

**THE
AUTHORITATIVE**

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

with **ELECTRONICS REPORTS**

Wyatt Building • Washington 5, D. C. • Telephone Sterling 3-1755 • Vol. 14: No. 40

SUMMARY-INDEX OF THE WEEK'S NEWS — October 4, 1958

CLOSED-CIRCUIT TV for business meetings, sports, military, etc. broadens outlook; \$50,000,000 annual potential envisioned (pp. 2 & 4).

'INFLUENCE' IN ORLANDO Ch. 9 case studied by FCC, presaging other actions. Judge Stern aims for Miami decision by year's end (pp. 2 & 7).

NEW CAPITAL, DIVERSIFICATION in TV-radio: \$8,000,000 deal involves Hawaiian stations, new MBS-Roach owners buy Flamingo; other deals (pp. 3 & 5).

AMPEX CORP. SOARS on strength of Videotape recorder, grossing \$11,250,000 on it by Christmas. Huge non-broadcast field being explored (p. 4).

TV QUIZ "FIX" FURORE brings NBC takeover of *Twenty-One* and 4 other Barry & Enright shows. Packagers want time to prove "integrity" (p. 5).

FLINT'S WJRT READY TO START on Ch. 12 with ABC affiliation. Montana vhf resuming. Reports on other new & upcoming stations (p. 6).

CRITIC OF HOUSE PROBE of Federal agencies to be called on subcommittee's carpet; Harris irked by public blast from FTC's Gwynne (p. 7).

NETWORK TV BILLINGS GAIN 6.8% in Aug. over same 1957 month, first 8 months this year showing 11.4% advance. CBS in upward swing again (p. 8).

EIDOPHOR BIG-SCREEN PROJECTION system—refined, streamlined, in color—to be reintroduced in U.S. by CIBA Pharmaceutical at science meeting (p. 14).

Manufacturing-Distribution-Finance

STEREO WINNING HIGH FAVOR as N. Y. hi-fi show draws record crowds, network simulcasts get kudos, radio stations extend stereo shows (p. 1 & 11).

LONGER WARRANTY TREND draws dealers' fire. NARDA launches "action program" (p. 11).

MAGNAVOX REAFFIRMS STRENGTH in report on second best sales year; profit drop partly due to liquidation of Sentinel & Spartan brands (p. 13).

STEREO IS BUSTIN' OUT ALL OVER: Infant stereo, darling of the big audiophile public and growing by leaps & bounds, looks like it's sure to capture a man-sized chunk of the fall-winter home entertainment market -- pleasantly surprising even to those industry folk who tub-thumped for it last spring, howbeit with tongue in cheek. This week's industry news was just about all stereo, overshadowing the slowly-reviving TV and still-recumbent radio set businesses. Advertising featuring stereo has begun to crowd the pages of many metropolitan dailies, gradually is moving into spot radio time, too, and presumably will move soon into TV.

Stereo is everybody's proud baby now, attracted a record 50,000 from public and trade to Institute of High Fidelity Manufacturers' 3rd annual Hi-Fi Show in N.Y. this week. Theme of 5-day show quite properly was "The Age of Stereo" -- and audiophiles, teen-agers and just plain people who like good music reveled in a cacophony of true-to-life sound created by the 116 exhibitors crowding 5 floors of city's big Trade Show Bldg. Even members of the high-dome Audio Engineering Society, holding convention in the New Yorker Hotel just across the street, devoted 80% of week-long program to technical developments in an area virtually unknown a few years ago.

Stereo spilled over into the broadcast field with a stereo simulcast of the Lawrence Welk Show, carried on 75-city ABC combined TV-radio networks the night of Oct. 1 with highly effective results that drew widespread kudos. NBC has scheduled similar stereo simulcast of George Gobel Show Oct. 21, sponsored by RCA to plug its stereo phonos along with color TV.

That interest of the broadcasters is spreading is also evident from fact that uncountable radio stations all over the country are currently combining AM-FM facilities for local stereo broadcasts. Six FM stations have been authorized by FCC to

experiment with multiplexing under temporary license, and their experience will have important influence on eventual formulation of FCC regulations covering such stereo broadcasting. The 6 FMs are: WBAI, WFUV & WRCA-FM, N.Y.; WGHF, Brookfield, Conn.; WJBR, Wilmington; WASH, Washington. WBAI set up demonstration studios for stereo broadcasts direct from Hi-Fi Show. [For more on stereo, see p. 11.]

'MEETING TV'—A \$50,000,000 POTENTIAL? The closed-circuit "audience" TV business, which has boiled down largely to multi-city business meetings, boxing and some football, has also narrowed principally to 2 organizations -- Theatre Network TV and TelePrompter. Seven other companies make sporadic efforts -- latest being Giant-View Closed-Circuit TV Network (see p. 4 & Vol. 14:39) -- but only TNT & TelePrompter cut any real ice yet. [For list of companies, see TV Factbook No. 27, p. 397.]

Though championship fights and football games are most spectacular aspect of the industry, business meeting sessions are the bread-&-butter. TNT pres. Nathan L. Halpern states that his 1957 gross from latter source was \$2,610,000, "about 81% of the entire industry." He has 2 major auto shows due this month; these, with the 80-city IBM sales meeting last month (Vol. 14:36), produced \$500,000 gross, he says.

Pressed for a "potential" figure, Halpern calculates that closed-circuit should eventually capture 10% of the estimated \$500,000,000 that industry spends annually on centralized business meetings.

TelePrompter pres. Irving Kahn reports that his firm is coming up nicely -- next big session scheduled Oct. 13 for W. Va. Pulp & Paper Co., major food processor later in month, big oil meeting in couple months. He has successfully corralled several major fights recently, piped to theatres, grossing \$1,400,000 & \$750,000 from Robinson-Basilio & Patterson-Harris bouts, respectively (Vol. 14:14, 34).

Unique TelePrompter venture is new 50-man project for Army Ordnance Guided Missile School at Redstone Arsenal, Ala. -- headed up by key men from NBC's discontinued "Wide Wide World" program. [For more on closed-circuit industry, see p. 4.]

Note: New source of big-screen monochrome & color projectors (and new competition to RCA, GPL, etc.) looms in form of "Eidophor" -- the old Swiss-developed system, once pushed by 20th Century-Fox, now refined under auspices of CIBA Pharmaceutical Products Inc. and due to be reintroduced in Dec. Also new in closed circuit production field, particularly for scientific presentations, is recently-formed organization handling CIBA's demonstrations -- Teletalent, 274 Madison Ave., N.Y. (Murray Hill 3-2541), formed by ex-ABC technical director Louis L. Tyrrell and TV writer Jay E. Raeben. [For Eidophor details, see p. 14.]

THE PANDORA'S BOX PRIED OPEN BY HARRIS: Running scared of Congress and the courts, FCC this week launched formal inquiry into alleged "influence" in the Orlando Ch. 9 decision -- and it's now expected Commission will take same approach to many of the other TV cases which were subject of similar allegations by staff of House legislative oversight subcommittee (see p. 7) under Rep. Harris (D-Ark.).

Ever since Court of Appeals ran across Boston Ch. 5 allegations while it was studying House hearing record in Miami Ch. 10 case, it has been predicted the Commission would take the "abundance of caution" approach and announce that it was looking into everything dredged up by Harris -- no matter how flimsy -- to forestall any possible charges or innuendo that it was trying to cover up for itself or for its former colleagues, including the pitiful Richard A. Mack (Vol. 14:31).

Commission has just about concluded its hearing on Miami Ch. 10 (see p. 7). As for Boston Ch. 5, it told Court this week that information it has "is too fragmentary for the Commission to proceed immediately to hearing without some preliminary investigation." Harris group's presentation of Boston case was very sketchy.

Commission's Orlando action stemmed from testimony by House subcommittee staff member Stephen J. Angland, who produced a mish-mash of alleged off-record influence attempts in these additional cases: Miami Ch. 7, Jacksonville Ch. 12, St.

Louis Ch. 2 & 11, Buffalo Ch. 7, Parma, Mich. Ch. 10, Denver Ch. 7, Cheboygan, Mich. Ch. 5 (Vol. 14:23-24). FCC is studying these, presumably will "do an Orlando" whenever it decides the charges warrant.

Such action regarding Miami Ch. 7 case (won by WCKT) may have been forecast this week, when Commission stated it couldn't approve \$800,000 sale of associated radio WCKR & WCKR-FM until it examined Ch. 7 "influence" charges. The radio stations, controlled by Miami Herald-Miami News-Niles Trammell, are being purchased by Sun-Ray Drug Co. owners Wm. & Harry Sylk (Vol. 14:21). [For more on Orlando case, conclusion of FCC's Miami Ch. 10, Mack-Whiteside arraignment, see p. 7.]

