnesota	75,045		
Mississippi	39,613	U. S. TOTAL	4,860,951
Missouri	115,227	Alaska	3,174
Montana	22,887	Hawaii	9,694
Nebraska	37,169		
Nevada	7,882	GRAND TOTAL	4,873,819
New Hampshire	13,069		

**Trade Personals:** Don G. Mitchell, chairman & pres. of Sylvania, elected a director of ACF Industries . . . Ross Siragusa, pres. of Admiral, leaves in latter Jan. for survey of Admiral's foreign plants, plans to spend 2 weeks each in Italy, Mexico, Australia . . . Henry T. Heald, Ford Foundation pres., elected an AT&T director succeeding Myron C. Taylor, resigned after 28 years . . . John C. Maxwell, of Tucker, Anthony & R. L. Day investment house, elected a director of General Precision . . . Robert T. Champion, ex-Alexander Grant & Co., Chicago, named Siegler Corp. secy. . . Floyd I. Makstein, ex-Emerson, named national service mgr., Steelman phonograph & Roland radio divs., Herold Radio & Electronics Corp. . . Gerald R. Sauer named to new position as mgr. of RCA's SAGE powerhouse operation at Topsham, Me. . . Ralph M. Lane, ex-Admiral, named RCA eastern regional rep, color TV market development, replacing George P. O'Brien recently named district sales mgr. in northeastern region (Boston) . . . Harold M. Johnston, treas. of Sparton Corp., also elected v.p.

Frank M. Folsom, ex-pres. and now chairman of exec. committee of RCA, named by Gov. Harriman as chairman of Saratoga Springs Commission, non-salaried board of 12 on which he has sat for several years. Commission operates mineral springs, hotel, recreation center, etc.

Canadian TV sales by distributors to dealers were down for Oct. & 10 months. RETMA of Canada reports 70,537 in Oct. vs. 86,778 last year; 365,875 for 10 months vs. 498,340 in 1956. Sales by provinces: Ontario, 24,767 for Oct. & 135,973 for 10 months; Quebec, 16,960 & 101,249; British Columbia, 7292 & 32,599; Alberta, 6359 & 28,301; Manitoba, 4879 & 23,417; Nova Scotia, 3163 & 15,859; Saskatchewan, 4383 & 15,191; New Brunswick & Prince Edward Island, 2313 & 10,551; Newfoundland, 421 & 2745.

DuMont licenses Electrical Products Mfg. Co. Ltd. of Mount Royal, Que., to manufacture & sell TV sets, radio & hi-fi. Company has 100,000 sq. ft. plant at 5785 Pare St., will continue making its own Fleetwood TV, radio & hi-fi.

**DISTRIBUTOR NOTES:** Sylvania appoints Peninsular Distributing Co., Detroit, replacing Wholesale Appliances Inc.; Allied Distributing Co., Omaha, replacing Wright & Wilhemny Co. . . . Motorola appoints Ray Distributing Co., Savannah, for southern Ga., replacing Rex Distributing . . . Peirce-Phelps, Philadelphia (Zenith) names Richard Woltemate to head new electronics div. . . . Graybar promotes E. A. Droegemuller to branch house financial mgr. at Phoenix, in Los Angeles district; P. E. Miller to branch house financial mgr. at Louisville, in Cincinnati district . . . W. R. Light Co., N. Y. (Harman-Kardon) names Gregg Edelheit, ex-Norge, to new post of sales mgr. . . . Legum Distributing Co., Baltimore (Philco) names Jules Resnick, ex-Allied Appliance Distributors, to new post of exec. director of sales & marketing.

**A**MERICAN BROADCASTING-Paramount's lit-tle-publicized hedges into the higher dome electronic fields (NBC has its parent RCA, of course, and CBS labs div. has been quietly branching out into govt. and other contracts under pres. Peter Goldmark) is by way of interests in Microwave Associates Inc. and Technical Operations Inc., both of Burlington, Mass. Both are small companies but apparently doing fairly well, according to research report prepared by Carl M. Loeb, Rhoades & Co., which also handled recent DuMont banking.

Microwave Associates makes precision components for microwave radio apparatus, including magnetron & duplexer tubes, silicon diodes, wave guides, transistorized power supplies. AB-PT owns 121,000 of its 409,000 outstanding shares, or 29%, about same as holding of Western Union, acquired at \$8 per share. Revenues for year ended Sept. 30, not disclosed, are reported in excess of the \$2,300,000 of fiscal 1956 but earnings are down from that year's 38¢ per share, due largely to shift to larger plant.

Technical Operations Inc., with about 22% of its 231,000 shares of stock also held by AB-PT (same by Western Union) and acquired at \$6 per share with options to build holdings to 25% each, does govt. electronic & nucleonic research, war gaming & logistic planning for military, with emphasis on nuclear weapons. Manufacture accounts for only about 10% of its revenues, which were \$2,200,000 for year ended Sept. 30 with earnings of 17¢ per share. Current fiscal year's revenues are expected to expand to \$3,000,000, earnings to 50¢. Principal products now are industrial radiography machines (a type of X-ray) and, through Power Sources Inc., owned 50-50 with Microwave Associates, transistorized power supplies.

Note: Reports on these and 6 other unlisted so-called "applied science" stocks—Airborne Instruments Lab, High Voltage Engineering Co., Taylor Instrument Co., Midwestern Instruments (which recently absorbed Magnecord), Sanders Associates, Magnetic Amplifier Co.—are available from George P. Edgar at Carl M. Loeb, Rhoades & Co., 42 Wall St., N. Y.

Siegler Corp., which recently took over Olympic Radio with merger of Unitronics Corp., and which also has Bogen-Presto and Hufford Corp. as subsidiaries (Vol. 13:37, 38, 39, 47), has applied for listing of its 1,714,339 shares on the N. Y. Stock Exchange; it's now listed on American Stock Exchange.

Transitron Inc. and Insuline Corp. of America, Manchester, N. H. subsidiaries of Van Norman Industries Inc., have been joined into single electronics div. under Samuel K. Lackoff, head of Transitron.

Columbia Pictures lost \$425,000 in quarter ended Sept. 28 vs. net income of \$843,000 (71¢ per share) in 1956 quarter.

Dividends: Packard-Bell, 12½¢ payable Jan. 25 to stockholders of record Jan. 10; Muter, 5% stock Jan. 15 to holders Dec. 31; Avco, 10¢ Feb. 20 to holders Jan. 29; Boston Herald-Traveler, 4% stock Jan. 15 to holders Dec. 24; Howard W. Sams, 12¢ plus 12¢ extra, both Jan. 25 to holders Jan. 15; Daystrom, 30¢ Feb. 14 to holders Jan. 27; General Dynamics, 50¢ Feb. 10 to holders Jan. 10; American Cable & Radio, 30¢ Jan. 28 to holders Jan. 3; Columbia Pictures, 2½% stock Jan. 30 to holders Dec. 30, cash dividend omitted.

Gross Telecasting Inc., operator of WJIM-TV, Lansing, Mich. (Ch. 6) with radio WJIM, had net income of \$156,277 (39¢ per share) for quarter ended Sept. 30 as against \$176,714 (44¢) for same 1956 quarter. Net for 9 months was \$502,003 (\$1.26) vs. \$599,515 (\$1.50). Total sales are not reported until annual report, nor is there breakdown between TV & radio. Firm is one of few single-station entities whose stock is publicly traded, 193,000 shares of common out of 600,000 authorized having been sold at \$15.75 in 1954 with pres. Harold Gross retaining 7000 shares and holding all 200,000 B stock. Latest annual report showed 1956 total revenues of \$2,815,408, net earnings of \$741,926 (\$1.85) vs. \$2,607,530 & \$724,947 (\$1.81) in 1955 and \$1,973,031 & \$639,464 in 1954. [For report on previous sales & earnings, see p. 14, Vol. 13:12.]

Litton Industries' stockholders have approved increase in authorized common stock shares from 2,000,000 to 3,500,000, issuance of 16,000 shares of new voting preferred stock with \$100 par value, to cover purchase of Monroe Calculating Machine Co., Aircraft Radio Corp., Maryland Electronic Mfg. Corp. (Vol. 13:42) and possible other acquisitions in Litton's long-range plans. Pres. Charles B. Thornton said sales would be divided evenly between industrial-commercial and military, with military probably showing faster growth in immediate future.

Hewlett-Packard Co., Palo Alto, Cal. maker of TV & FM monitors and test equipment and other electronic instruments, earned between \$2,100,000 and \$2,400,000 (70-80¢ per share) in year ended Oct. 31, according to pres. David Packard in Dec. 17 *Wall St. Journal* interview. Its business rose to \$27,900,000 from \$20,161,621 in preceding fiscal year, and current year, with govt. contracts running about 25%, is expected to be "relatively good." Mr. Packard and v.p. Wm. R. Hewlett own 88% of 2,700,000 shares outstanding.

National Theatres Inc., which is buying WDAF-TV & WDAF from *Kansas City Star* for \$7,600,000 (Vol. 13:47-48), earned \$2,266,096 (84¢ per common share) in 52 weeks ended Sept. 24 vs. \$4,648,037 (\$1.72) in 53 weeks of fiscal 1956. Gross revenues for 1957 fiscal year were \$58,927,856 vs. \$59,707,251. Profit for 1956 included \$2,370,803 (88¢) net gain on sale of Roxy Theatre, N. Y. Earned surplus Sept. 24 was \$22,046,443. Controlled subsidiaries operate 313 theatres, closed 31 during year.

Hal Roach Productions, one of last of privately-owned Hollywood movie firms, plans to open stock to public. Underwriters led by S. D. Fuller & Co. will offer 375,000 shares of \$3 common stock. Operating old Hal Roach studio at Culver City, Cal., company is heavily in production of TV film series & commercials, syndication of library.

Philips Electronics Inc., formerly A. Hollander & Son Inc., earned \$260,937 (29¢ per share) on sales of \$4,844,166 in 9 months ended Sept. 30 vs. net loss of \$451,317 in 1956 period (total 1956 sales were \$2,671,376). Oct. earnings were \$97,901 on sales of \$1,270,203.

Channel Master Corp. reports \$459,839 contribution to employes profit sharing retirement fund, bringing fund total to \$2,316,916 in 6 years. Company contribution amounts to 15% of annual earnings of each of more than 700 now in employe-owned plan.

Trav-Ler reports net loss of \$104,000 on sales of \$7,842,000 in 6 months ended Oct. 31 vs. net loss of \$42,000 on \$5,960,000 sales in 1956 period.

Topp Industries earned \$248,348 (35¢ per share) on sales of \$5,803,531 in 6 months ended Oct. 31 vs. \$84,888 (18¢) on \$2,870,428 sales in 1956 period.

**Plans for Arbitron:** In wake of this week's showing of ARB's "Arbitron" instant rating system (Vol. 13:50), director James W. Seiler reports "tremendous number of people saying they are ready to place orders"—but says he doesn't want to accept orders for national service until Feb. 1 starting target.

Cost of New York area service will range from \$850 to \$2700 per month—and Seiler expects to be taking orders within week, service to start in first week of Jan. when telephone company probably will have 250 of 300 sets hooked up.

Present plan is to have local services in N. Y., Chicago, Los Angeles. National sample will cover N. Y., Chicago, Philadelphia, Baltimore, Washington, Cleveland, Detroit. Results in each city will

be gathered in central point via telephone line connections, then transmitted to N. Y. on less expensive teletype line. Within year, Seiler says, he expects to have rural areas hooked into system.

Seiler expects to set up special package for agencies or others wanting only rating for one show—or for one week of month. Also in works is equipment which will give cumulative ratings, showing who is watching what station and supplying viewer's buying habits by previous inventory.

ARB's total investment when system is working in 8 cities will be about \$750,000—no outside investors. System will be extended to other markets when ARB finds customers. However, Seiler emphasized he's "still very fond of the diary method of ratings" which ARB has in 141 cities.