NEW CAPITAL AND MORE DIVERSIFICATION: Illustrative of the continuing flow of new capital into TV-radio, the increasing involvement of stations with complex corporate entities, the changing theatrical structures being wrought by the impact of TV on the film industry, are several more actual & prospective financial moves this week:

(1) An \$8,000,000 cash deal has been agreed upon for purchase -- by a group of wealthy Oklahoma-Kansas investors, who for the most part are largely oilmen new to TV-radio -- of Hawaii's Consolidated Amusement Co. with its 18 theatres, big realty holdings and 75.45% control of KGMB & KGMB-TV, Honolulu (Ch. 9) with satellites KHBC-TV, Hilo (Ch. 9) & KMAU-TV, Wailuku (Ch. 3) -- all CBS affiliates.

Included in the deal is Honolulu Star-Bulletin's 24.55% interest in the stations -- third instance in recent months of newspapers selling out their TV-radio holdings for big sums. Others were Kansas City Star's \$7,600,000 sale of WDAF-TV & WDAF to expanding National Theatres Inc. (Vol. 14:17,30,38); Philadelphia Bulletin's \$20,000,000 sale of WCAU-TV & WCAU to CBS Inc. (Vol. 13:51; 14:1,27,30), which also involved big realty increments. [For details of Hawaiian deal, see p. 5.]

* * * *

(2) Scranton Corp., the textile firm which bought Hal Roach Studios in May (Vol. 14:22), which recently acquired Mutual Broadcasting System (Vol. 14:37) and which is itself controlled by F. L. Jacobs Co., Detroit auto parts maker whose stock is traded on the N.Y. Stock Exchange, verified purchase offer made to Flamingo Telefilm Sales Inc., distributor of TV films. Jacobs-Scranton chairman, who is also new MBS pres., Alexander L. Guterma, says offer has been accepted, subject to audit.

Also about to be acquired by Scranton is old-line Waterman Pen Co., in line with stated policy of diversification, which Guterma told us he proposes to extend soon to the acquisition of TV-radio stations as adjuncts of non-station-owning MBS.

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(3) Flamingo Telefilm Sales Inc., controlled by pres. Herman Rush and exec. v.p. Ira Gottlieb, part owned by financier Joseph Harris, thus presumably will not get new financing, as reported, from Buckeye Corp., Springfield, O., maker of incubators, brooders, poultry supplies, tobacco curers -- though conceivably Buckeye, which admittedly would be an odd entry in the TV sweepstakes, may be next quarry of the Jacobs-Scranton people in their eager quest for diversification.

Old-time film man Joe Harris, whose original Flamingo Films is dormant and who heads film firm Essex-Universal, is engaged with partner Norman E. Alexander in many diverse enterprises. They're avowedly out to purchase more TV-radio stations to add to those they already own--KXLY & KXLY-TV, Spokane (Ch. 4) & KERP & KERP-TV, El Paso (Ch. 12) whose general management and part ownership has just been relinquished by ex-DuMont & Storer executive Dick Jones (see Personal Notes).

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(4) Bankers Carl M. Loeb, Rhoades & Co., which handled the DuMont Network liquidation and station spinoff into what's now the TV-radio-operating Metropolitan Broadcasting Co., is reported about to arrange purchase of unnamed major Hollywood movie studio for multimillionaire oilman-station owner Jack Wrather to implement the purchase of Television Programs of America by his recently organized Independent Television Corp. and the expansion of his Muzak Inc. (Vol. 14:38-39). Partner John Loeb is handling deal, and announcement should be forthcoming soon.

Closed-Circuit Progress: Fall season brings annual upsurge of activity in closed-circuit "meeting" field (see p. 2)—what with introduction of new cars, football hookups, and the usual post-vacation pickup in the business pulse.

Most gratifying to the closed-circuit operators is "repeat" business; for example, GE has done 9 multi-city sales meetings, General Motors 4, through Theatre Network TV. TNT reports it has presented 156 events since inception 10 years ago, 22 of them last year—running gamut from bank conferences, fund-raising drives, demonstration of medical techniques, to conventional sales meetings.

Multi-city football presentations for sold-out college games have been offered intermittently by several organizations, including TNT & TelePrompter. Most recent entry, which may become a power in fields other than football, is GiantView Closed Circuit TV Network, handling Oct. 4 U of Mich.-Mich. State U game, piped to 6 cities (Vol. 14:39). It's a division of Meilink Steel Safe Co., Toledo, and weight of that 60-year-old parent behind it could make it a factor to reckon with—for Meilink pres. Stanley R. Akers is spending 3 days a week on TV. This week, incidentally, Detroit Circuit Judge Theodore J. Bohn lifted temporary injunction against GiantView's project, which had stemmed from suit brought by Mich. State Rep. John J. Fitzpatrick of Detroit, who contends closed-circuit showing for a fee violates state law.

Rivalry between the 2 majors in field—TelePrompter & TNT—is intense, gets out of bounds occasionally as they vie for championship fights (Vol. 14:14, 34), but both appear to be doing well. TNT is privately owned, doesn't disclose balance sheet. TelePrompter has public shareholders (over-the-counter), recently reported net income for 6 months ended June 30 was \$143,682 (40¢ per share) vs. loss of \$119,485 for 1957 period. Gross income rose to \$2,024,197 from \$1,177,845 (Vol. 14:38). However, TelePrompter doesn't break down income by source, so its closed-circuit growth isn't precisely ascertainable.

The TV networks aren't in the field, though some consideration was given to entry several years ago. They now limit their closed-circuit activities to intra-mural business affairs, program previews, etc.

Ramifications of the business are very promising. For example, TelePrompter's second-largest office is now at Redstone Arsenal, Ala., the missile center. When NBC's *Wide Wide World* was discontinued, TelePrompter seized key men, moved them to Huntsville to start project which on Oct. 8 begins series of closed-circuit "preventive maintenance" courses for senior officers, covering 6 types of missiles. Among *Wide Wide World* men involved: Cliff Paul, chief technical director; Maurey Penn, producer; Bob Corcoran, writer.

Military estimates courses will save \$11,000,000 annually, plans to extend program to Ft. Knox and Air Training U at Montgomery, Ala. Sessions are presented on 6x8-ft. screens, and everything is put on video tape.

Videotape recorder shipments: one each to WNHC-TV, New Haven; WSYR-TV, Syracuse; WHDH-TV, Boston; WJRT-TV, Flint; KTVU, Oakland-San Francisco; WJAR-TV, Providence; 2 to NBC-TV, N. Y. U of Tex., Austin, installs videotape for closed-circuit system.

Ampex Status Report: One of the phenomenal successes of the broadcast equipment business, Ampex's Videotape recorder was shown off in Washington this week by team of Ampex executives headed by div. mgr. Neal McNaughten, ex-FCC, NAB & RCA—to FCC members & staff, military, TV-radio engineers & attorneys, et al—and Ampex's apogee can't yet be calculated.

Here are a couple figures to contemplate: (1) By Christmas, 250 units will have been delivered since first one was shown at NAB convention in April 1956 (Vol. 12:16); at \$45,000 each, that's \$11,250,000. (2) Since Videotape project started in 1951, number of Ampex employees has increased from 150 to about 2500.

Almost all sales have been to networks & stations so far. The big unknown, and Ampex believes it's very big, is non-broadcast field. Surprisingly, the military is only a small customer to date—having bought only 8 recorders.

It has become a cliché, but true, that uses of recorder are limited only by the imagination. For example, Yonkers, N. Y. race track has been using one for quick examination of "foul" charges. Ampex sales promotion mgr. Jack Hauser says track management informs him recorder is worth gross of \$30,000 a day to them because it has increased betting. Los Angeles football Rams' coaches, he asserts, were delighted with use of unit during recent game with San Francisco '49ers (Vol. 14:37), claim it enabled them to nullify '49ers pass defense. For uses such as football, Ampex is encouraging stations to supply facilities on rental basis—rather than seeking to sell units directly to users.

Ampex is satisfied that TV unit is well in hand, except for refinements, so it has permitted Charles P. Ginsburg, the 38-year-old engineer who led development, to concentrate on non-broadcast angles.

Ampex "road show" schedule: Cincinnati, at WLWT transmitter, Oct. 13-14; Milwaukee, WTMJ-TV, Oct. 17-18; St. Louis, Chase Hotel, Oct. 20-21; Kansas City, WDAF-TV, Oct. 23-24; Toronto, at CBC facilities, Nov. 3-4; Hot Springs, Va., at Homestead during Assn. of National Advertisers convention, Nov. 10.

In TV, new wrinkles develop almost daily. For example: (1) Big adv. agency BBDO has switched almost entirely from live to tape commercials, terming tape "a tremendously useful new method of extending the uses of live TV." (2) During half-time of Sept. 28 N. Y. Giants-Chicago Cardinals game, CBS for first time recapitulated key plays of first half, with explanatory narration by announcer Bob Delaney. (3) On Sept. 28 colorcast *Steve Allen Show*, guest performer Ann Sheridan saw herself via tape, minutes after she had rendered song—and viewers were treated to sight of watching her live & taped, through split-screen, in color. (4) *U.S. Steel Hour* drama for Oct. 8, originally scheduled live, was taped to enable actress Barbara Bel Geddes to accept Hollywood movie assignment which came after she had committed herself to the TV program.