**Transatlantic TV Cable:** C. O. Stanley, chairman-managing director of Britain's big Pye electronics combine and a director of commercial TV programmer Associated TV Ltd. (ATV) wants British & Canadian Govts. to finance undersea TV cable from Britain to Canada, which he says "could pay its way by the sale of live programs which would be linked with advertising" and could carry telephone conversations during non-programming hours. He said cost would be about \$42,000,000 and cable could be operative by 1962. He made proposal in address to Canadian trade delegation in London. He said he would recommend it to British Govt.'s TV Advisory Committee, of which he is member. "It is a matter for the Postmaster General and the British & Canadian Govts.," he said. "Reception of U. S. TV has probably done more to swing Canadian trade from Britain and towards America than any other single factor."

Important role in writing so-called Gaither Report, top-secret document which warned President Eisenhower of U. S. military deficiencies as compared with Russia, was occupied by Sprague Electric Co. chairman Robert C. Sprague, long one of electronics industry's statesmen. When Gaither Committee's initial chairman, H. Rowan Gaither, became ill, report was completed under co-chairmen Sprague & Wm. C. Foster, of Olin-Mathieson Chemical Corp. Other electronics industry figures on committee were Bell Labs' Robert C. Prim, Airborne Instruments Labs' Hector R. Skifter and MIT's Prof. Jerome B. Wiesner. Committee's 11-man advisory panel included: Westinghouse's Adm. Robert C. Carney (ret.), Bell Labs' Mervin J. Kelly & James B. Fisk, MIT's James R. Killian Jr. (later named President's Scientific Advisor), U of California's Ernest O. Lawrence and CBS's Frank Stanton.

New British commercial TV program contractor—the 8th to be franchised by ITA—will be group representing national *Daily News Chronicle*, film producer Sydney Box and group of British business men. New group will handle programming for new ITA station to be built at Burnhope in northeast England in late 1958. Meanwhile, non-commercial BBC Dec. 18 opened first TV station serving Northern Ireland, 1-kw outlet at Londonderry.

**Ad Taxes Defended:** Special municipal taxes on TV-radio & other advertising are valid exercises of city's levying power, City of Baltimore contended this week in court defense of 6% assessments scheduled to become effective Jan. 1 (Vol. 13:45-50). Asking Md. Circuit Court Judge Edward Harlan to throw out 14 suits by broadcasters & newspapers which seek injunction against taxes (4% on ad sales, 2% on media ad receipts), city attorneys argued that they aren't discriminatory or oppressive, don't violate free-press provisions of U. S. Constitution & Md. Declaration of Rights. Hearing on issues probably will be held after first of year. Meanwhile, St. Louis alderman Alfred I. Harris told United Press he planned to introduce similar tax ordinance there Jan. 4, although he's won little political support for proposal over quiet opposition by local admen.

Ad volume of \$11 billion—gain of 6% or more than \$500,000,000 over 1957—will be reached in 1958, publisher Eldridge Peterson of *Printers' Ink* predicted this week in speech to American Marketing Assn. in Philadelphia. He said advertising will continue its upward trend despite leveling-off or decline in general business foreseen for next year by many economists. Many manufacturers will maintain high ad budgets as stimulant, he said. Peterson repeated earlier estimates that 1957 volume will total around \$10.4 billion, up 5% from 1956, and that TV will show 6% increase, network & spot radio 28%, newspapers 5%, magazines 3%. Article in Dec. 20 *Printers' Ink* warns, however, that "There will have to be more selling to keep advertising high in 1958."

CBS News & Public Affairs dept. is becoming plain CBS News—probably with CBS Inc. divisional status and separate budget—in move by network to emphasize identity of operations under v.p. Sig Mickelson. New accounting setup for news, sports, public affairs & special events under shortened name is expected by CBS to help underscore network's public service programming.

Conelrad weather warning (Vol. 13:49) got first use this week when KMOX, St. Louis, one of idea's originators, used system for tornado—"very effectively," according to FCC Conelrad engineers.

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## SUMMARY-INDEX OF THE WEEK'S NEWS — December 28, 1957

**FIRST PAY-TV APPLICANT** is Philadelphia uhf grantee. Congressional showdown assured as Harris blasts toll TV, sets hearing for Jan. 14 (p. 1).

**NEARLY 3200 AMs, 537 FMs** on air as year ends. Nearly 150 new AMs authorized in 1957. Radio stations now far outnumber daily & Sunday papers (p. 2).

**CLOSED-CIRCUIT TELECASTING**, for business & educational meetings, was \$2,500,000 business in 1957; rise to \$10,000,000 seen by 1960 (pp. 2 & 4).

**TWO UHF's START** as one goes off—WMBD-TV, Peoria, beginning; WBLN, Bloomington, Ill. resuming; WNAO-TV, Raleigh, dropping out (p. 6).

**INSTANT NIELSEN** pilot rating system has been operating in Chicago "for some time," but no specific proposals are being made to clients now (p. 8).

### Manufacturing-Distribution

**RCA SALES** exceed \$1 billion for third straight year; profits expected slightly under 1956, due to softer economic conditions in 4th quarter (p. 9).

**ELECTRONICS' DEFENSE ROLE** stressed by RCA's Gen. Sarnoff, EIA's Dr. Baker. \$24 billion industry volume foreseen for 1967 (p. 10).

**ESTIMATES OF 1958 TV set sales** running from 7,000,000 high to 6,000,000 low with agreement first half will be slow (p. 10).

**TV INVENTORIES** at year end seen better than 1956 by GE officials, who predict 75% rise in transistor market, doubling of closed-circuit in '58 (p. 13).

**FOREIGN TV-RADIO** production spotty—continued progress in West Germany, USSR, Argentina (p. 12).

**HARRIS BLASTS TOLL TV; APPLICATION FILED:** Even as FCC received first application for trial pay-TV operation. Congressional showdown on issue was assured this week when Chairman Harris (D-Ark.) of House Commerce Committee loosed a blast at fee TV and set Jan. 14 hearings on anti-toll bills.

Harris put himself on record for first time in interview filmed by KNOE-TV, Monroe, La., in which he blasted FCC as "derelict" in its duty for "dilly-dallying" on pay-TV issue, and said he was now convinced that issue should be decided by Congress, that toll TV "would destroy the free use of the spectrum and make a utility out of the industry," that there's no provision in law to permit FCC to "establish rules [adequately to] control such a procedure." He said he hoped for Congressional action by March.

By filing first pay-TV application with FCC, uhf grantee WSES, Philadelphia (Ch. 29) not only reaps harvest of publicity but feels out Commission's exact requirements for other prospective applicants. Because Commission says it won't grant any pay-TV go-ahead until March, there'll be plenty of time to pore over this week's filing.

WSES says it will use Skiatron system—but it hasn't reached agreement with Skiatron (Matty Fox), is still negotiating. For program material, it plans to emphasize sports. So far, it has agreement only with Philadelphia Warriors pro basketball team, reports it's negotiating with Phillies baseball club, Eagles football team, U of Pa., Villanova U, Temple U, St. Joseph's College, LaSalle College. It has had "exploratory conversations" with movie distributors, opera companies, symphonies, legitimate theatres and "other organizations" which can provide "spectaculars." No commercials are planned.

Applicant proposes to go it alone—own the decoders, maintain them itself, handle decoding card arrangements, etc. It hasn't yet made any agreement to buy decoders and other equipment.

Principals, said to be well heeled, are: Wm. L. Jones, pres., 57 1/7% owner, coal business; Isadore B. Sley, treas., 28 4/7%, parking lots & garages; Murray Borkon, v.p., 14 2/7%, once sought foothold

in community antenna business. He acts as the TV "consultant" to the other principals of the firm.

Applicant proposes to supply subscribers with either decoder or combination uhf converter-decoder—depending on whether set is uhf-equipped. "Nominal" charge for installation is planned.

Intention is to charge \$30 annually to home subscribers, \$100 to commercial establishments for basic sports schedule—plus \$1 & \$5, respectively, for "special events." Goal is 300,000 subscribers.

Applicant has had uhf CP since March 28, 1956, never started construction, presumably had been waiting for subscription-TV green light.

**AMs ON AIR NOW NEAR 3200, FMs ALSO RISE:** Phenomenon of the current broadcasting structure is not only the upsurge in radio business but the continuing increase in the number of AM & FM stations. They now outnumber daily and Sunday newspapers by a wide margin.

Year now ending saw more than 150 new AMs start and 22 new FM station starters. These compare with 40 new TV starters, bringing end-of-year TV total to 521.

Actual radio figures are these, as recapitulated from data collected for our 1958 AM-FM Station Directory, now readying for mid-January publication:

AMs authorized at end of 1957 total 3289, of which 3180 are on the air and 109 are CP holders. Thus, every year since end of wartime freeze saw additions to the roster of authorized AMs: At end of 1956, total was 3140; 1955, 2941; 1954, 2782; 1953, 2644; 1952, 2516; 1951, 2410; 1950, 2351; 1949, 2246; 1948, 2131; 1947, 1961; 1946, 1579; 1945, 1056.

FM grantees total 588 as year ends, with 537 on air; year ago, total was 559 with 528 on air. Up to this year there had been constant dropoff in FM's—but only 17 FM licenses and 4 CPs were dropped during 1957 while 46 applications for new ones are pending.

[The 1958 AM-FM Directory, incidentally, not only lists all stations by states, frequencies & call letters but also lists all applications pending for new AMs & FM's. At end of 1957, there are 328 AM applications vs. 255 year earlier. Only 2 AM licenses and 10 CPs were dropped during year. In other North American countries, as shown by the Directory, there were additions: Canada's AMs went from 217 year ago to 231 now, Mexico's from 467 to 489, Cuba's from 141 to 146—all with addresses, etc.]

■ ■ ■

Practically no new daily newspapers have been started in recent years—indeed, there has been slight fall-off in numbers, though circulation has climbed. TV-radio competition is one major economic factor, no doubt, though enormous costs of publishing undoubtedly account mainly for the relatively static entries into the newspaper business. (Fact that 19 newspapers in 12 cities were involved in strikes last week betokens another big factor.)

There are 1751 daily newspapers in the U. S., English-language, their aggregate circulation about 57,000,000, plus 546 Sunday newspapers, circ. about 47,000,000, according to latest Editor & Publisher Yearbook. Canada has 96 dailies, 13 Sunday. In addition, there are 9413 U. S. newspapers in weekly category (which includes some semi- and some thrice-weeklies) and they have combined circulation of 21,765,000, according to latest N. W. Ayer Directory.

**CLOSED-CIRCUIT TELECASTING—WHAT, WHO, HOW?** How big is "meeting TV" or "private telecasting"? Who are its principal entrepreneurs and what is its potential?

"Meeting TV" or "closed-circuit telecasting" or "private telecasting" are terms used to describe application of TV to serve selected audiences in selected locations. It has been called, at various times, "theatre TV" (but most productions are no longer viewed in theatres), "large-screen closed-circuit" (but in some locations the events are still viewed on conventional sets) and "business-meeting TV" (but it's also used for education, fund-raising, science, etc.).

Small industry built up around "meeting TV" is centered on group of companies which handle closed-circuit meetings from production to operation of receiving sets. In 1957, best guess is that something less than \$2,500,000 has been spent on closed-circuit telecasting and that maybe \$750,000 of this



was actually taken in by the closed-circuit companies—remainder going to outside packagers, ad agencies, etc. There were some 35 multi-city events this year, beamed to as many as 130 cities.

Ten organizations which offer services in arranging closed-circuit telecasts are listed in our TV Factbook No. 25 (p. 408). To get size-up of this industry, we addressed series of questions to the 3 major companies actively promoting medium now and beating bushes for customers. They are:

(1) Theatre Network TV and its subsidiary TNT Tele-Sessions, headed by Nathan L. Halpern, former TV consultant to several theatre chains and onetime asst. to CBS pres. Frank Stanton.

(2) Teleprompter Corp.'s Group Communications div., under v.p. Wm. P. Rosensohn, who originally headed Box Office Television Inc., backed by Sid Caesar money, and later formed Sheraton Hotels' closed-circuit subsidiary, which was purchased late last year by Teleprompter (Vol. 12:49).

(3) Closedcircuit Telecasting System, whose pres. is Fanshawe Lindsley, former gen. sales mgr. of TNT Tele-Sessions. His new company, formed this year, is only one specializing in closed-circuit color.

We received detailed data from 2 of these, Halpern declining to participate.

As to ranking of the companies, it's safe to say that Teleprompter and TNT currently dominate the field. Though TNT has been in business since 1951, it appears to have been overtaken by Teleprompter in number of events and in dollar volume for 1957. CTS, with heavy financial backing, has just gotten started and hopes to make bid for leadership via color.

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Offshoot of disappointing theatre-TV medium, "meeting TV" had first significant use in 1952, accelerating to 15 multi-city meetings in 1954 for such large companies as Ford, Dodge and Sealtest at total cost (staging, production, talent, AT&T lines, etc.) of about \$1,200,000. In 1955, dollar volume rose to \$1,700,000 (20 major meetings), in 1956 to \$2,000,000 (25).

Though first meetings were held in theatres—nearly 100 of them are still equipped for projection TV—locale soon shifted to hotels as more logical place to hold meeting of businessmen or salesmen, and one which could be used at any hour of day (theatres were used for business meetings mainly in mornings, before movie hours).

Portable projection TV equipment has steadily improved, and today Teleprompter, TNT & CTS own total of nearly 200 projection units (including 40 color projectors owned by CTS), which may be shifted from city to city as required. In addition, some hotels and other organizations own units which can be utilized. Picture size varies from 6x8-ft. to theatre-screen size.

What does a closed-circuit meeting cost? Both CTS & Teleprompter agree that good rule of thumb today for an average production on 20-30 city circuit is about \$2000 per city, including all costs (production, origination, transmission & viewing facilities). For color, CTS charges 15% premium. Virutally all business-meeting telecasts use network or station facilities and crews for origination.

Why hasn't medium grown at greater rate? Teleprompter's Rosensohn offers these answers:

Too few people know about it. "And the fact that it has been used by large companies—such as GE, Ford, Chrysler & U. S. Steel—has tended to discourage smaller companies." But even at present costs (\$4-\$8 per viewer), Rosensohn argues, it's "cheaper than bringing a group to a central point."

With greater use of medium, he adds, further economies can be realized on AT&T facilities, lowering costs considerably. He points to another factor not generally considered: A kinescope can be made at no extra charge—and entire telecast is usually cheaper than production of special film.

CTS's Lindsley thinks medium has been retarded because of unavailability of color. "You cannot," he adds, "present food, appliances, cars, packaged goods, fashion or even today's bathroom fixtures effectively in black-&-white. Nor is there any point in a company presenting its 4-color magazine advertising campaign in black-&-white."

What's the medium's future? Rosensohn predicts 1957 industry-wide gross of \$2,400,000 will increase to about \$4,000,000 in 1958 and \$10,000,000 annually by 1960.

"We are talking about more than a medium for sales meetings," he adds. "It can be—in fact, it has been—used for such important projects as fund-raising, education, changing a company's name and stockholders' meetings. Closed-circuit TV is, by and large, the most effective way for management to keep in touch with its field forces . . . It represents a substitution of transportation of ideas for transportation of men." [For further details of closed-circuit meeting business, see story below.]

**More on 'Meeting TV':** Closed-circuit telecasting (see above) had its roots in "theatre TV," the stunted offspring of an early mating of TV & movie industries. Nathan L. Halpern's Theatre Network TV (575 Madison Ave., N. Y.) was pioneer company in this medium which once had theatre owners envisioning Broadway extravaganzas, Las Vegas floor shows, Metropolitan Opera and outstanding sports events in movie palaces as boxoffice hypo. Except for an occasional championship prizefight and a Metropolitan Opera opening night, however, this dream was never realized.

Theatre owners once applied for exclusive theatre-TV frequencies, but after lengthy hearing FCC denied request in 1953, ruling that leased common carrier lines were adequate. Interest in theatre TV faded after that. However, 20th Century-Fox still occasionally holds showings of improved versions of its Eidophor color theatre-TV projector, which it hopes to develop to Cinema-scope proportions.

Though first TV meetings were held in theatres, development of good portable equipment made hotels a better location. Teleprompter (311 W. 43rd St., N. Y.) now owns 60 of General Precision Lab's newest black-&-white projection TV units, which produce pictures 9x12 to 15x20-ft. TNT is understood to have bought 10 of these, too, which it added to its 36 older portable GPL units and 25 theatre-type RCA & GPL units converted for portability.

Only company now offering color TV projection units in quantity is RCA. Closedcircuit Telecasting System (237 W. 54th St., N. Y.) has 40 of RCA's new compatible color receiver-projectors, which throw 6x8-ft. picture. Philips of Eindhoven, big Dutch electronics combine which produces optical system for RCA color projectors, has developed its own big-screen color unit which produces 9x12-ft. color picture. CTS has taken option on 10 of these.

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To stage closed-circuit meeting, it's not necessary to deal through one of the established companies in the field—but most closed-circuit users find it desirable. Companies such as Teleprompter, TNT & CTS and others can handle show from beginning to end—from engaging talent to installing projection receivers. Some of these shows are as elaborate as any telecast spectacular, featuring TV or film stars, especially composed music, etc.—all as window-dressing for introduction of new lines of appliances or autos, or a pep talk to salesmen.

Networks have offered closed-circuit services to outside (non-sponsor) companies, but they seem to be leaving this business. NBC, perhaps biggest in field, is understood to be discontinuing contract closed-circuit telecast activity Jan. 1.

As to costs, Teleprompter provides this breakdown of typical 20-city closed-circuit telecast: Origination, using 3

cameras and reasonably large studio—\$5000 ("extravaganza" production would range from \$8000-\$12,000). Intercity transmission via AT&T facilities, at \$1.25 per mi. per hour, for 6000-mi.—\$7500. Local loops, averaging \$500 per receiving location—\$10,000. Large-screen projection facilities, \$500 an outlet, including engineer & projectionist (40 outlets)—\$20,000. Closed-circuit company's fee (17.65%)—\$7500. Total cost for 20-city telecast—\$50,000.

Though other companies have staged closed-circuit colorcasts, Lindsley's CTS is first to specialize in color. His first intercity colorcast Dec. 12 for N. Y. Dental Society (originating at Washington's Walter Reed Hospital) was enthusiastically received and resulted in scheduling of 2 more medical closed-circuit color shows from Washington—Jan. 29 to Northwestern U Dental School and Feb. 8 to American College of Radiology convention in Chicago. CTS says it is now in active negotiation with 24 companies for telecasts in 1958.

Closed-circuit sales & management course, aimed at audience of 100,000 in 62 U. S. & Canadian cities, is scheduled March 4-6. It's second annual "Tele-Sell" (Vol. 13:7), to which has been added "Tele-Manage" course. Each of the 3 sessions will take 90 min.—7:15-8:45 p.m. local time, using video tape repeats for clock-time presentation in all areas. Courses will be presented in hotel ballrooms using portable projection TV receivers. Dealing heavily in motivational research as it applies to selling, course's tuition is \$6 per night. Tele-Sell is produced by Visuals div. of Communications Institute of America Inc. (Morris I. Pickus, chairman; John L. Shirley, pres.), 360 N. Michigan Ave., Chicago.

**Subliminal TV Experiment:** Elaborating on his comment to us 2 weeks ago (Vol. 13:50), BBC director of engineering Sir Harold Bishop supplies this account of subliminal perception experiment on British TV: "It is true that we did do an experiment in subliminal perception in a program called *A Question of Science* that was included in our TV program on 22 June 1956, 18 months ago. A film of ballet dancing was shown, during which a single field (lasting 1/25 of a second) carried a caption. The caption did not contain any rude words, as reported [in one U. S. advertising publication and dismissed in *Television Digest* as "adman's dream"], but merely the phrase 'Pirie breaks world record' . . . The evidence was not really conclusive in determining whether the perception was below the level of consciousness. The experiment was repeated on 6 July 1956, this time without warning to viewers. A small number of people wrote to say that they had seen something unusual, and 6 had in fact correctly read the caption on this occasion." Adds Sir Harold: "I hope this information puts the record straight."

TV news bulletin board: Closed-circuit TV system is used by *Berkshire* (Pittsfield, Mass.) *Eagle* to give running story of day's events to man in street. Camera in news-room scans printed bulletins on revolving drum, flashes them outside to 27-in. screen.

**Personal Notes:** Philip Williams, ex-Ziv, named syndication sales v.p. of ABC Film Syndication . . . Ralph L. Atlass, gen. mgr. of radio WIND, Chicago, named Westinghouse Bcstg. Co. v.p. for area . . . Dick Linkroum slated for promotion to head sales of NBC-TV special programs . . . Michael Lannon promoted to sales promotion mgr. of WRCA-TV & WRCA, N. Y.; Tony Kraemer named audience promotion mgr. . . E. Walter Evans retires as *Billboard* pres. after 52 years with the amusement industry publication; Wm. D. Littleford succeeds him . . . James R. Sefert, from WLWC, Columbus, named head of new Cleveland sales office of Crosley Bcstg. Corp.; Juanita Wilcox rejoins WLWC as film director . . . Rev. Clayton T. Griswold, exec. director of TV-radio dept., Presbyterian Church in the USA, who was a leader in founding the Broadcasting & Film Commission of the National Council of Churches, retires from his post as of Jan. 1 for health reasons . . . L. Herschel Graves, managing director of Phipps stations, assumes management of WPTV, Palm Beach, Fla., succeeding late Stephen P. Willis . . . John Baldwin promoted to asst. mgr. of WTCN-TV & WTCN, Minneapolis . . . Ralph Renick promoted to v.p. in charge of news, WTVJ, Miami . . . Glenn Marshall Jr., pres. of WMBR-TV & WMBR, Jacksonville, elected Chamber of Commerce pres. there . . . Stanley Burke, ex-*Vancouver Sun*, named CBC correspondent at UN . . . Tom Tausig, ex-WTOP-TV, Washington, joins P. Lorillard Co. as asst. adv. director . . . Jo Ranson resigns as press & public service director of radio WMGM, N. Y. to join *Variety* TV-radio editorial staff . . . Ron Schafer, ex-radio KRE, Berkeley, Cal., joins KSAN-TV & KSAN, San Francisco, as merchandising & publicity mgr. . . Luella Cannam, ex-radio WVDA, Boston, opens own adv. & public relations firm, Cannam Co., at 900 Statler Bldg. there.

Consulting engineering firm of Vandivere, Cohen & Wearn, Washington, becomes Vandivere & Cohen (Edgar F. Vandivere Jr. & Jules Cohen, partners) with resignation of Wilson C. Wearn, who continues as asst. to pres. Robert A. Jolley of WFBC-TV & WFBC, Greenville, S. C. Vandivere returns to active consulting practice from Vandivere Labs Inc., which is being dissolved. New engineer in firm is Raymond P. Aylor Jr., ex-RCA lab chief at Andrews Air Force Base.

Gilbert L. Berry, gen. mgr. of radio WIBC, Indianapolis, is one of 25 "men of achievement in career and citizenship" who were football stars 25 years ago selected for "Silver All America" featured in Dec. 23 issue of *Sports Illustrated*. He was an All-American at U of Ill., later played with Chicago Cardinals.

New ITA chairman is Sir Ivone Kirkpatrick, retired Permanent Under-Secretary of State in British Foreign Office who was 1941-44 controller of BBC's European services. He succeeds Sir Kenneth Clark, whose 5-year term as chairman ended in Aug.

**ADVERTISING AGENCIES:** Harry W. Bennett Jr., ex-Bryan Houston exec. v.p., joins Joseph Katz agency as senior v.p., N. Y. . . . Victor M. Ratner, a Benton & Bowles v.p., appointed communications & mass media consultant to NYU's general education div. . . . E. A. (Tim) Elliott resigns as media director of Ogilvy, Benson & Mather.

Advertisers Service Assoc. is formed in Hollywood (1487 Vine St., Hollywood 4-7288) as TV & radio program, research, testing & publicity organization for agencies which lack branch offices in 11-state western area. Gen. mgr. is Herbert K. Landon, ex-Kenyon & Eckhardt.