Financially, here's what it has meant to Ampex: Predicted profit of \$2,100,000 (about \$2.85 a share on 734,000 outstanding before recent 2½-for-1 split) on \$40,000,000 sales in year ending next April 30. Earnings were \$1,540,000 (\$2.10) last fiscal year, \$1,087,000 (\$1.51) year before. As for price of its stock (over-the-counter), it rose from \$17 to \$43 in 1956, when recorder was introduced, was 40¼ bid, 42¾ asked Oct. 3—after the split and with 1,695,663 shares outstanding. A lot of alert investors among broadcasters bought stock heavily in 1956.

New Money Into TV-Radio: Big money continues to talk big in the burgeoning TV-radio and related electronic amusement businesses, this week's news of new & prospective corporate lineups and expansions (p. 3) rivaling the verified reports of 2 weeks ago involving mostly film-for-TV interests (Vol. 14:38).

Week's biggest deal was \$8,000,000 cash purchase of Hawaii's Consolidated Amusement Co. by a group of mainlanders organized as Hialand Development Corp. and headed by Arthur L. Wood, Oklahoma City CPA, as pres.; Felix Simmons, chairman of Exchange National Bank, Ardmore, Okla., v.p.-treas.; Kenneth E. McAfee, Oklahoma City oil lawyer, secy.

Value being placed on the TV-radio stations being acquired from $\frac{3}{4}$ -owner Consolidated and $\frac{1}{4}$ -owner *Honolulu Star-Bulletin* hasn't been indicated yet, but they're said by McAfee to be good earners and plan is to retain their gen. mgr. J. Howard Worrall, operations-sales mgr. Melvin R. Wright and rest of staff. Biggest valuation will be on 18 theatres and real estate, including famed Waikiki Theatre whose realty alone is figured at \$1,000,000. Some theatres may be shut down because they're in path of local expansions.

That's where Honolulu realtor John Eagle figured in the deal that brought together the group which, except for himself, includes only people from the States. The others, representing varying personal and family investments, as yet undisclosed: Eugene Jordan & R. L. Bowers, owners of Oklahoma Transportation Co., holding city & state bus franchises; A. C. Martin, pres. of Sayre Oil Co.; John W. Nichols, pres. of Mid-American Minerals Co.—all of Oklahoma City; Thomas Walsh, investment counselor, Shawnee, Okla.; Lloyd Miller and 2 brothers, McPherson, Kan., engaged in construction, oil & grain storage enterprises.

None has been identified with TV or radio before. They're buying out holdings of some of Hawaii's famed first families. Consolidated has 1500 stockholders, headed by pres. Fred Williams, currently being offered \$38 to \$39 per share for their stock (book value, \$22.67). There must be 75% stockholder acceptance, believed assured. Agreeing to sell their interests in the stations are Mrs. Joseph R. Farrington, pres. of the *Star-Bulletin*, widow of the former delegate to Congress from Hawaii, who succeeded to his seat for awhile, and Riley H. Allen, editor.

(Incidentally, Lorrin Thurston's rival morning *Honolulu Advertiser* owns pioneer radio KGU, also 50% of KONA (Ch. 2) with satellite KMVI-TV, Wailuku (Ch. 10)—the NBC affiliates.)

The Quiz Story (Cont.): NBC takes over direct control of *Twenty-One* and 4 other Barry & Enright shows Oct. 6 as result of press furore over charges by contestants that some TV quiz programs are "fixed" (Vol. 14:35-38). Assuming full "production responsibilities," NBC-TV network program dept. will assign its own executives to run *Twenty-One*, *Tic Tac Dough* (daytime & nighttime), *Concentration* and *Dough Re Mi*.

Statement by Barry & Enright, released Oct. 3 by NBC, said packagers were "grateful" to network for move, explained partners wanted to "devote more time to disproving the unfounded charges against the integrity of our programs"—that while they've been "unable to uncover any evidence whatsoever of wrongdoing on the programs, we realize that the charges and attendant pub-

The Scranton-Jacobs deal to add Flamingo Telefilm Sales to their MBS & Hal Roach Studios acquisitions (p. 3) was revealed several days after new MBS chairman Hal Roach Jr. announced that David W. Hearst and MBS exec. v.p. Blair A. Walliser had been named to Mutual board, now numbering 11, mostly out of the Scranton-Jacobs enterprises and with Alexander L. Guterma as new pres. succeeding Dr. Armand Hammer. Hearst is one of the 5 sons of the late Wm. Randolph Hearst and is publisher of the *Los Angeles Herald & Express*—but it was made clear this did not mean the Hearst interests are investing in MBS or its parent companies.

Nevertheless, with Detroit banker and Michigan ex-Gov. Murray D. Van Wagoner also on the new Mutual board, with Roach & Walliser providing the TV-radio know-how along with director Robert F. Hurleigh, Washington v.p., the new operators make no bones about their intention of acquiring stations of their own. Just what negotiations are under way, pres. Guterma would not say. Nor would he reveal details of the Waterman Pen Co. purchase, beyond stating that it's from a syndicate, or about the projected Flamingo purchase, except to say it had been agreed upon.

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Flamingo Telefilm Sales Inc. is an outgrowth of the original Flamingo Films backed by Joseph Harris, founder of Motion Pictures for TV Inc. in early days of TV, and his partner in various enterprises Norman E. Alexander, pres. of Sun Chemical Co., N. Y. They're veterans of the movie business, having been with old Realart Pictures Corp. They're now owners of Essex-Universal, a holding company, have some interest in Flamingo, which distributes feature films and shorts to TV for Distributors Corp. of America, has own syndicated *Citizen Soldier*. But control is in hands of pres. Herman Rush and exec. v.p. Ira Gottlieb, since Si Weintraub quit firm last year.

Besides the TV-radio stations they own in Spokane & El Paso, Harris and Alexander have a finance company called Escom Corp., which underwrites new films, and own the Electro-Cord Co., maker of missile parts, among other ventures. Harris says many approaches have been made to buy the stations, but they "absolutely" are not for sale; actually, he and Alexander are seeking to acquire more.

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They do like westerns, it seems—for Sept. Nielsen shows 5 of them among top 10 which were: *Miss America* telecast, 38.8 rating; *Gunsmoke*, 36.3; *Have Gun, Will Travel*, 31.1; *I Love Lucy* (re-runs), 29.7; *I've Got a Secret*, 28.9; *Wells Fargo*, 26.1; *Frontier Justice*, 25.7; *Wyatt Earp*, 25.3; *Wanted, Dead or Alive*, 25.2; *Ed Sullivan Show*, 25.1. Noteworthy absent: Quiz shows.

licity have raised questions in the minds of many viewers." They said they planned to resume production after their "absolute integrity" is "clearly & finally established." NBC owns basic rights in *Twenty-One* and *Tic Tac Dough*, has contracts with packaging team for other shows.

Meanwhile *Twenty-One* contestant Elfrida von Nardroff, one of the biggest TV quiz winners (\$222,500), was summoned to testify Oct. 15 before N. Y. grand jury which is probing alleged program "rigging." She told reporters: "I was never given any help of any kind." Two other *Twenty-One* winners—James Snodgrass & Herbert Stempel—have charged they were given answers to questions.

District Attorney Frank S. Hogan said his office was getting thousands of letters daily from viewers of quiz programs—"75% of those are critical of the shows."

New & Upcoming Stations: Next major starter apparently will be WJRT, Flint, Mich. (Ch. 12), whose pres. John F. Patt, who also heads pioneer radios WJR, Detroit & WGAR, Cleveland, reports that first test patterns were to go on the air during Oct. 4 week end and that it still plans to start Oct. 12 with ABC, film and some local programs and work up to full schedule by Nov. 1. Completed is 12-bay RCA antenna on 990-ft. Emsco tower and, besides Patt and exec. v.p. Worth Kramer, on job are A. Donovan Faust, station mgr.; James P. White, sales mgr.; Franklin C. Mitchell, program mgr.; Clarence W. Jones, chief engineer—with full staff. Base hour rate is \$700, rep is Harrington, Righter & Parsons.

Due to resume operation, probably Oct. 7, is KGEZ-TV, Kalispell, Mont. (Ch. 9), whose counsel has informed FCC it expects to be ready by then. It went off air last spring, blaming competition of local community antenna operators even though they actually own 30% interest in the station (Vol. 14:16, 18-19, 21, 38).

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Educational stations appear to dominate upcomers, at least judging from latest reports in our continuing survey:

KXAB-TV, Aberdeen, S. D. (Ch. 9), affiliated with KXJB-TV, Valley City-Fargo (Ch. 4), has changed its target to "Nov. 1 or earlier," reports pres.-gen. mgr. John W. Boler. Wiring of 10-kw RCA transmitter is scheduled for completion Oct. 25 and erection of 400-ft. Stainless tower will be finished Oct. 10. Delivery of 6-bay RCA antenna was expected Oct. 1. Base hour will be \$150. Rep will be Weed.