## Necrology, 1957

**G**IVE PAUSE for some thought and prayers, dear readers, for your industry friends and professional acquaintances who passed away during the year now ending. These are the members of the TV-radio-communications and associated electronics fields who died during 1957, according to best available records:

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| Edward A. Allen<br>Maj. Gen. James B. Allison<br>Hoyt Andres<br>Johnnie Andrews<br>John Balaban<br>Col. Sosthenes Behn<br>G. Ralph Branton<br>John Joseph Brosnan<br>Gene Buck<br>Robert E. Burrows<br>Carl Byoir<br>Robin D. Compton<br>Thomas D. Connolly<br>Frank A. Cowan<br>Rubey Cowan<br>James M. Cox<br>Wayne Coy<br>Hugh Roy Cullen<br>Manton Davis<br>George B. Donohue<br>Dwight D. Doty<br>W. J. Convery Egan<br>Lawrence K. Elliott<br>Charles J. Feldman<br>James Leslie Finch<br>Frank Finney<br>Sir David Gammans<br>Frank E. Gannett<br>Charles F. Gannon<br>Eugene Gaughn<br>Basil M. Goldsmith<br>Sir Cecil Graves<br>Nils T. Granlund | Kenneth E. Greene<br>John F. Grinan<br>Hugh A. L. Half<br>Joseph R. Hamlen<br>Ralph W. Hardy<br>Art Van Harvey<br>Cecil B. Highland<br>Edwin C. Hill<br>Henry J. Hoffman<br>Leonard H. Hole<br>Arthur A. Kalman<br>Keith Kiggins<br>Wm. T. Kilborn<br>Lawrence M. Klee<br>Cyril (Cy) Langlois<br>Dr. Irving Langmuir<br>Frank Pell Lawrence<br>Jesse W. Lewis<br>Richard Field Lewis Jr.<br>Thos. P. Littlepage Jr.<br>R. H. MacGillivray<br>Dr. Donald MacKenzie<br>James M. Mathes<br>H. W. McCandless<br>Charles E. (Ned) Midgley Jr.<br>Mrs. Frederick A. Miller<br>Joseph F. Moscato<br>B. Bryan Musselman<br>Al Naroff<br>William J. O'Connor<br>Robert W. Orr | Percy J. Orthwein<br>C. E. Palmer<br>Harry L. Palmer<br>Herluf A. Provensen<br>Raymond S. Pruitt<br>Herbert Pulitzer<br>Harry F. Randolph<br>Wm. H. Rankin<br>Howard W. Rapport<br>Abram K. Redmond<br>A. Cledge Roberts<br>Edward R. Rutledge<br>Thomas P. Ryan<br>Frank Samuels<br>Charles A. Schenck<br>David E. Scott<br>Robert W. Sedman<br>Jim Shott<br>Humphreys O. Sigmund<br>Wm. J. Skelly<br>Ann Gillis Slocum<br>Richard W. Slocum<br>John C. Spearman<br>Clarence A. Sprague<br>Gerard Swope<br>James A. Taylor Sr.<br>Harold C. Tipping<br>Adolph Ullman<br>Carveth Wells<br>Stephen P. Willis<br>Edgar T. Wolfe Sr.<br>John Woods |
|---|--|---|

Look Magazine's annual TV awards, presented on NBC-TV's *Perry Como Show* Dec. 28: best dramatic series, 60-min. or more, *Playhouse 90* (CBS-TV); dramatic series, 30-min., *Alfred Hitchcock Presents* (CBS-TV); dramatic show, "Green Pastures" on *Hallmark Hall of Fame* (NBC-TV); straight comedy series, *Jack Benny Show* (CBS-TV); situation comedy, *Phil Silvers Show* (CBS-TV); musical series, *Perry Como Show*; musical show, "Edsel Show" (CBS-TV); variety, *Steve Allen Show* (NBC-TV); novelty series, *Tonight* (NBC-TV); public affairs, *See It Now* (CBS-TV); religious series, *Life Is Worth Living* (ABC-TV); educational series, *Omnibus* (NBC-TV); children's series, *Disneyland* (ABC-TV); quiz panel series, *I've Got a Secret* (CBS-TV); sports & special programs, *World Series* (NBC-TV).

Contest rules for many awards offered in TV, radio, newspaper, magazine & industrial fields are compiled in *Honor Awards Handbook* published for \$5 by Milton L. Levy, Box 425, Berkeley, Cal. Loose-leaf index of contests includes sponsors, qualifications, entry categories, deadlines, prizes.

Station Representatives Assn. elects pres. Frank M. Headley of H-R Television Inc. and H-R Representatives Inc. as pres., Richard O'Connell of Richard O'Connell Inc. as secy. H. Preston Peters of Peters, Griffin, Woodward continues as v.p., Eugene Katz of Katz Agency as treas.

Advertising Federation of America sets up new govt. relations & legislative intelligence committee to work with FTC on voluntary "truthful advertising" campaign (Vol. 13:43). Chairman is Coca-Cola v.p. Felix W. Coste.

**New and Upcoming Stations:** Programming debuts of 2 uhf stations and demise of another bring on-air box score to 521 (90 uhf). Starters are WMBD-TV, Peoria (Ch. 31), which begins programming Jan. 1 with CBS-TV, and WBLN, Bloomington, Ill. (Ch. 15), which reports that it resumed operation Dec. 1 as independent. Going dark Dec. 31 is WNAO-TV, Raleigh (Ch. 28)—its CBS-TV affiliation taken over by WTVD, Durham-Raleigh (Ch. 11). Canadian on-air total is now 47, with CHCA-TV, Red Deer, Alta. (Ch. 6) reporting Dec. 1 debut.

WMBD-TV has 25-kw RCA transmitter and 500-ft. Ideco tower with 24-gain antenna at Faye Hollow Rd., E. Peoria. Studios are at 212 S.W. Jefferson St. in downtown Peoria. Owners: Charles C. Caley (66.67%), who also holds 38% of radio WDW, Decatur, Ill., and John E. Fetzer (33.33%), who also owns WKZO-TV, Kalamazoo (WKZO), KOLN-TV, Lincoln, Neb. and radio WJEF, Grand Rapids, Mich. Robert O. Runnerstrom is v.p. & TV director; Robert M. Riley Jr., from WMBD, sales mgr.; Douglas L. Sinn, regional sales mgr.; W. P. (Win) Baker, ex-KLFY-TV, Lafayette, La., program director; Gordon F. Max, ex-WREC-TV, Memphis, production mgr.; George Pyle, WMBD, chief engineer. Base hour is \$500. Rep is Peters, Griffin, Woodward Inc.

WBLN resumed after being dark since Feb. 7 except for brief return last May (Vol. 13:7, 26). Gen. mgr. Worth S. Rough now owns but 12%, having sold stock to refinance (Vol. 13:51). It's on air from 5:30 p.m.-midnight, hasn't yet signed with network. Willard A. Nichols, ex-Bloomington Firestone store, is sales mgr.; Warner Tidemann, ex-Bloomington radio WJBC, program director. Base hour is \$120. Rep is Jack Masla.

WNAO-TV, reporting \$650,000 loss to date, joined off-air WTOB-TV, Winston-Salem (Ch. 26) in petition supporting request for rule-making by Jefferson Standard Bcstg. Co., asking that Ch. 13 be substituted for Ch. 8 for its WBTW, Florence, S. C., Ch. 8 for educational Ch. 13 in Charleston, S. C., and allocation of Ch. 8 to Greensboro-High Point-Winston-Salem area (Vol. 13:49). Petition also asks that the WTOB-TV construction permit be modified to permit operation on Ch. 8—station to be taken over by new Southern Bcstg. Co. Inc., which will have both WTOB-TV & WNAO-TV as stockholders, along with others to be selected.

FM Conelrad? Use of FM stations for Conelrad alerting system in some 25 areas of country where present nighttime AM signal isn't satisfactory is being proposed in letter to stations by Comr. Robert E. Lee, who describes weather warnings (Vol. 13:49, 51) as "first peacetime use of Conelrad." Areas to use FM station midnight-6 a.m. are mostly rural: central U. S. from N. D. through Tex., northern Fla., N. C., S. C., north La. and Ark. Stations would receive weather information from local U. S. meteorologists. Lee also said he's been working with set manufacturers to build in device which enables Conelrad attention signal to alert sets which are left on with speakers muted. Device is said to cost manufacturers about 40¢, being made by RCA, Motorola, Miratel and others.

Rate increases: CKLW-TV, Windsor-Detroit, Jan. 1 raises U. S. base hour from \$1200 to \$1400, min. \$240 to \$280. WSJS-TV, Winston-Salem, Jan. 1 raises hour from \$600 to \$700, min. \$125 to \$140.

New rep: WFIE-TV, Evansville, Ind. to Raymer Jan. 1 (from Venard, Rintoul & McConnell).

CHCA-TV has 5-kw Canadian GE transmitter with standby Andrews antenna on 300-ft. Wind Turbine tower, plans shift next spring to permanent 2-slot coaxial antenna. G. A. Bartley is pres.-mgr. & principal owner; C. G. Harju, ex-radio CKRD, Red Deer, asst. mgr. & sales mgr.; Ray D. Torgrud, ex-CHCT-TV, Calgary, production supervisor; John Jonkman, chief engineer. Base hour is \$100. Rep is John N. Hunt.

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

KGHL-TV, Billings, Mont. (Ch. 8) is waiting for AT&T to furnish target for interconnection with network before it sets programming target, reports gen. mgr. Jeff Kiichli. It plans to wire 25-kw RCA transmitter early in Feb.; new RCA traveling wave antenna is ready on 417-ft. Ideco tower. Base hour is \$200. Rep is Young.

WJPB-TV, Fairmont, W.Va. (Ch. 35) now hopes to resume in Feb., reports managing director Numa Fabre Jr., for owner J. Patrick Beacom. It has moved 1-kw transmitter to Grant & Hill Sts. Construction of tower was held up by bad weather and further delay was occasioned while RCA fabricated new antenna. Base hour will be \$200. Rep will be Gill-Perna.

KUED, Salt Lake City, (Ch. 7, educational) has changed programming target to Jan. 10, reports mgr. C. Richard Evans for owner U of Utah. It has 5-kw RCA transmitter ready, and 6-section superturnstile antenna has been installed on 140-ft. Ideco tower. Studios on campus are to be ready in 2 weeks.

CHAB-TV, Moose Jaw, Sask. (Ch. 4) hasn't ordered equipment but hopes to start in mid-summer of 1958, reports gen. mgr. Sid Beyling for owner Mrs. L. A. Davis. Beyling, Jack Johnson, business mgr. and Merv Pickford, chief engineer, are from radio CHAB. Joe Lawlor will be sales mgr.; Jay Leddy, program director. Rep will be Television Representatives Ltd.

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Move of WNHC-TV, New Haven (Ch. 8) was held up this week as FCC granted protest of WWLP, Springfield, Mass. (Ch. 22), ordered evidentiary hearing. WNHC-TV holds authorization to move transmitter from 9 mi. north of New Haven and 26.5 mi. southwest of Hartford to 19.8 mi. northeast of New Haven and 14.5 mi. south of Hartford—and increase antenna from 720 to 770 ft.

RCA shipped 3-V color film camera Dec. 19 to KSLA-TV, Shreveport, La.

Application for multiplexed stereophonic FM system was filed with FCC by Fordham U's WFUV-FM. Station seeks authority for multiplexing, but unlike multiplexing authorizations granted to date, both transmissions would be received by public. Under proposal, adapter would be required to enable listeners' FM sets to pick up sub-channel signal. WFUV-FM plans to present live and taped stereophonic music, using both transmissions; in addition, it hopes to present experimental dramatic programs and other cultural activities at same time as station's regular programs are on air.

Part 1 of FCC rules, governing practice & procedure, recently adopted (Vol. 13:50), was published in *Federal Register* Dec. 27—mail requests to be addressed to Supt. of Documents, Procurement Section, Box 1533, Washington 13, D. C.

Ban on TV-radio giveaways in Canada (Vol. 13:40) is expected to be voted by CBC directors at Feb. meeting. Proposed rules would permit programs involving skill in which contestants participate at station studios.

**Wisconsin Transfer Deal:** The Morgan Murphy interests (*Superior, Wis. Telegram*) acquires 55% control of WMBV-TV, Marinette-Green Bay, Wis. (Ch. 11) in deal filed with FCC this week involving \$211,000 cash to present stockholders plus assumption of \$360,000 obligations. Station has had operating losses totaling about \$200,000 since founded in 1954, has expansion plans under new ownership which also controls WEAU-TV, Eau Claire (Ch. 13), is affiliated with WISC-TV, Madison (Ch. 3), both having adjuncts, and which owned old KGTW, Des Moines (Ch. 17), 1955 uhf casualty (Vol. 11:15). In new setup, pres. W. E. Walker surrenders 50%, reacquires 5%; gen. mgr. Joseph D. Mackin sells 23.3%, acquires 5% with option on Walker's 5%; Walter C. Bridges and Norman Postles, identified with Murphy group, 10% each; Charles Goldberg, Marinette clothier, 7½%; John Stang, Marinette, auto sales & trucking, 7½%. Mackin continues as gen. mgr., reporting to Bridges, who operates WEBC, Duluth, and Mackin and Walker retain their control of radios WBEV, Beaver Dam, Wis. and WRRR, Rockford, Ill. [For Morgan Murphy TV-radio-newspaper interests, see *TV Factbook No. 25*, p. 366.]

**Reports of Radio Station Sales:** WLEX, Lexington, Ky. by J. D. Gay Jr. & H. Guthrie Bell for \$255,000 to Roy B. White Jr., ex-adv. consultant (R. C. Crisler & Co.) . . . KFOX, Long Beach, Cal. by Arthur B. Hogan for \$700,000 to Kenyon Brown & Kevin B. Sweeney . . . KBYE, Oklahoma City, Okla. by Albert Zugsmith and associates for \$180,000 to Kevin B. Sweeney, Glenn Griswold & F. F. Lynch . . . KJIM, Ft. Worth, by Earl Cullum, Jim Speck & Velma Collins for \$139,500 to Jimmy Stewart, Paul Taft of KGUL-TV, Galveston, Wm. D. Schueler of KBRZ, Freeport, Tex., Milton Underwood of KXYZ, Houston, and oilman F. Kirk Johnson, each 20% . . . WPIK, Alexandria, Va. 32% by C. C. Carlin Jr., J. B. Phillips & Elizabeth H. Hoffman for \$80,000 to Carl L. Lindberg, pres. & gen. mgr., who now owns 98.8%.

Frank Sinatra's Essex Productions Inc. this week bought 100% interest in Mount Rainier Radio & TV Bestg. Corp. (KJR, Seattle; KXL, Portland; KNEW, Spokane) from Mr. & Mrs. Lester M. Smith and Mr. & Mrs. Lincoln Dellar, each of whom owns 25%, for \$2,000,000, subject to adjustments downward. Smith will probably continue as gen. mgr. of stations.

Japanese Govt. has issued CPs for 43 new TV stations, bringing total authorized to 68. Of new outlets, 36 will be commercial, 7 operated by semi-governmental Broadcasting Corp. of Japan (NHK). Best-served areas will be Tokyo, with 6 channels, Osaka with 5. In next 2 years, Govt. hopes to have 108 stations in operation, with additional chains of satellites and boosters to fill in gaps later.

Sheldon Anderson, reentering broadcasting "after a much needed rest from worries" incurred in operating now off-air KAFY-TV, Bakersfield, Cal. (Ch. 29), this week bought radio KBMX, Coalinga, Cal. from Vernon J. Stedry & Jesse F. Tepner for \$30,000.

Propagation study covering Baton Rouge area has been turned over to TASO by Assn. of Maximum Service Telecasters; Wilkes-Barre report was first. Under way are measurements in Fresno and Madison areas; 5th project is planned for Columbia, S. C.

Two Canadian TV applications to be considered by CBC Board of Governors at Feb. 14 meeting in Ottawa are for Ch. 5, New Carlisle, Que. by La Television de la Baie de Chaleurs Inc. and for Ch. 6 satellite, Inverness, N.S. by CJBC-TV, Sydney, N.S. (Ch. 4).

TV headliners are sketched in *The NBC Book of Stars* (184 pp., Pocket Books) by N. Y. *Post's* Earl Wilson.

**Telecasting Notes:** First big group of post-1948 features to be sold to TV is understood to be contained in package of 218 movies & 15 serials sold by Republic Pictures to group of stations headed by NBC-TV owned outlets (excluding Chicago's WNBQ). Little is known about composition of package, sold for a reported \$3,500,000, but it's believed to contain large proportion of post-1948 features . . . United Artists-AAP combine (being challenged by NTA in courts) now reported to have inside track on Paramount pre-1948 feature backlog; United Artists' first TV series will be 39-episode 30-min. drama anthology, each episode to be produced by one of UA's theatrical producers . . . "Champagne Package," NTA's newest batch of 58 feature films, has been sold in 50 markets . . . Screen Gems expands European operations, enlarging London technical headquarters and opening Paris office . . . Biggest feature film sale to British TV, involving 100 Hollywood features—mostly RKO, and including some made as recently as 1955—has been concluded by Robin International (Nicholas Reisini) and BBC, for "well over \$600,000," reports Dec. 25 *Variety* . . . Bing Crosby has decided to do 26 filmed shows next season, most of them 30-min., to be filmed abroad—film company and network as yet unspecified, but sponsor expected to be Chesterfield . . . Another 60-min. live drama show, *Pursuit*, planned by CBS-TV for next season; to originate in Hollywood, "pilot" will be taped in Feb. . . . Mike Wallace's interview show, on kinescope, to be offered overseas by ABC Film Syndication, starting with 26 half-hour programs . . . Add TV success stories, as detailed in current trade journals: *Variety* profiles TenDay Press-On Nail Polish, "which emerged from the obscurity of a new product to become a \$10,000,000-a-year seller inside of 4 months, with a conservatively estimated 35% share of the nail polish market, all through TV." *Sponsor* devotes article to Maypo, maple-flavored hot oat cereal, which led listless existence until it pinned its identity to one-min. cartoon commercial, boosting sales 78%.

CBS-TV is chief culprit in minor baseball clubs' case against Sunday major league game-of-the-week telecasts (Vol. 13:49-51), International League pres. Frank Shaughnessy complained this week. Asserting several major clubs are on side of minors in their fight to save Sunday gates, he said they "realize what a televised Sunday game would mean to the minors." But "CBS has very little going for them on week-end afternoons. So they're trying to steal our market and meanwhile we can't sell TV & radio for our own games." Network has pointed out it plans to withhold Sunday telecasts from areas where minor clubs play home games, but Shaughnessy said minors' gates would suffer anyway.

TV business in Kenya can be surprising, Dec. 27 *Wall St. Journal* reports in account of how Hollywood producer Gross-Krasne is financing filming of new *African Patrol* series around Nairobi. One thing led to another after company helped local Barclays Bank with movie shorts to persuade natives to put money into bank instead of goat herds. Bank then made big loan to Gross-Krasne on favorable terms. British subsidiary using British actors & technicians has been set up, beating TV film quota system, saving labor costs. Gross-Krasne is settling down in Africa at 2 permanent studios. It expects return of "at least \$6000 per episode" on first series, which opens in Jan. on WJW-TV, Cleveland, and WAGA-TV, Atlanta.

Add mergers: Roche, Williams & Cleary Inc. and U. S. Adv. Corp., both Chicago, form Roche, Rickerd & Cleary Inc., taking former's offices at 135 S. LaSalle St. John Pierre Roche is chairman; C. E. Rickerd, U. S. Adv. pres., becomes pres. of merged agency.

**Rating Business Bubbles:** Following ARB's "Arbitron" demonstration, A. C. Nielsen spokesmen told us this week that they've been operating pilot run of their own wired instant rating system "for some time" in Chicago, but "are not now making any specific proposals to our clients."

Nielsen instant Audimeter system was first developed in 1946, they said, with results flashed to N. Y. and Chicago offices. "It was all ready to go except for money," they declared, adding that it actually ran for a year or so, but they found clients just couldn't afford telephone lines.

At week's end, Nielsen was still negotiating with networks for renewal of audience measurement research contract. NBC & CBS were both showing great interest in Arbitron system, but presumably as a supplement to the information of the type currently supplied by Nielsen. There was no doubt, at any rate, that ARB's announcement and demonstration of instant ratings last week was having impact on networks' negotiations with Nielsen.

In other TV research developments: (1) Pulse initiated new rating technique in Boston, based on average of 4 weeks in month, eliminating so-called "rating week." Pulse says new method will soon be used in all markets. (2) M. A. Wallach Research, N. Y., announced it plans new TV rating system combining telephone, personal interview and diary methods. (3) ARB stated it's starting work on 4th annual "A-to-Z" Metropolitan Area Coverage Study, listing viewing habits and station preferences in more than 200 markets; it's due for release in mid-March.

Convicts go for westerns, warden Maurice Sigler of La. state penitentiary at Angola has discovered. Committee of prisoners petitioned him to change one-night-per-week late TV-viewing privileges from Sat. to Tue. Reason: WBRZ, Baton Rouge, carries solid 9-11 p.m. Tue. schedule of westerns (*Sugarfoot, Cheyenne, Tombstone Territory, Colt .45*), whereas Sat. night schedule stresses music & gaiety. Warden granted permission for switch to shows in which law always wins.

Fifth national survey of TV sets in U. S. households is to be taken by Census Bureau Jan. 20-25 for American Research Foundation—with networks, NARTB & TvB picking up tab. ARF managing director A. W. Lehman says no decision has been made to produce county-by-county estimates on previous survey (Vol. 13:43), but "it is very probable" that results of Jan. survey will be used to derive county-by-county figures for 1958.

New science TV series, intended to dramatize technology & engineering in Sputnik era, is planned by veteran TV-radio producer Theodore Granik in cooperation with Research Corp., N. Y., top-drawer private organization in field of fundamental research. Year-long once-a-month series seeks rotating sponsorship by big companies whose commercials would be aimed at recruiting youth for science careers.

Antennavision Inc., Phoenix (Bruce Merrill, pres.) is surviving corporation, with merger of CTV Constructors Inc., Antennavision Mfg. & Engineering Co. and following CATV systems: Community TV System Inc. (serving San Manuel and Ray-Sonora), Clifton-Morenci Community TV Inc., Winslow-Holbrook Community TV Inc., Antennavision Inc. of Globe-Miami-Safford.

New TV review column for afternoon newspapers is offered by United Press as Mon.-thru-Fri. wire service. Written by Wm. Ewald, who had been doing TV-radio news column, "Television in Review" format will depend on night's viewing, column covering single show or several programs plus TV briefs.

**Ziv's 1957 Gains:** Sales by all divisions of Ziv Television Programs Inc. rose 53% above 1956 levels, while "every facet of Ziv's operations reached a new peak of activity," company announced this week in year-end statement. Exemplifying expansion of production activity was increase of production budget from \$8,000,000 in 1956 to \$12,500,000 in 1957 and an anticipated \$16,000,000 in 1958—accompanied by increase from 6 to 8 to an expected 10 series in production. Ziv gave this division breakdown of increased activity in 1957 over 1956: Syndication, sales up 57%, with multi-market sales up 73%; Economee TV (rerun) div., sales up 83%; national sales div., sales direct to national spot & regional advertisers up 33%; network sales up threefold (from one to 3 series); international div., sales up 120%. Ziv's sales force has been increased to 123 men this year, and total number of employes in all phases of Ziv operation now stands at 3300. Meanwhile, Ziv's radio transcription affiliate, World Broadcasting, noted that radio's resurgence increased its new business 21% over 1956, with renewal business up 17%.

NARTB year-end statement reports TV viewing increased 15-30%, highest percentage gain noon-3 p.m. weekdays, but largest audience—38,000,000 households—tuned 6 p.m.-midnight; average week had 38,000,000 families watching TV, up 4,000,000 from 1956—and average week's viewing time was 41 hours, 34 min. vs. 38 hours, 52 min. NARTB estimates total TV advertising in 1957 at \$1.284 billion, up 6% over 1956—networks accounting for 4.5% boost; national & regional spot, 10%; local, 5%.

All-color TV station in Havana, to be operated by Cuban TV-radio pioneer Gaspar Pumarejo (Vol. 13:36), now has set Jan. 12 as opening day. RCA-equipped outlet, Canal 12 TV, will have antenna atop Hilton Hotel, plans to specialize in "all kinds of news, interviews, entertainment and a daily New York report." Station's general representative & correspondent in N. Y. is Jose A. (Babby) Quintero, 205 W. 88th St.