WKBM-TV, Caguas, P. R. (Ch. 11) has 5-kw DuMont transmitter on hand, power line to transmitter site installed and plans to start programming Christmas Eve, reports owner Ralph Perez Perry, also operator of WSUR-TV, Ponce (Ch. 9) and radio WKVM, San Juan. RCA 6-bay antenna will be assembled by Oct. 15 for installation on 200-ft. Lehigh tower. Rates not set, rep not chosen.

WEDU, Tampa-St. Petersburg (Ch. 3, educational)

has completed studio and transmitter, has 3-bay RCA antenna installed on 475-ft. Stainless tower, now plans Oct. 27 programming, writes D. H. Smith, who has replaced C. W. Mason as gen. mgr.

KDPS-TV, Des Moines (Ch. 11, educational) has set Jan. 1 programming target, writes C. F. Schropp, director of audio-visual education for grantee Des Moines School District. RCA 5-kw transmitter donated by Cowles Bestg. Co., 60% owner of KRNT-TV (Ch. 8) there, has been installed, but delivery of 6-bay antenna was delayed. It's to be installed atop studio-transmitter building, 300-ft. above ground.

KERA-TV, Dallas (Ch. 13, educational) hasn't ordered equipment, doesn't plan to begin until summer of 1959, reports E. O. Cartwright, pres. of grantee Area Educational TV Foundation. It plans to use 590-ft. Ideco tower of city-owned radio WRR-FM. Martin B. Campbell, ex-WFAA-TV, Dallas, will be exec. director.

WMUB-TV, Oxford, O. (Ch. 14, educational) now has no target date, but contractor has indicated that construction of studio-transmitter building will be completed by Dec. 1, reports Stephen Hathaway, director of broadcasting for grantee Miami U. RCA 1-kw transmitter is on hand and 6-section helical antenna has been installed on 320-ft. Truscon tower. Paul Yeazell, ex-radio-TV bureau of U of Ariz., will be program director; William Utter, ex-KPTV, Portland, Ore., production director; Andrew F. Bruck, from Miami U, chief engineer.

KOED-TV, Tulsa (Ch. 11, educational) is now installing RCA 2-kw transmitter in south half of KOTV transmitter building, which it will share, and has moved target date to Nov. 1, reports John W. Dunn, director for grantee Okla. Educational TV Authority, which also operates KETA, Oklahoma City (Ch. 13, educational).

WGTE-TV, Toledo (Ch. 30, educational) now doesn't plan programming start until late Nov., reports Murray W. Stahl, program & production director for grantee U of Toledo. GE 100-watt transmitter is nearly ready and helical antenna installed on University Hall tower.

WSOC-TV's right to Ch. 9, Charlotte, N. C. was affirmed this week as Court of Appeals upheld FCC's final decision. Brief "per curiam" ruling by Judges Edgerton, Fahy & Bastian stated simply: "We find no error." WSOC had won Commission decision against competition from Carolinas' TV Corp., 43% owned by WIS-TV, Columbia, S. C. (Ch. 10), and Piedmont Electronic & Fixture Corp., major stockholders of which are Wolfson-Meyer theatre interests, controllers of WTVJ, Miami (Ch. 4) and WLOS-TV, Asheville, N. C. (Ch. 13), 20% stockholders of WFGA-TV, Jacksonville (Ch. 12). Piedmont brought the appeal.

KVSO-TV, Ardmore, Okla. (Ch. 12) has been purchased for \$160,000 from estate of John F. Easley by Bill Hoover, pres.-gen. mgr. & 32.3% owner of KTEN, Ada, Okla. (Ch. 10). Call letters changed Oct. 1 to KXII. It's been operating about 2 years from site 50 mi. SW of Ada. John Easley Riesen, one of heirs to estate, is gen. mgr. Kander handled transaction.

Translator start: W78AB, Johnson City & Vestal, N. Y. began Sept. 30, repeating WINR-TV, Binghamton (Ch. 40), which also holds CP for W81AB, to serve Hillcrest & Chenango Bridge, N. Y.

Translator CPs granted: Ch. 73, Truth or Consequences, N. M., to Board of Education, to repeat programs of educational KNME, Albuquerque (Ch. 5); Ch. 71, 76 & 79, Tillamook, Ore., to Tillamook TV Translator Inc.

Transfer of KRTV, Great Falls, Mont. (Ch. 3) which began operation last June, to new Snyder & Assoc., in which gen. mgr. Dan Snyder holds 53.4% control, was approved by FCC this week. Those selling station are Francis R. Laird, west coast personnel & management consultant, and son Robert R. Laird. Application indicates new owners are taking over station by assuming liabilities totaling \$59,680, plus cancellation of \$19,000 owed Snyder, who also is on record as having purchased some technical equipment from the Lairds for \$6000.

Site move of WMBV-TV, Marinette, Wis. (Ch. 11) has been set for hearing by FCC on basis of objections by WFRV-TV (Ch. 5) & WBAY-TV (Ch. 2), Green Bay. WMBV-TV proposed to move from 14 mi. southeast of Marinette and 38 mi. northeast of Green Bay to 38 mi. southeast of Marinette and 14 mi. northeast of Green Bay—increasing height to 960 ft., power to 316 kw.

Power-height increase: WICS, Springfield, Ill. (Ch. 20) Sept. 30 increased power from 17 to 406 kw, height from 430 to 1000 ft., at new site 10 mi. east of Springfield—marking its 5th anniversary.

CPs granted: Educational Ch. 11, Durham, N. H., to U of New Hampshire; Ch. 83 translator, Roseburg, Ore., to Teleservice Co.

CJFB-TV, Swift Current, Sask. (Ch. 5) interconnects with CBC via microwave Oct. 1.

Orlando, Miami & 'Influence': Genesis of FCC's inquiry into "ex parte" representations in Orlando Ch. 9 case (see p. 2) was testimony presented to House legislative oversight subcommittee by its staff member Stephen J. Angland. He asserted that attorney Wm. H. Dial, a college chum of ex-Comr. Mack's, had represented decision winner WLOF-TV in certain local litigation—but not before FCC—and that he made "extra-record representations" to Mack orally and by letter in favor of WLOF-TV, against competitor WORZ. Dial has denied pitching to Mack for WLOF-TV.

FCC's announcement of inquiry simply notes the Angland testimony and says that it "will report the results of its inquiry and will take such further action as in its judgment appears appropriate at that time."

In original FCC final decision, WLOF-TV got nod from all 5 commissioners voting, and they reversed examiner—McConnaughey, Doerfer, Bartley, Lee, Mack. Craven abstained and Hyde didn't participate. WORZ challenged decision in Court of Appeals and lost, now has petition for writ of certiorari before Supreme Court.

Sad plight of ex-Comr. Mack, growing out of Miami Ch. 10 case, worsened this week. Details aren't completely clear, but he's said to have collapsed at Miami Airport while waiting to meet wife on flight from Tampa. He suffered several broken ribs in the fall, is confined at Miami Medical Center, under treatment for the fractures—and by a neurologist for severe emotional disturbance.

Mack had been scheduled for arraignment in Washington Oct. 3 before Federal District Court Judge Burnita S. Matthews, but his Washington counsel Nicholas J. Chase won week's delay pending investigation and report by U. S. Attorney's office in Miami. Chase had asked for 30 days.

Mack's friend, Miami attorney Thurman Whiteside, indicted along with Mack last week (Vol. 14:39), pleaded "not guilty" before Judge Matthews—and she set bond at \$1000, scheduling his trial for Jan. 6. Whiteside's counsel, Richard H. Hunt of Miami, has 30 days to file motions, Justice Dept. 30 days to reply.

Reprisal by Harris? Free-wheeling House Commerce legislative oversight subcommittee, whose hit-&-run investigative tactics left many FCC cases dangling (Vol. 14:39), took a breather this week until after Nov. elections—when prime target will be the one agency head who has dared to criticize probers publicly.

Subcommittee Chairman Harris (D-Ark.) shut up his shop temporarily after announcing he'd summon FTC Chairman John W. Gwynne—probably about Nov. 11—to explain just what he meant by speech week earlier. In Harris' presence on same platform, ex-Iowa Congressman Gwynne told Federal Bar Assn. that House investigators dealt in "lurid & unfounded statements more useful for headlines than for establishing truth."

Obviously irked, Harris said he wanted to find out "what has occurred" to cause Gwynne's "change of attitude" toward oversight subcommittee. In June, FTC head had written Harris praising "fairness" of investigators in FTC cases involving Boston industrialist Bernard Goldfine and since-resigned Presidential asst. Sherman Adams.

Judge Horace Stern's Ch. 10 hearing for FCC is just about wound up. No more testimony is expected—though counsel for National Airlines said he'd ask that Sen. Smathers (D-Fla.) be called if competing counsel can't agree on what portion of House subcommittee testimony should be placed into Commission's record.

At beginning of week, Judge Stern blocked attempt of Paul Porter, counsel for WKAT, to show that FCC's instructions to staff—telling it to write decision favoring National Airlines—weren't specific, as required by law. Judge Stern held that the matter was outside scope of hearing.

The Judge was curious as to how word got out that National was favored for CP—long before final decision was announced Feb. 8, 1957. FCC attorney Richard Solomon read into record *Television Digest's* report of Jan. 21, 1956 (Vol. 12:3), which was first published word of how Commission was voting.

Judge Stern talked at some length as proceedings were winding up, said he had already summarized much of testimony, hoped to have decision out before year's end. Here's tentative schedule: Oct. 10, closing of record; Nov. 3, filing of briefs (and the judge expressed hope for just a few pages from each party); Nov. 17, oral argument. The judge mused:

"After all, this is not a complicated case. There are a lot of facts, however. I haven't come to any quasi-conclusions. I'm going to take this thing quite seriously." He noted that attorneys may want to bring up legal issue of whether 3 commissioners' votes would have been decisive in case—whether Mack's vote was crucial—and he pointed to last week's Indianapolis Ch. 13 decision on the point by Court of Appeals (Vol. 14:39). He also asked, rhetorically:

"Is it terrible to talk to a commissioner? Is he different from a judge? I don't know whether the Supreme Court has ever said anything about that."

National's bitter competitor Eastern Airlines this week again sought to persuade FCC to revoke license of WPST-TV. It argued that proposed stock exchange between National and Pan-American World Airways will put station under Pan-American's control and that it's contrary to national air policy "to permit acquisition by air carriers of public service enterprises not utilized in providing air transportation."

Also on tap for public hearings in Nov. will be Civil Aeronautics Board & Interstate Commerce Commission, no further FCC proceedings being scheduled now by Harris. Staff of subcommittee, which had \$410,000 to spend in probe of Federal agencies authorized by House in April, 1957, is under notice that jobs will end some time in Jan. So there is little likelihood that multiple loose ends of FCC cases will be tied up in last remaining weeks of subcommittee's life before 86th Congress starts.

Only subcommittee business this week was hearing on agency "ethics" recommendations by American Bar Assn., Federal Bar Assn. & D. C. Bar Assn. All 3 agreed that standards of conduct in agencies should be improved.

ABA filed statement saying it's studying various legislative proposals for "ethics" codes, hasn't reached detailed conclusions. FBA's Theodore H. Haas said "statutory sanctions are necessary & desirable" and should limit *ex parte* activity in cases. D. C. Bar's F. Cleveland Hedrick & Valentine B. Deale suggested hearing examiners need "a greater degree of independence from agency influence."

Network Television Billings

August 1958 and January-August 1958

(For July report see *Television Digest*, Vol. 14:36)

NETWORK TV BILLINGS maintained their unsteady 1958 rise pattern in Aug., 3 networks registering total of \$41,509,492 vs. \$38,848,880 year earlier for 6.8% gain, according to TvB. Gross billings in first 8 months this year pushed networks 11.4% ahead of 1957. After slipping 1.4% in July from same 1957 month, CBS had 6.3% advance in Aug. over year earlier to keep its No. 1 position, ABC leading percentagewise in Aug. with 12.9% gain; NBC was up 5%. Complete TvB report for Aug.:

NETWORK TELEVISION						
	Aug. 1958	Aug. 1957	% Change	Jan.-Aug. 1958	Jan.-Aug. 1957	% Change
ABC	\$ 6,923,735	\$ 6,134,380	+12.9	\$ 65,625,091	\$ 52,578,094	+24.8
CBS	19,383,736	18,240,823	+ 6.3	161,764,077	153,540,379	+ 5.4
NBC	15,202,021	14,473,677	+ 5.0	138,310,282	122,148,053	+13.2
Total	\$41,509,492	\$38,848,880	+ 6.8	\$365,699,450	\$328,266,526	+11.4

1958 NETWORK TELEVISION TOTALS BY MONTHS				
	ABC	CBS	NBC	Total
January	\$9,168,609	\$22,094,015	\$18,344,111	\$49,606,735
February	8,441,988	19,410,741	16,785,315	44,638,044
March	9,402,407	21,211,070	18,874,597	49,488,074
April	8,739,456	20,628,511	18,283,379	47,651,346
May	8,477,755	20,970,022	18,470,368	47,918,145
June	7,387,586	19,733,057	16,648,462	43,769,105
July*	7,083,555	18,332,925	15,702,029	41,118,509*
August	6,923,735	19,383,736	15,202,021	41,509,492

* Figures revised as of Sept. 29, 1958.
 Note: These figures do not represent actual revenues to the networks which do not divulge their actual net dollar incomes. They're compiled by Broadcast Advertising Reports (BAR) and Leading National Advertisers (LNA) for TV Bureau of Advertising (TvB) on basis of one-time network rates, or before frequency or cash discounts.

Freedom of the Press? With implications for all news media, U. S. Court of Appeals in N. Y. this week unanimously held that freedom of the press "is not absolute" when it comes to protection of news sources. Decision came as it upheld lower court's criminal contempt conviction against Marie Torre, *N. Y. Herald Tribune* TV columnist (Vol. 13:42-45). Newspaper's pres.-editor Ogden R. Reid promptly announced intention to carry appeal to U. S. Supreme Court. Case rose out of Miss Torre's Jan. 10, 1957 column quoting unnamed CBS executive's unflattering remarks about entertainer Judy Garland, who then brought \$1,393,333 contract-libel suit against CBS. Miss Garland's counsel insisted he needed name of the executive, and when Miss Torre declined to reveal it during pre-trial hearings she was given 10-day jail sentence for contempt. After this week's decision, Rep. Dorn (R-N.Y.) said he would introduce bill "granting news reporters and news broadcasters the privilege of refusing to name news sources, the same right based on an old English common law now granted to lawyers, physicians & clergymen."

NAB's Broadcasting Engineering Conference Committee, planning for 1959 convention in Chicago's Conrad Hilton March 15-18, will be headed by Allan Powley, chief engineer of WMAL-TV & WMAL, Washington. Other committeemen: James H. Butts, KBTW, Denver; John H. DeWitt, WSM, Nashville; Joseph B. Epperson, WEWS, Cleveland; Julius Hetland, WDAY, Fargo; Wilson Raney, WREC, Memphis; James D. Russell, KKTW, Colorado Springs; Mel Burrill, KIMA-TV, Yakima; Frank Marx, ABC; James D. Parker, CBS-TV; Leslie S. Learned, MBS; Raymond F. Guy, NBC. Note: Jay W. Wright, exec. v.p. of KSL-TV & KSL, Salt Lake City, named chairman of NAB engineering advisory committee.

Setting up own sales staff for N. Y. area, dropping use of CBS-TV Spot Sales, network-owned N. Y. key WCBS-TV has appointed following under sales mgr. Norman Walt: Walter Stein, ex-CBS-TV Spot sales, research & sales promotion director; Wm. A. Morris, ex-Compton Adv., sales promotion mgr.; Marion Hampden, ex-CBS-TV Spot Sales, commercial traffic mgr. Sales staff comprises: Robert G. Baal, ex-CBS-TV; Alfred Di Giovanni, ex-NBC; Robert A. Innes, ex-Benton & Bowles; Tom Judge, ex-Closed-Circuit Telecasting System; Edward R. Kenefick, ex-NBC; John McCrory, ex-CBS-TV Spot Sales; James Osborn, ex-WXIX, Milwaukee; Stan Schloeder, ex-WABD (now WNEW-TV).

Article on all-Negro stations in Sept. 7 *Television Digest*, noting there are quite a few in radio but none in TV, impels WDAM-TV, Hattiesburg, Miss. (Ch. 9), 51% owned by WDSU-TV, New Orleans (Ch. 6) and repped by John E. Pearson, to advise us it's currently carrying all-Negro schedule every Sat., 9-11 a.m.; also that percentage of TV sets owned by Negro families follows population breakdown closely [57% in Miss., according to latest ARF figures; see *TV Factbook No. 27*, p. 38].

Baseball TV split of 25% of receipts from regular season games was demanded this week by National & American League players at executive council session of club owners in N. Y. Decision by owners is expected at annual winter meeting of owners in Dec.

First local sponsor to buy color spots on NBC's WRC-TV, Washington, is 100-store Peoples Drug Store chain, carrying them live on Art Lamb's daily midday *In Our Town* show, placed by Wm. D. Murdock Agency.

FCC reversed its staff this week in interpretation of political broadcasting rules, responding to plea of NAB (Vol. 14:37). Staff had informed radio KFPW, Ft. Smith, Ark. that, in giving candidate D. L. Grace "equal time," it should permit him to send spokesman if he chose. NAB said such procedure would produce "chaos," and Commission this week said that staff's interpretation was incorrect; that "the Commission is of the view that Mr. Grace's use under Sec. 315 would be limited to personal use." On Oct. 6, Commission is expected to issue revised question-&-answer document to aid broadcasters in handling political broadcasts. It brings up-to-date the Sept. 1954 report by inserting the interpretations in 19 new cases which have been announced since that time.