Prime time of prime hours on U. S. TV may be 9-10 p.m., but in Argentina that time segment's a complete dud, according to Argentina's Institute of Public Opinion, which finds TV viewing at its lowest ebb during that hour (6% of set owners). Best time, survey showed, was 7 p.m., just before dinner hour (percentage of sets in use unspecified).

Salaries of top management went up average of 5.1% in 1957 compared with 5.9% in 1956, according to American Management Assn. study of 35,000 executives of 3800 firms. Profits of these firms averaged 5% increase in 1957, were up nearly 25% in 1956.

It's official from next Wed., Jan. 1—reversion of name of National Assn. of TV & Radio Broadcasters (NARTB) to National Assn. of Broadcasters (NAB). First NAB board meeting of year will be at Camelback Inn, Phoenix, Jan. 19-24.

TV award-winning films in NAM's *Industry on Parade* newsreel series, shown now in 273 cities and telecast by USIA in 15 foreign countries, have been donated to Library of Congress.

Pay-TV system patent (No. 2,816,158), assigned to Zenith, has been granted to Myron G. Pawley, Alexandria, Va. & Jacob M. Sacks, Silver Spring, Md.

Pay-TV publication, scheduled to start Jan. 26, is *PAY-TV Newsletter & Digest*, 25 California St., San Francisco. Publisher is Edward J. Cory, editor Don Rico.

NARTB TV Code subscribers totaled 299 stations, all 3 networks, as of Dec. 15.

## Clips from the Current Press—

(Digests of Noteworthy Contemporary Reports)

Higher 1958 ad budgets are forecast by 70% of top-bracket agencies—"contrary to widespread reports of a tough business year ahead"—according to Dec. 23 *Advertising Age*. Roundup of opinion by executives of agencies whose 1957 billings aggregate \$2 billion indicates "outlook is not as optimistic as it was last year," but that most expect increase of 2%-15% in ad expenditures. Budgets for next year are being set less firmly by consumer goods advertisers, however. They're "ready to cut back quickly if necessary."

Christmas TV debut by Queen Elizabeth II, whose speaking performances have been criticized in British press, won plaudits this week. Her holiday message on BBC was delivered in "easy, polished manner," British Press Assn. said. Even Lord Altrincham, who called Queen's style "pain in the neck" last summer, had no complaint to make. *Daily Express* thought she was "wonderful" on TV, but said BBC's production was "disgraceful business." *Express* suggested Hollywood professional should supervise Queen's makeup & dress in future.

"In 1958 we believe the tape recorder will become the center of the home music system," says ORRadio Industries pres. J. Herbert Orr, quoted in *Wall St. Journal* as attributing 1957 sales rise to \$2,260,000 from 1956's \$1,528,931 to growing use of magnetic tape for hi-fi reproduction. New \$500,000 plant at Opelika, Ala. will increase production capacity by 400%. Report for fiscal year ending next Feb. 28 will show earnings of about 37¢ a share vs. 28¢ preceding year.

Predictions for 1958 are featured in special marketing outlook section of Dec. 27 *Printers' Ink*, covering TV & radio, agencies, newspapers, magazines, govt. regulations, etc. Byline forecasters include pres. John Blair of rep John Blair & Co., who sees daytime TV growing, and Matthew J. Culligan, NBC v.p. in charge of radio network, who forecasts increase in network radio affiliates.

Agency names on doors don't necessarily mean they correspond with names of men who run the firms, Carl Spielvogel points out in Dec. 27 *N. Y. Times*. Founders of agencies often aren't around any more; their names are kept on for prestige & goodwill. Examples: Erwin Wasey, Ruthrauff & Ryan; J. Walter Thompson; Young & Rubicam; N. W. Ayer; Benton & Bowles; Kenyon & Eckhardt.

TV alone gained in general advertising in Oct. over Sept., according to monthly index in Dec. 27 *Printers' Ink*. Index as whole was down 3%, but network TV was up 6%. In other categories, network radio declined 5%, magazines 2%, newspapers 10%, business papers 3%, outdoor 4%.

Magnavox pres. Frank Freimann reports that sales for 6 months ending Dec. 31 are expected to be at record level, exceeding \$46,395,187 in 1956 period. He predicted "somewhat higher" profits over last year despite "disappointing" TV sales and below-expected volume in current quarter, "due primarily to a leveling off of general business conditions and to certain production delays which were encountered in the introduction of new TV and hi-fi phonograph models." But he expects higher net because of improved efficiency. He said that Magnavox will introduce new color set next year; that hi-fi shipments are running well ahead of last year; that inventories are below normal, mainly due to delays in production start of TV & hi-fi models.

**Financial Notes:** Higher sales, lower profits is picture painted by RCA chairman Brig. Gen. David Sarnoff in year-end report noting business volume exceeding billion-dollar mark for 3rd consecutive year. He estimated 1957 volume at \$1.180 billion but said "softening of general economic conditions in the 4th quarter and the highly competitive situation in the radio-TV industry now indicate that profits for the full year will be slightly below 1956." Earnings in 1956 were \$40,031,000 (\$2.65 per share) on sales of \$1.127 billion.

Gen. Sarnoff said RCA continued to lead in black-&-white TV sales through 1957 and that "public bought more color receivers under the stimulus of increased programming, improved quality and nation-wide 'Carnival of Color' promotions." Color sales "have not as yet attained the desired volume," he declared, but "there is encouraging evidence throughout the country that a mass-market status for color TV is close at hand." In Dec. 1956 (Vol. 12:52), Sarnoff disclosed that RCA sold 102,000 color sets in year with factory billings of approximately \$58,000,000, net loss of \$6,900,000 after taxes—including all costs such as development, personnel training, advertising & promotion, programming, etc. No comparable figures were given for this year.

RCA report also said govt. business totaled 23% of firm's 1957 volume, with current backlog of about \$250,000,000; capital improvements for year were about \$35,000,000.

For 1958, Sarnoff said: "Based on present indications, we believe . . . total volume of business in the electronics industry will exceed the 1957 volume."

\* \* \* \*

**Warner Points With Pride:** Warner Bros. pres. Jack L. Warner—in annual report just distributed to stockholders—instead of bemoaning the encroachments of TV, makes special point not only of fact company has 35 feature films in preparation but that it is "broadening its activities to meet . . . an ever-growing demand for high quality TV film productions"—and proudly lists ABC-TV series *Cheyenne* (GE), *Maverick* (Kaiser), *Sugarfoot* (American Chicle) and *Colt .45* (Campbell Soup) as its productions; also, that its year-old commercial & industrial film subsidiary is producing 4 one-hour science films for AT&T as well as TV commercials for some 75 companies, including Eastman, Lever Bros., RCA, GE, Kaiser, Kellogg's, Gillette, General Motors, Procter & Gamble. "As far as toll or pay TV is concerned," report states, "we are maintaining close watch on all developments in this unsettled field." Warners did better in both sales and earnings in fiscal year ending Aug. 31 than in preceding year (Vol. 13:49) but expects Nov. 30 quarter to show loss from operations "because of the decline in domestic and foreign film rentals." At Aug. 31, however, it was in strong financial position, with net working capital of \$40,956,000, including \$13,529,000 cash, book value going up to \$25.01 per share vs. \$23.96 in preceding year when net profit of \$15,295,000 (\$6.16 per share) from sale of old films was transferred to earned surplus which went up to \$49,040,451 as of Aug. 31, 1957.

Western Union earned \$10,750,950 (\$1.73 per share) on 11-mo. gross operating revenue of \$238,384,931 vs. \$11,518,289 (\$1.85) on \$230,385,099 in 1956 period. Nov. net income was \$725,451 on revenue of \$19,908,711 vs. \$1,186,193 on \$21,521,342 revenue year ago.

**ELECTRONICS FACES SPACE CHALLENGES:** Missiles, satellites -- and eventually space ships -- spell out vastly expanded role of electronics industry in new areas of control and communications, in view of 2 leading industry spokesmen, RCA chairman David Sarnoff and EIA pres. Dr. W.R.G. Baker.

In year-end statement, Gen. Sarnoff said "electronics and the technology of space propulsion form the keystone of our defense structure" and the American electronics industry "is equipped and ready to meet this challenge."

Sarnoff cited electronics industry 25-year growth "from virtually no place to fifth among American industries." He foresaw doubling of 1957 volume of \$12 billion in 10 years, listing these as prime growth areas: color TV, automatic systems, electronic components, nuclear research, atomic power. (For Gen. Sarnoff's report on RCA financial outlook, see p. 9.)

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Dr. Baker called attention to electronics' role in economy and defense, said industry is on threshold of "another era in which its role will be even more significant" -- emphasizing that missiles, satellites, etc. would be useless without reliable electronic instruments. He also pointed to TV's potential in education: "TV provides a ready and effective means for overcoming the shortage of teachers and bringing the best teaching talent to the greatest number of pupils."

Rise of military electronics procurement to about 50% of industry volume, Baker noted, means no decline in TV-radio business -- "but rather that the other segments of the industry have expanded more rapidly."

**FACTORS IN ESTIMATING 1958 TV BUSINESS:** Guesses on number of sets industry will sell in coming year are actually based on 5 factors:

- (1) How many of 45,000,000 sets-in-use will be replaced?
- (2) How many more of 46,000,000 wired homes will become multiple set owners? (About 11% now watch second & third sets.)
- (3) How many of 1,000,000 new homes expected to be built will include new TV?
- (4) How many of 1,000,000 families to be formed will create new set sales?
- (5) How many of 10,000,000 homes now without TV will buy their first set?

Of several schools of market guessing, 2 rely heaviest on replacement area. One expects 4,000,000 in replacement market; 3,000,000 from other areas. The second expects 5,000,000 in replacement & 1,000,000 elsewhere.

So far, high guesses are running at 7,000,000 units for 1958 sales; lowest at 6,000,000. Most others are in at 6,500,000 or a shade over. But there is tacit agreement among all schools that first half business will be poor and that all chips must ride hopefully on better-than-average upswing in second part of year.

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**Production:** TV set output was 116,296 week ended Dec. 13 vs. 109,339 the preceding week & 138,149 in 1956. Year's 50th week brought total to about 6,163,000 vs. 7,136,233 last year. Radio production was 373,322 (118,284 auto) vs. 387,597 (121,784 auto) the preceding week & 383,063 (181,553 auto) in 1956. Through 50 weeks, production totaled about 14,752,000 (5,274,288 auto) vs. 13,295,717 (4,721,266 auto) last year. Figures would indicate home radio production close to 10,000,000 for the year, highest since 1948. Note: EIA did not compile Dec. 20 figures due this week, explaining that too few manufacturers reported output.



**Trade Personals:** Wm. Balderston, Philco chairman since 1954, retires after 26 years with company; he was 61 on Dec. 13, said "the time is now opportune for me to complete my retirement program" . . . Ian F. McRae elected chairman of Canadian GE, succeeding Harold M. Turner who continues active directorship; McRae continues as gen. mgr. of Canadian GE's civilian atomic power department . . . Carl N. Reifsteck promoted to mgr., general quality control, RCA Victor TV div.; Bryce S. Durant named administrator of color TV coordination; James H. Hickey, administrator of black-&-white coordination; R. K. Sparks, administrator of profit improvement; all report to div. operations mgr. George K. Bryant . . . Max E. Markell promoted to eastern area commercial administration mgr. of RCA electron tube div. . . . Percy L. Spencer elected senior v.p. of Raytheon, continues as mgr. of microwave & power tube div. . . . Edward J. Quirk promoted to mgr. of CBS-Hytron Lowell (Mass.) semiconductor plant . . . Stanley Everett, Everett's TV & Radio, Alhambra, Cal. elected pres. of Electric League of Los Angeles, succeeding Edward G. Marten, WESCO . . . Eugene M. Kinney elected v.p. of Zenith Radio of Canada . . . James E. Brown named Ampex secy. and secy. & asst. treas. of subsidiary Ampex Audio Inc. . . . Albert K. Fowler, ex-GE, named sales mgr. of Technical Appliance Corp. commercial & govt. antenna div. . . . Harvey A. Ludwig, secy. of Tenna Mfg. Co., Cleveland, elected sales & adv. v.p.

Dr. Ernst Weber, native of Vienna, holder of many patents in microwave fields, elected pres. of Brooklyn Polytechnic Institute, where he has been acting pres. since death last June of Dr. Harry S. Rogers.

### Obituary

Henry Wallace McCandless, 91, who worked with Dr. Lee deForest 1905-7 in developing what became the first 3-element tube, and who manufactured it until 1914 when he sold out to Westinghouse, died Dec. 24 in a nursing home at Dunellen, N. J. Surviving are 3 daughters, including Mrs. Margaret Carberry, of Johnson's Dr., N. Plainfield, N. J., with whom he lived.

Color TV sales on West Coast are better than most talk indicates, says Dec. *Electrical Merchandising*. Examples: Los Angeles dealer moving one color set to 50 black-&-white at average price of \$600 and 25% gross profit vs. 17-18% on black-&-white; big Seattle dealer moving 5-6 per month—one to every 10 black-&-white; key San Francisco account reports sales double this year but still at only 1-40 ratio; another, up 80%, ratio 1-25, gross of 30-33%. Stereo-hi-fi pitch by dealer-columnist Mort Farr in same issue of magazine urges dealers to start getting ready for this next go-round in sound-for-the-home. Farr ventures industry could be on brink of evolution which will obsolete records in few years; he predicts thinner, slower-speed tape which will give 8 hours of music on single threading of cartridge. Good system will cost customer \$500, he says, but warns that sales deterrent is floor salesman who doesn't know enough about loading of tapes and proper demonstration techniques.

Speakers at annual NARDA convention at Conrad Hilton Hotel, Chicago, Jan. 12-15, include: Willard H. Sahloff, v.p. & gen. mgr., GE housewares & radio div.; J. B. (Kip) Anger, national sales mgr., Motorola radio & phono div.; Carl L. Bixby, marketing mgr., Canadian GE appliance & TV dept. Among other speakers: George T. Moore, Asst. Secy. of Commerce; Lee Miller, pres.-elect of American Bankers Assn.; Fran Allison, TV-radio actress.

**Electronics Personals:** Paul R. Brousse named Western Electric mfg. v.p., succeeding Paul A. Gorman who joins N. J. Bell as operations v.p.; Charles D. Dugan replaces Brousse as v.p.-finance; Frank J. Hammel elected v.p.-controller, replacing Dugan . . . Russell W. McFall, ex-GE, named v.p. of Litton Industries & gen. mgr. of its Md. div., replacing Dr. Harvard L. Hull who resigned to become pres. of Nucleodyne Corp., subsidiary of Cook Electric in Chicago . . . Charles M. Heiden promoted to mgr. of research application dept., GE research lab, Schenectady . . . Frank L. Miller promoted to marketing mgr., GE power tube dept. . . . Adm. James F. Byrne (USN ret.) named director of material, Norden-Ketay labs div. . . . Carl Neisser named manufacturing mgr. of Beckman Instruments systems div. . . . Frank Clarke, ex-Melpar, named military relations engineer, Texas Instrument semiconductor components div., with headquarters in Washington . . . Frank W. Lynch, ex-Northrop Aircraft, named engineering v.p. of Hallamore Electronics div. of Siegler Corp., succeeding John Burke, recently named exec. v.p.; Walter J. Krueel named v.p. & works mgr. . . . George E. Geyer & Dr. Joseph Seton Smith, both ex-Control Instrument, elected pres. and v.p. & treas., respectively, of All-Tronics Inc., Westbury, N. Y. . . . Murray C. Walker Jr., ex-Ace Electronics, named New England regional mgr. of DuMont military operations dept. . . . David A. Findlay, ex-*Electronics*, joins Ziff-Davis as editor of electronics annuals & directories . . . Nathaniel M. Marshall promoted to new post of assoc. director for sales of industrial products div. of General Precision Lab.

**NAPA's Business Outlook:** Lower level of general business in first 6 months of 1958 is predicted by 40% of National Assn. of Purchasing Agents' business survey committee, 40% see business holding even with 1957 period, 20% think it will be better. Majority feel some major strikes will deter 2nd-half pickup, 30% expecting whole year to be worse than 1957, 42% the same, 28% better. NAPA reports brisk retail sales, but 43% record poorer new order bookings—highest number since Jan. 1954. Group says production and employment are down, some prices have been cut to reduce inventories and meet competition. Meanwhile, Govt. reported Nov. consumer price index at record 121.6 of average 1947-49 prices, 0.4% higher than in Oct. and 6.1% higher than at start of spiral in Feb. 1956.

TV's estimated decrease in factory sales (off about 14%, according to EIA) for 1957 finds numerous parallels in major appliances. National Electrical Mfrs. Assn. this week projected white goods declines to year-end vs. 1956. Only bright spot is built-in ranges with plus of 10.4%. All other NEMA projections are off: standard ranges, -21.7%; refrigerators, -9.5%; freezers, -5.1%; water heaters, -8.1%; dishwashers, -2.5%; disposers, -9.8%; dehumidifiers, -18.2%. Laundry appliance figures from American Home Laundry Mfrs. Assn. go only for 11 months: automatic washers, -15%; conventional washers, -22%; dryers, -15%.

"Some easing" of Nov. general business activity from last summer's peaks is reported by Commerce Dept.'s Office of Business Economics in Dec. *Survey of Current Business*, calling declines modest, economy "currently functioning at high, near-record rates." Using 1947-49 as basic 100, Oct. TV-radio production was 282 vs. 312 in Oct. 1956; wholesale TV prices were 71.4 in Nov. vs. 69.9 in Nov. 1956, radio & phono, 93.2 vs. 91.1. TV production, including combinations, for Nov. was 562,600 vs. 680,000 in Nov. 1956; Nov. radio production preliminary total was 1,687,000 vs. 1,381,000.

**Foreign TV-Radio Growth:** Uneven expansion of TV in other countries is reflected in these recent reports—from State Dept., Commerce Dept., etc.:

(1) West German TV production this year is estimated at 850,000—exceeding early-in-year predictions.

(2) Argentine assembly of sets, including many imported components, is expected to total about 42,000 this year vs. 12,000 in 1946. There are at least 14 manufacturers, and demand is outrunning production. About 325,000 radios are produced annually.

(3) USSR is reported producing about 1,000,000 receivers this year, bringing total in use to more than 3,000,000. (Russian embassy in Canada recently bought 3 Admiral color sets for \$2760, plans to exhibit them in Moscow.)

(4) Philippines' 1958 TV production target is 2500 units vs. 1800 in 1957. Radio output for next year is projected to 35,000 vs. 23,000 this year. TV imports dropped from 768 in 1955 to 487 in 1956, radio from 17,944 to 5606. Most components are imported.

(5) Colombian TV market is said to be sharply curtailed because of peso devaluation, with some 10,000 of the 22,560 sets imported in 1956 in inventory. Domestic TV production started this year, Bogota firm assembling 200. Radio production this year is estimated at 80,000-140,000—down 25-30% from 1956.

(6) Syrian radio imports, mostly from Netherlands, rose from 34,340 in 1955 to 41,686 in 1956. Sets-in-use total about 300,000, served by 2 stations.

(7) Egypt cut radio imports drastically—from 118,935 in 1955 to 58,200 in 1956, 2400 in first half of 1957—to conserve foreign exchange. Netherlands is major source, and sets-in-use figure is put at 720,000.

**EIA Radio Report:** Shipment of radio sets to dealers totaled 6,830,249 through Oct., when production was 7,583,443, retail sales were 6,764,221—excluding auto. In first 10 months of 1956 shipments were 6,080,825, production 7,276,749, retail sales 5,990,718. Oct. shipments were 985,969 vs. 1,056,274 in Sept. & 754,005 in Oct. 1956. Here's EIA 10-mo. shipment report (county-by-county tables available to EIA members):

State	Total	State	Total
Alabama	80,616	Nevada	9,524
Arizona	32,898	New Hampshire	22,979
Arkansas	35,697	New Jersey	277,539
California	518,598	New Mexico	20,499
Colorado	45,852	New York	1,065,593
Connecticut	96,573	North Carolina	101,350
Delaware	12,329	North Dakota	16,312
District of Columbia	63,378	Ohio	394,527
Florida	155,291	Oklahoma	65,653
Georgia	125,344	Oregon	56,441
Idaho	15,747	Pennsylvania	531,717
Illinois	584,925	Rhode Island	40,432
Indiana	124,455	South Carolina	42,223
Iowa	76,739	South Dakota	16,029
Kansas	56,114	Tennessee	89,814
Kentucky	97,323	Texas	304,335
Louisiana	101,720	Utah	23,789
Maine	38,087	Vermont	15,275
Maryland	130,531	Virginia	105,326
Massachusetts	249,405	Washington	92,718
Michigan	293,249	West Virginia	52,579
Minnesota	105,978	Wisconsin	146,953
Mississippi	40,229	Wyoming	7,888
Missouri	175,204		
Montana	18,492		
Nebraska	39,058		
		<b>GRAND TOTAL</b>	<b>6,830,249</b>

Litton Industries' proposed acquisition of Aircraft Radio Corp. (Vol. 13:42, 51) has been endorsed by ARC management and 4 directors, while 2 other directors opposed on grounds they believe stock exchange would reduce preferred stockholders' equity. Proposal is to be submitted to Cal. Corporation Commission and if approved it will be voted on by ARC stockholders; Litton stockholders have already given approval.

**DISTRIBUTOR NOTES:** Graybar elects as directors: J. E. Carroll, Allegheny district mgr., and G. L. Call, central Pacific district mgr.; transfers C. E. Kirkpatrick to Chicago as central district mgr. from Erie district mgr. at Cleveland . . . Sylvania appoints The Shield Co. for Ft. Worth & Dallas, replacing Straus-Frank . . . Raymond Rosen, Philadelphia (RCA), names Jack Kelley, ex-Philco Distributors, to "special assignments."

Freight rate increase of 3% is asked for in petition by major railroads to Interstate Commerce Commission this week. Categories of goods affected include TV & radio sets, heavy broadcasting equipment—as well as other appliances and hard goods. (Furniture is in 5%-increase bracket.) With certain exceptions (between N. Y. & Philadelphia, for instance), increased rates will apply to all longer distance (Chicago to or from either coast, for example). Also requested are hikes in pickup and/or delivery of less-than-carload shipments, in-transit stopping for loading or unloading, COD service. All-commodity rates, in-line haul rates won't be changed. Hikes are sought to be effective Feb. 1. Oral argument will be heard Jan. 29.

Philco's improvement in 1957—to sales of more than \$360,000,000, per-share earnings of more than \$1 vs. 1956 net of less than 1¢ per share—is analyzed by company officials in Dec. 24 *Wall St. Journal* interview. Pres. James M. Skinner Jr. noted: (1) Low inventory in 1957 3rd quarter, "therefore we made money on every set," with similar results in radio-hi-fi. (2) "Significant profits" in tubes & transistors. "We've had a far better cost picture [and] we've done a fairly good job of inventory control." John M. Otter, merchandising exec. v.p., said TV has been "good for us since June," saw nothing to slow it up.

Hi-fi promotion gets double test in Chicago Jan. 2 when Sol Polk kicks off 6-week, 6-store, city-wide "Polk Bros. Spectacular Hi-Fi Show." Ten manufacturers who will pick up all or most of tab will learn whether single huge dealer can boost area-wide hi-fi business and whether heavy promotion can sell hi-fi "off season." Polk will use 850 billboards, advertise in entertainment sections of papers, mail tickets to half million customers, expand hi-fi depts. in all units, tie in 2 major jazz-circuit restaurants with "hi-fi cocktails" and a major ice cream maker with "hi-fi sundaes."

TV set sales in Canada declined in 1957 to estimated 470,000 sets, according to J. Herbert Smith, recently elected pres. of Canadian GE, who expects 1958 to hold at about same level. He said that radio continued high, should hit 700,000 units this year due to low-cost portables in color, clock radios and transistor set demand; that Canadian appliance firms are increasingly concerned over U. S. exports across border, blaming situation on "mass overproduction in the U. S. together with the interpretation of what constitutes 'fair' market value."

Admiral filed sweeping denial and asks dismissal of FTC charges (Vol. 13:47) that company's advertising of TV sets leads public to believe picture tube sizes represent horizontal rather than diagonal measurements; that its ads do not make this clear; that public is deceived and there is unfair competition.