Printed FCC rules & regulations will be offered through new system to be instituted by Govt. Printing Office, which will print documents in 10 volumes, send subscribers amendments on loose-leaf replacement pages. Currently, documents are purchased from GPO in 37 separate parts, and amendments are sent to purchasers on an unsatisfactory clip-and-paste-in arrangement. Cost of volumes, to be offered one at a time, hasn't been determined yet. Commission estimates conversion to new system may take 3 years. Copies of proposed rule-making won't be available through new method, will continue to be published in *Federal Register*.

"Piecemeal" reallocation of spectrum in 25-890-mc. band was opposed by EIA this week in letter to FCC noting that 840-890-mc portion of uhf TV band is sought for common carrier use by Lenkurt Electric Co. (Vol. 14:37). EIA stated that Commission's current inquiry into use of whole 25-890-mc (Docket 11997) is proper forum for such requests. Hawaiian Telephone Co., following Lenkurt's lead, asked that 840-890 be assigned for common carrier use in Hawaii.

Television Digest

and ELECTRONICS REPORTS

WYATT BUILDING, WASHINGTON 5, D. C.

Weekly Newsletters Published Saturdays

Television Factbooks Published in March & September

AM-FM Directory Published in January

TV and AM-FM Addenda Published Weekly

MARTIN CODEL, Publisher

ROBERT CADEL, Bus. Mgr.

ALBERT WARREN, Senior Ed.

WILLIAM WIGHT, Managing Ed.

Associate Editors:

WILBUR H. BALDINGER

PAUL STONE

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Personal Notes: James Agostino, sales mgr., promoted to gen. mgr. of KXLY & KXLY-TV, Spokane (Ch. 4), succeeding Richard E. (Dick) Jones, who has sold his 10% interest to Joseph Harris, ex-Motion Pictures for TV, now interested in Flamingo Telefilm Sales & Essex Universal, and Norman E. Alexander, pres. of Sun Chemical Corp., N. Y., who were 45% stockholders and now 50% each; Jones, onetime DuMont & Storer executive, has also sold them his 20% interest in KELP & KELP-TV, El Paso (Ch. 13), managed by Harry Edelman . . . Rolf S. (Bud) Nielsen, ex-sales mgr. of KOB-TV, Albuquerque, named gen. sales mgr. of Dub Rogers' stations in Texas (KDUB-TV & KDUB, Lubbock; KPAR-TV, Abilene; KEDY-TV, Big Spring); John Henry, recently gen. mgr. of WEEQ-TV, LaSalle, Ill., ex-WDAF-TV, Kansas City & KOA-TV, Denver, named national sales mgr. . . William P. Dix Jr., ex-WOR-TV & WOR, N. Y., named asst. gen. mgr. of WGR-TV, Buffalo, reporting to v.p.-gen. mgr. Van Beuren W. DeVries . . . Rosel H. Hyde Jr., 31-year-old son of the veteran FCC member, engineering graduate of U of Maryland and recently out of Air Force, now Ampex distribution mgr. for instrumentation in Palo Alto (Cal.) area, on Oct. 18 will marry Nancy Wagner, recently secy. to Tom Taggart, Ampex mgr. of manufacturing at Redwood City plant . . . Sandy Cummings promoted to ABC-TV network program director, Hollywood . . . Lawrence M. Carino, ex-KTNT-TV & KTNT, Tacoma, named gen. sales mgr. of WWL-TV, New Orleans . . . Robert D. Gilman, ex-Eastern sales mgr. of WNAC-TV, WNAC, Boston, & Yankee Network, joins rep. H-R Television . . . Karl Nelson promoted to national sales mgr., WTAR-TV, Norfolk, sales v.p. Robert Lambe continuing over-all sales supervision of WTAR-TV & WTAR . . . Christopher J. Bodkin Jr., promoted to circulation director of *TV Guide*, succeeded as mid-Atlantic regional mgr. by Arthur Shulman . . . Jon Arden promoted to promotion, merchandising & marketing mgr., WCKT, Miami; Symon Cowles, ex-ABC & Warner

ADVERTISING AGENCIES: John Hertz Jr., ex-pres. of Buchanan & Co., now merged into Lennen & Newell, remains as head of Buchanan div.; exec. v.p. Wm. Dasheff becomes senior v.p., Fred Keith Los Angeles v.p. . . Robert J. Gillen Jr., ex-J. M. Mathes Adv., appointed station relations mgr. & coordinator of adv. & merchandising, Hazel Bishop Inc. . . John N. Calley, ex-Henry Jaffe Enterprises, N. Y. named director of TV-radio program development, Ted Bates Inc. . . John Martin promoted to v.p., BBDO Minneapolis office . . . Ben Alcock promoted to v.p. of Grey Adv. . . Lincoln Diamant, ex-McCann-Erickson, named v.p. of Delehanty, Kurnit & Geller Adv., N. Y. . . Richard Crisp named marketing director of Guild, Bascom & Bonfigli, San Francisco, following agency's acquisition of his Chicago management consulting firm . . . Shippen Geer resigns as public relations v.p. of Fuller & Smith & Ross to become v.p. & gen. mgr. of new Inter Ocean Publicity Inc., N. Y.

Bros., to mgr. of audience promotion & publicity . . . Charles Mason, ex-program mgr. of WSUN-TV, St. Petersburg, Fla., more recently gen. mgr. of upcoming educational WEDU, Tampa (Ch. 3), joins Screen Gems southern div. . . Bill Bailey, ex-KOMA, named operations director of KOCO-TV, Enid-Oklahoma City . . . Alberta Hackett, administrative supervisor, promoted to business mgr. of KNXT, Los Angeles, Larry Lazarus becoming director of systems; production mgr. Floren Thompson named asst. business mgr., succeeded by ex-asst. sports director Harold Uplinger . . . John G. Garrison, ex-Official Films, named national syndication director of Guild Films . . . Thomas C. Cureton promoted to promotion mgr. of WIS-TV, Columbia, S. C. . . O. Wayne Rollins, pres. & 66 2/3% owner of Rollins Broadcasting Co., operating WPTZ, Plattsburgh, N. Y. (Ch. 5) and 6 radio stations, applicant for Ch. 12 of Storer's former WVUE, Philadelphia (Vol. 14:37), now controls firm by virtue of acquiring 16 2/3% of stock of his brother, ex-Lt. Gov. of Del., John W. Rollins; this week he named all station mgrs. as v.p.'s, also elevating Henry B. Tippie, Albert R. Lanphear & Madalyn Pruett Copley at Wilmington headquarters to v.p.'s . . . Maurie E. Webster, sales mgr. of CBS Pacific network & KNX, Los Angeles, promoted to gen. mgr. of KCBS, San Francisco, succeeding Henry Untermeyer, reassigned to N. Y. . . Tom Flynn, ex-KMJ-TV, Fresno, shifted to mgr. of McClatchy's KERN, Bakersfield.

J. Elroy McCaw, 46-year-old TV-radio station owner, is in Swedish Hospital, Seattle, recovering from an auto collision Sept. 27 in which he suffered serious head, chest, knee & ankle injuries. He's owner of TV stations KTVW, Tacoma; 50% of KTVR, Denver; 25% of KONA, Honolulu. He also owns or has interests in radio stations WINS, N. Y.; KDAY, Santa Monica, Cal.; KALE, Richmond, Wash.; KELA, Centralia, Wash., and was formerly owner of Seattle Americans hockey club.

If he's being considered for the projected Presidential commission to probe uses of the spectrum (Vol. 14:37-38), Dr. Irvin Stewart, recent pres. of U of W. Va. and 1934-37 member of FCC, knows nothing about it. That's what he writes from Laval U, Quebec City, one of stops on one-year Ford Foundation political science study tour, which takes him next to U of Cal. & U of Hawaii. He resigned in June from university presidency, planning to return after year to W. Va. U as professor of political science.

Robert F. Lewine, NBC-TV network program v.p., will be principal speaker at dedication of Ithaca (N. Y.) College TV-radio studios, Oct. 11.

Paul M. McDonough, attorney in FCC Office of Opinions & Review, named administrative asst. to Chairman Doerfer, succeeding Joseph M. Sitrick, who in mid-Oct. joins Washington staff of station brokers Blackburn & Co. McDonough, son of Rep. Gordon L. McDonough (R-Cal.), is 37, served as deputy city attorney of Los Angeles 1952-54, then with Los Angeles firm of Cantillon & Cantillon before joining FCC in 1957.

Michael M. Sillerman has resigned as exec. v.p. of TPA following \$11,350,000 purchase of TPA & merger with Jack Wrather's ITC (Vol. 14:38); pres. of ITC-TPA, as new company is known, is Walter Kingsley, ex-Ziv.

Obituary

Milton C. Scott, 51, chief engineer of WCKT, Miami, once with pioneer WIOD (later WCKR), died Sept. 20 in Miami. Surviving are widow, son.