FTC consent order, approved this week, prohibits Sunset House Distributing Corp., 792 Sunset Blvd., Hollywood, Cal., from misrepresenting that its "Color Filter" plastic adapter will produce same effect as color TV (Vol. 13:27).

Great Britain's TV set licenses totaled 7,524,071 Oct. 31, an increase of 125,886 from Sept. 30. Radio-only was 7,153,541.

**GE—Review & Preview:** Spokesmen for 3 GE departments this week issued wrap-up statements on the 1957 year and predictions for 1958. Fact & opinion came from Syracuse & Owensboro on both home and industrial electronics:

(1) TV set inventories are excessive at 1957 year end, said Jack S. Beldon, TV receiver marketing mgr., but not as bad as last year. "GE [is in] better inventory position than the industry," he said. Industry TV sales in 1958 will be slightly behind this year. GE will go easy on color, seeing no great consumer rush for present sets, will continue work on own color techniques.

(2) Hi-fi will continue boom as component makers work on pickup cartridges for stereo records, said L. Berkley Davis, electronics components div. gen. mgr. With records already being produced in stereo, and compatibility—records or tape—a feature of most other stereo sound components, cartridge is major bottleneck in stereo record growth.

Unit sales of transistors, Davis predicted, will increase 75% to 48,000,000 worth \$105,000,000, with home entertainment taking 2/3 of units and 1/3 of dollars; transistor versions of home portable radios will double in 1958; transistor car radios will go up 75% as 3/4 of all sets use some transistors, though the all-transistor car radio won't be a substantial market until 1959. Transistors for TV will be rather small market due to costs. Total semiconductor market will be up 35% to \$200,000,000. Receiving tubes will increase 7% to \$420,000,000, as entertainment types hold even with this year and military & industrial types increase. Picture tubes will hit 13,700,000 in factory sales worth \$260,000,000, half for replacement.

Industrial & military CR tubes will use transparent phosphors more extensively and trend to higher resolution, post acceleration and deflection devices will be stronger.

(3) Closed-circuit TV will double 1957's \$6,000,000 business in 1958, according to Wm. J. Morlock, technical products dept. gen. mgr., as GE diversification aims at larger share of that business. Further diversification has led to stronger interest in scatter communications, high-frequency heating devices and slow-scan TV. Morlock, who had previously predicted televised phone calls within 5 years, now sees first practical step taken in 1958 with a military installation next spring. GE's work in scatter communications has increased its distance goal from present 200-250 mi. to 600-700. Although scatter system is mainly military, Morlock believes it to be first step in practical transoceanic commercial TV broadcasting.

Regional TV set sales from electrical assns.: Chicago—Distributor sales of black-&-white for Nov. were 24,267 vs. 30,811 last year . . . Kansas City—Nov. sales hit 7811 vs. 10,108; Nov. color sales were 223 for total to date of 2828 . . . Philadelphia—Distributors in Nov. sold 16,553 sets vs. 20,726 last year; for 11 months, set sales totaled 145,765 vs. 172,742 last year.

Tax status on rebuilding picture tubes has been clarified by IRS which holds that excise tax is due if tube is opened for recoating screen or replacing gun, exempt if tube is restored without opening tube. It also held that rebuilders' wholesale price must include amount allowed for used tube accepted in exchange.

Accent on sound in TV merchandising trend continues (Vol. 13:48) as Olympic adds "high fidelity TV with 3-D" in two 1958 drop-in consoles: 21-in. at \$309; 24-in. at \$279, both with new horizontal chassis and "3-D control" in 3-speaker system.

Electronic refrigerator is much further along in Japan than in either Russia or U. S., according to Dec. 23 *Electronic Week* review of Japanese electronic progress and exports to U. S. (Vol. 13:45). It reports that under Prof. Suga of Tokyo U, one company is on threshold of introduction of industrial model.

New magazine, capitalizing on popular interest in electronics, TV-radio-hi-fi, is bi-monthly *Electronics Illustrated*, edited by Charles Tepfer, ex-technical editor of *Popular Electronics*. First issue (May) is due on newsstands March 13 at 25¢.

Single RCA Victor 45rpm records have been increased from 89¢ to 98¢ effective Jan. 1. Move follows \$1 raise in Red Seal LP line from \$3.98 to \$4.98.

Sales aide for dealers and technicians is provided in 24-page booklet, *Profit Builders*, available from RCA electron tube div., Harrison, N. J.

New booster offered by Blonder-Tongue is designed to couple 1, 2, or 3 sets to same antenna.

EIA reports \$926,000,000 defense electronics spending in quarter ended Sept. 30 vs. \$637,000,000 in 1956 period. Breakdown for the 2 quarters: Aircraft, \$340,000,000 in 1957 to \$213,000,000 in 1956; missiles, \$273,000,000 & \$205,000,000; electronics and communications, \$24,000,000 & \$130,000,000; research & development, \$73,000,000 & \$65,000,000; ships-harbor craft, \$23,000,000 & \$17,000,000; miscellaneous, \$11,000,000 & \$5,000,000; combat vehicles, \$1,000,000 & \$2,000,000; support vehicles, \$1,000,000 & no 1956 figure.

GE communications products dept. opens regional offices at Richmond, Va. under H. L. Blom, St. Louis under M. S. Chapin, Minneapolis under W. G. Pree, and 23 district offices. Walter E. Sutter is promoted to mgr. of microwave equipment sales; Kent Worthen to mgr. of product planning-microwave; L. R. Sheeley, mgr. of sales, mobile equipment; R. L. Casselberry, mgr. of product planning, mobile, and marketing research.

Insul-8-Corp. sets up closed-circuit TV development and production div. at San Carlos, Cal. under gen. mgr. & chief engineer Bruce J. Scievers. It has 41 employes, plans expansion into production of additional electronic devices.

Thompson-Ramo-Wooldridge Products Inc., a subsidiary of Thompson Products Inc. and Ramo-Wooldridge Corp., has been formed to make industrial process control instruments—first an electronic computer for process control.

Zenith hearing aid div. names Bausch & Lomb Optical Co. as its distributor in foreign markets, under supervision of export mgr. S. W. Steensma.

Second National Conference on Automation Systems is scheduled for Jan. 22-24 at Arizona State College, Tempe, under EIA auspices.

### Bound and Indexed

We will index and bind, between embossed hard book covers, a limited quantity of all 1957 issues of the Television Digest Weekly Newsletters, plus the semi-annual TV Factbooks with all Addenda, plus all Supplements and Special Reports. This volume will provide a handy and handsome permanent reference for your own or your company library. Orders will be taken until Jan. 7. Price: \$25 per volume.

# Do You Know That . . .

Quite a few former FBI agents, most of them graduates of J. Edgar Hoover's famed academy at Quantico for training tough young men, usually athletes, for the exciting job of crime-hunting, and nearly all holders of law or accountancy degrees, are to be found in many TV-radio broadcasting and associated pursuits?

There's FCC Comr. Robert E. Lee, of course, and Jack E. Buckley, chief of the FCC common carrier N. Y. field office; also still in govt. service, with U. S. Information Agency, which operates Voice of America, are Adelbert R. Baker, Paul J. McNichol, Joseph C. Walsh.

Practicing law in Washington, specializing in TV-radio, are Edward P. Morgan, of Welch, Mott & Morgan, and Robert L. Heald, ex-NARTB chief counsel, now with Spearman & Roberson. Chief counsel of Music Corp. of America is Robert E. Bramson, and, on NBC legal staff, also in New York, there's Edward T. Burns. Also practicing law is Melvin H. Purvis, of Florence, S. C., famed for helping bring Dillinger to bay; he owns radio WOLS, Florence.

In broadcasting, generally in top administrative posts, are Norman B. Bagwell, WKY, Oklahoma City, where his former FBI colleague Hoyt T. Andres, then newly transferred from WSFA-TV, Montgomery, Ala., to manage WKY-TV, died last summer; Wade H. Alley, WHIO, Dayton; Joseph W. Evans, KFJZ-TV, Ft. Worth; Arthur E. Haley, WORL, Boston; James W. Coan & John G. Johnson, WTOB, Winston-Salem; Philippe V. Moore, WINZ, Miami; Lamont L. Thompson, WHCT, Hartford.

Among station reps with distinguished FBI records are Frank R. Headley, pres., H-R Television Inc.; Edward R. Kenefick, with George P. Hollingbery Co.; Theodore Van Erk, The Bolling Co. Inc. And at the agencies are J. Lewis Ames, Erwin Wasey, Ruthrauff & Ryan; Carl I. Cartwright, J. Walter Thompson; Wm. F. Geeslin, Young & Rubicam; Howard O. Anderson, Ted Bates & Co.

With Westinghouse stations headquarters in N. Y. is Paul C. O'Friel, and electing to become commentators are Ron V. Cochran, CBS, and Howard D. Smoot, Dallas free-lance. Robert M. Dore, TV-radio agent in N. Y., is also ex-FBI, as are Joseph Wohl, Republic Pictures; Blayne F. Matthews, Warner Bros.; Alfred B. Berry, RKO.

In other branches of communications and electronics fields are still more FBI "alumni"; we'll list them for you in a later column.

French TV & radio were blacked out over Christmas holiday by nationwide technicians' strike. Among shows cancelled were several specially prepared Yuletide programs.

New European headquarters of A. C. Nielsen Co. Ltd. has opened at Oxford, England. British market research firm, started in 1939, employs 900.

**Add ad tax gimmicks:** Virginia's 0.3% retail merchants sales tax would be extended to include TV, radio & newspaper advertising under new revenue-raising plan by Norfolk Mayor W. Fred Duckworth. Pointing out that media now get off "scot free" from licensing or sales levies assessed against other businesses, he wants state legislature to remove exemption when it meets in mid-Jan. Proposal doesn't follow pattern of special 6% taxes on all advertising enacted by Baltimore City Council and threatened in St. Louis (Vol. 13:45-51). But Duckworth's move will be fought by Advertising Federation of America, whose pres. & gen. mgr. C. James Proud told us this week: "We have to sympathize with him, but we have to oppose any tax on advertising on principle." General sales taxes now apply to advertising in half-dozen states and Hawaii.


**TV-ASCAP 4-Year Pact:** Beating Dec. 31 contract deadline, closing of negotiations for new TV licensing agreements between ASCAP and networks & stations seemed certain in N. Y. this week. CBS, NBC & ABC have accepted 4-year renewal terms (2.5% of time sales plus 110% of highest 30-min. monthly rate) offered by ASCAP. Polled by wire Dec. 24 by broadcasters' contract committee headed by Irving Rosenhaus of WATV, Newark-N. Y., 250 stations it represents were voting overwhelmingly to continue same ASCAP fees (2.05% of gross plus highest 15-min. monthly rate) another 4 years. ASCAP, which has been collecting around \$10,000,000 annually from TV, had conditioned renewal offer on acceptance by "substantial majority" of licensed stations. Radio-ASCAP licensing agreements run to Dec. 31, 1958.

**Infrared TV:** Air Force last week received patent for infrared TV camera, invented by David A. Huffman of Cambridge, Mass. on basis of his research at Ohio State U Research Foundation. Presumably, Air Force device would be companion to such infrared military devices as snooperscope and sniperscope, both of which use invisible infrared rays instead of light. Japanese scientists have been working for about a year with a TV system called "noctovision," developed for Broadcasting Corp. of Japan (NHK), which also uses infrared.

Commercial TV network competitive to the semi-commercial state-controlled chains has been authorized by West German Govt. New Freies Fernseh, with headquarters in Frankfurt, plans to start telecasting in about 18 months, though it hasn't yet decided on location of stations. New private outfit plans to take spots between shows, but no sponsorships as such. Present German networks devote small amount of time to commercials.

RCA awards 9 fellowships for advanced studies in engineering, physics, dramatic arts, bringing total awards to some 120 since started in 1947. This year's recipients will study at New York U, Columbia U, Cal. Institute of Technology, Cornell U, U of Ill., Princeton U, Rutgers U, Carnegie Institute of Technology, Yale U.

World's TV & radio stations are listed in 1958 edition of *World Radio Television Handbook*. Printed in English, new 12th edition may be ordered from Publisher-Editor O. Lund-Johansen, 1, Lindorffsalle, Hellerup, Denmark (\$2 by surface mail, \$4 airmail).



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