AFTRA-SAG Merger Favored: N. Y. branch of Screen Actors Guild voted 217-2 this week for merger "in the field of TV" with American Federation of TV & Radio Artists—move long sought by AFTRA but opposed by SAG directors (Vol. 14:33). It was first time issue had been submitted to general SAG membership meeting. Approved resolution called on SAG's board "to take immediate steps to implement procedures" for merger, demanded "referendum of the entire membership of the SAG" on question if directors fail to act. Meanwhile AFTRA's Chicago chapter petitioned FCC to review NBC's license renewals, protesting network's local performer hiring-firing practices. AFTRA unit said NBC denies local advertisers opportunity of hiring local performers, stifles cultural possibilities of TV by its practices, ignores community interests by firing many performers, is interested only in "exorbitant" profits.

Harris Eyes Pay-TV: Most active foe of pay-TV in Congress, Rep. Harris (D-Ark.), chairman of Commerce Committee, this week disclosed plans for hearings on toll-TV plans for professional sports—starting in Jan. or earlier. Stimulated by recent talk about Skiatron's plans for wired pay system in N. Y. and on west coast (Vol. 14:36-38), Harris has sent queries about toll status to Skiatron, pro baseball & football teams in Los Angeles & San Francisco, and the telephone companies which presumably would supply cable facilities. In announcing plans, Harris stated: "Subscription TV limits the viewing of major sports events and other programs to those who are willing and able to pay. This constitutes a major departure from our present system of free broadcasting."

Omar F. Elder Jr., ABC secy. & asst. gen. counsel, has been named chairman of NAB copyright committee. Also appointed: Charles A. Batson, WIS-TV & WIS, Columbia, S. C.; attorney Robert M. Booth Jr., Washington; Ian A. Elliott, KATL, Miles City, Mont.; Robert V. Evans, CBS-TV; Leonard H. Higgins, KTNT-TV, Tacoma; Philip G. Lasky, Westinghouse stations; Douglas L. Manship, WBRZ, Baton Rouge; Harry R. Olsson Jr., NBC, N. Y.; Robert R. Tincher, WHTN-TV & WHTN, Huntington, W. Va.; J. Pattison Williams, WING, Dayton; Gunnar O. Wiig, WROC-TV, Rochester.

Experimental Ch. 12 operation of WJMR-TV, New Orleans, which also operates simultaneously on its regular Ch. 20, should be stopped immediately, according to WJTV, Jackson, Miss. (Ch. 12). WJMR-TV's Ch. 12 transmitter is less than FCC rules-required 190-mi.; grant was made so WJMR-TV could compare vhf & uhf signals. Court of Appeals ruled that Commission shouldn't have made experimental grant without a hearing, sent case back to FCC (Vol. 14:21). This week, WJTV noted that Court of Appeal's mandate was delivered to FCC Sept. 29, insisted that WJMR-TV must cease Ch. 12 operation "forthwith."

Allocations petitions filed with FCC this week: (1) Add Ch. 5 to El Centro, Cal., deleting Ch. 13 from Yuma, Ariz.; or add Ch. 5 to El Centro, leaving Ch. 13 in Yuma; or shift Ch. 13 from Yuma to El Centro—filed by Marietta Investment Co., which lost its CP for Ch. 13 in Yuma (KYAT) when FCC ruled it gave no good reason for delaying construction (Vol. 14:38). (2) Reserve Ch. 13, Bakersfield, Cal. for education—filed by Kern County Bcstg. Co., Bakersfield Ch. 17 applicant.

Oilman Jack Wrather's expanding TV film operations (Vol. 14:38-39) is cue for article "U. S. TV Taps World-wide Markets" featured in Sept. 27 *Business Week*.

Another CATV Victory: N. Y. Telephone Co. must let projected community antenna system in Massena use its poles, N. Y. Public Service Commission ruled Sept. 29 in decision on complaint filed by Antenna Systems Corp. (Vol. 14:29). PSC argued it would be "discriminatory" for phone company to deny pole attachment rights to new CATV systems after having given them to earlier operators. Last week, Wyo. operators and NCTA won significant court decision which held that CATV systems aren't public utilities, don't come under state laws—because they're in interstate commerce (Vol. 14:39).

Robert D. Swezey, exec. v.p. of WDSU-TV & WDSU, New Orleans, again heads NAB's freedom of information committee. Others named by pres. Harold E. Fellows: Campbell Arnoux, WTAR-TV & WTAR, Norfolk; Otto P. Brandt, KING-TV & KING, Seattle; Carl J. Burkland, WAVY-TV & WAVY, Portsmouth-Norfolk; Richard O. Dunning, KHQ-TV & KHQ, Spokane; Frank P. Fogarty, WOW-TV & WOW, Omaha; John S. Hayes, WTOP-TV & WTOP, Washington; Joseph Herold, KBTB, Denver; Daniel W. Kops, WAVZ, New Haven; Robert T. Mason, WMRN, Marion, O.; Robert L. Pratt, KGGF, Coffeyville, Kan.; Weston C. Pullen, *Time-Life* stations; Lawrence H. Rogers II, WSAZ-TV & WSAZ, Huntington, W. Va.; W. D. Rogers Jr., KDUB-TV & KDUB, Lubbock, Tex.; James W. Woodruff Jr., WRBL-TV & WRBL, Columbus, Ga.; John C. Daly, ABC; Robert F. Hurleigh, MBS, Washington; Sig Mickelson, CBS; Wm. McAndrew, NBC; Theodore F. Koop, Radio-TV News Directors Assn., Washington.

U.S. Information Agency creates new TV service headed by Romney Wheeler, resigned managing director of NBC Great Britain Ltd. (Vol. 14:35), in move to step up video propaganda abroad. Henry Loomis remains as head of radio Voice of America. In announcing Wheeler appointment, USIA director George V. Allen said new TV dept. will offer documentaries, special events coverage, features on American life to 485 overseas stations outside Iron Curtain. In annual report to Congress, Allen said Soviet Union last year spent \$500-750,000,000 for propaganda directed at non-Communist world, plus \$100,000,000 to jam Free World broadcasts—more than U. S. spent on entire information program.

Three applications for new TV stations were filed with FCC this week: For Ch. 8, High Point, N. C., by local group including owners of *High Point Enterprise*; for Ch. 10, Charlotte Amalie, Virgin Islands, by ex-radio producer Robert Moss and ex-WABC sales mgr. Robert E. Noble Jr.; for Ch. 8, Wailuku, Hawaii, by KONA, Honolulu (Ch. 2), for use as satellite. They bring total applications pending to 95 (27 uhf). [For details, see *TV Addenda 27-E*.]

Wired-TV franchise for Antelope Valley near Los Angeles, sought by Homevision Inc., has been rejected 4-1 by Los Angeles County Board. Opposition to permit was led by chairman Julius F. Tuchler of Los Angeles Citizens Committee Against Pay-TV (Vol. 14:38).

Educational TV-Radio Center at Ann Arbor, now headed by John F. White, ex-WQED, Pittsburgh, and soon to have headquarters in N. Y. (Vol. 14:37), has named Dean Earl V. Moore, of U of Mich. School of Music, as music program adviser.

Critic goes legit: John Crosby TV-radio columnist for the *N. Y. Herald Tribune*, has sold his first play. "Love in Public," 3-act comedy about communications & modern society, to Broadway producer Alexander H. Cohen.

STEREO BUSTIN' OUT ALL OVER (Cont.): "Stereo is off and running, now," was confident assertion of youthful, savvy Joseph H. Benjamin, pres. of Hi-Fi Institute and exec. v.p. of Pilot Radio as we buttonholed him at this week's big N.Y. show (see p. 1). "Business has been mighty good the last 2 months. IHFM members (the makers of hi-fi components and systems) will overcome a bad first half to do about a \$250,000,000 retail business for the year compared with \$225,000,000 in 1957. Of course, package set makers will do a much larger total volume but our part of the industry now is growing at a faster rate. We are looking ahead to another record year in 1959."

The stereo phono famine is about over, in Benjamin's view. "Record makers were worried earlier that we wouldn't have phonos to play the new stereo records -- but that emergency seems to have passed. I think they are pleasantly surprised at the volume of equipment already on the market." Whole problem, he added, seemed to resolve itself once Columbia Records dropped its push for compatibility (Vol. 14:14) and went along with an industry plan for dual monaural and stereo releases.

Advertisements featuring stereo are literally jamming the newspapers of some major markets, notably N.Y., Chicago & Los Angeles, where specialty and dept. stores have initiated heavy space schedules along with some spot radio. New brand names are cropping out, old-line TV-radio-phono makers not yet having begun the big push. That's due to break in next few weeks, geared to pre-Christmas sales and heavily at first in class magazines, then on TV-radio as gift-giving season approaches.

An international flavor, to say nothing of new brand names, was added to the Hi-Fi Show by initial showing of British Industries Corp., exclusive American distributor for Garrard, Leak, Warfedale, et al. British representatives said interest in stereo over there equals that in U.S. -- with BBC planning more stereo broadcasts this fall and phono-record manufacturers hard pressed to meet demands. The recent annual National Radio & TV Exhibition at Earls Court, London, which featured stereo, played to huge attendance, excited enormous enthusiasm.

Dealers Protest Extended Warranties: The conflict of interest between manufacturers and dealers over trend toward extended warranties -- which latter say is now "sapping profits" -- is headed for a showdown under 3-pronged "action program" just initiated by National Appliance & Radio-TV Dealers Assn. Exec. v.p. Al W. Bernsohn told us this week representations are being made to manufacturers to: (1) shorten warranty periods, (2) eliminate references to "free labor" in manufacturers' advertising and literature, (3) let dealer decide how much "free service" he can afford.

So-called "warranty race," with manufacturers bidding against each other on length of "free service," has dealer in a squeeze, said Bernsohn. "Dealer is best fitted to decide what free service should go with each sale. Further, he can use service as a bargaining point with each transaction."

TV-Radio Production: TV output was 128,358 sets in week ended Sept. 26 vs. 118,811 preceding week and 155,751 same week last year. Year's 38th week brought total TV production to 3,452,939 sets vs. 4,420,000 last year. Radio production for week was 305,230 (101,196 auto) vs. 309,962 (109,901 auto) in the preceding week and 356,290 (105,965 auto) in same week last year. Radio output for 38 weeks this year was 7,372,917 (2,281,100 auto) vs. 9,993,000 (3,732,000 auto) last year.

Internal Revenue Service, in new ruling (Rev. Rul. 58-468), says 10% excise tax doesn't apply to sales of "device which fits on an individual's ear and allows him to hear sound signals from any apparatus that normally

uses a speaker for its output." But, if ear gadget is sold as "part or accessory for a radio or TV receiving set, a phonograph, or combination," excise applies to "total sales price of the complete set."

Trade Personals: Lester J. Neuman, pres. of Warwick Mfg. Corp., Chicago, controlled by Sears Roebuck and making its Silvertone line of TVs & radios as well as private-label hi-fi & recording equipment for other companies, relinquishes that post Oct. 15 and will be succeeded by L. G. Haggerty, resigned pres. of Capehart-Farnsworth. Neuman has been on loan from parent company since Jan., returns to old job of asst. to Sears Roebuck v.p. in charge of manufacturing; he had taken charge on retirement of ex-pres. John S. Holmes & exec. v.p. Gordon G. Brittan, latter now spending year in Europe . . . L. W. Teegarden, onetime RCA exec. v.p. and head of its tube operations, recently v.p.-distribution, who retired last summer at age 68, is now associated with Mayner, Dibrell & Co., Philadelphia management consultants . . . Vice Adm. B. Hall Hanlon (USN ret.) named Magnavox Washington v.p. . . . Robert T. Champion promoted to v.p. of Siegler Corp.; Edward C. Lindsay, ex-Mercury Engineering, Milwaukee, named manufacturing v.p. of Siegler's Hufford Corp. div. . . . O. W. Murray, exec. v.p. of Pathe Labs, film processor, elected pres., succeeding Kenneth M. Young, retired; David J. Melamed, Pathe treas. and associated with parent Chesapeake Industries Inc., elected exec. v.p. . . . Wm. J. Kaiser Jr. promoted to Milwaukee district sales mgr., GE receiving tube dept. . . . Robert H. Dolbear resigns as sales mgr. of GE cathode ray tube div., future plans to be announced . . . F. J. Van Poppelen, ex-GE, named sales mgr. of Motorola semiconductor div. . . . George Tallent promoted to CBS-Hytron semiconductor quality control mgr. . . . Gene R. Miller resigns as adv. & sales promotion mgr. of V-M Corp., Benton Harbor . . . Dr. Alfred N. Goldsmith, 30-year veteran of RCA as engineering v.p. & consultant, ex-IRE pres., elected a director of RCA Communications.

E. C. (Andy) Anderson, RCA exec. v.p.-public relations, suffered a slight coronary Sept. 30, will be confined for at least month in Nantucket (Mass.) Cottage Hospital.

ELECTRONIC PERSONALS: Glen McDaniel, onetime RCA v.p. & gen. counsel, ex-EIA pres., who became v.p. of Litton Industries in May, named pres. of Westrex div., recently bought by Litton from Western Electric; E. Edward Warn continues as v.p. & gen. mgr. . . . Bertram B. Tower, v.p. of American Cable & Radio Corp. div. of ITT, named pres., succeeding Ellery W. Stone, elected chairman. . . . C. W. Cowing promoted to sales mgr. of new GE Air Force sales dept., Syracuse . . . Maj. Gen. A. L. Pachynski, who retired in July as Air Force communications-electronics director, named program planning director of Lenkurt Electric . . . Hoyle U. Scott, ex-Navy Bureau of Aeronautics, named v.p., Webcor electronic div. . . . Glen R. Simmons named research & development director of Western Electric Princeton research center . . . Dr. Martin Schilling, Army missile expert, named advanced development director of Raytheon's missile systems div., resigning as projects chief at Redstone Missile Labs . . . Paul L. Schiavone promoted to manufacturing costs mgr. of Sylvania electronic systems div., succeeding Harold Patterson, now business mgr. of Sylvania Waltham labs . . . Clifford A. Sharpe promoted to senior v.p. of American Bosch Arma . . . Lee D. Webster, ex-Dresser Industries, named v.p. of Ling Electronics . . . Henry L. Bechard, ex-Daystrom, named customer relations mgr. of Thompson-Ramo-Wooldridge.

1959 NAMM Music Show scheduled for June 22-25 in New York's Hotel New Yorker and Trade Show Bldg.

DISTRIBUTOR NOTES: Admiral, which recently announced merger of its Baltimore & Washington branch operations (Vol. 14:38), now appoints Kaufman Distributors to handle territory formerly serviced by Baltimore branch . . . Southern Wholesalers, Baltimore div., names Leo F. Lisee, ex-Admiral Distributors, Washington, sales mgr. for Kelvinator appliances . . . Jensen Industries appoints Crockett, Lund & Co., Dallas, for phono parts . . . Pyramid Electric appoints Hyde Sales, Denver, for components . . . Gray hi-fi div. appoints 14 for phonos, components: Ed. Brandt Co., San Francisco; R. Mark Markman Co., Los Angeles; Paul Hayden & Assoc., East Point, Ga.; W. G. Kelly Co., Kansas City; Walter Marsh & Assoc., Oak Park, Ill.; K. C. Burcaw Co., Detroit; Ernest Wilks Co., Dallas; Fred Rosenwasser Co., Cleveland; Wm. Lanphear, Seattle; H. A. Goodman Co., Philadelphia; Leo Jacobson Co., Buffalo; M. C. Grossman Sales Co., Newton, Mass.; Robert O. Whitsell Assoc., Indianapolis; Gramercy Sound Assoc., N. Y.

ITT has consolidated its Federal Telephone & Radio Co., Clifton, N. J., and Farnsworth Electronics Co., Ft. Wayne, under former's pres. Delbert L. Mills and with Farnsworth v.p. Vernon L. Haag named gen. mgr. of Ft. Wayne operations. Farnsworth pres. L. G. Haggerty has resigned to become pres. of Warwick Mfg. Co., Chicago. Headquarters of combined divs. will be Clifton, with Mills reporting to Fred M. Farwell, ITT exec. v.p.-U. S. Group.

Paul A. Gorman, former Western Electric v.p. in charge of manufacturing, named early this year as operations v.p., N. J. Bell Telephone Co., one of largest AT&T operating units, this week was elected pres. of N. J. Bell, succeeding Wm. A. Hughes, now chairman; Carl O. Lindeman, AT&T exec. v.p., succeeds Gorman.

Lynwood Cosby, Naval Research Lab electronic scientist, receives Navy's highest civilian award, Distinguished Civilian Service Award, for "major breakthrough" in electronics countermeasures.

"Space Vehicle Television," technical paper by C. P. Sonnett, is one of topics to be presented during IRE's symposium on "extended range & space communications" at George Washington U's Lisner Auditorium, Washington, Oct. 6-7. Major paper, to be delivered evening of Oct. 6 by Dr. John R. Pierce, Bell Labs, is "Transoceanic Communication by Means of Passive Satellites." His abstract states: "Satellites might serve as radio repeater sites to provide us with broad-band transoceanic communication, channels for multi-channel telephone & TV. Powered repeaters might be used, but the use of large metallized spheres as passive reflectors is also plausible. Two recent advances have brought the use of passive repeaters nearer to feasibility: the successful launching of satellites, and the invention of a very low-noise solid-state microwave amplifier, the maser."

Educational forum for distributors will feature 1959 Electronic Parts Distributors Show in Chicago, May 18-20, according to gen. mgr. Kenneth C. Prince, who said professional counselling organization will be selected to arrange and supervise program. Sidney Harman, of Harman-Kardon, Westbury, N. Y., heads educational and program committee, with Jack D. Hughes of Littlefuse Inc., Des Plaines, Ill., as vice chairman.

CBS Labs new research center, Stamford, Conn., will be dedicated Oct. 7. Roy W. Johnson, director of Defense Dept.'s Advanced Research Projects Agency, makes principal address.

Report on Magnavox: Magnavox's report for fiscal year ended June 30, released to stockholders Sept. 26, for first time publicly acknowledges liquidation and discontinuance of Sentinel and Spartan brands, acquired by purchase, "because it was found they did not fit the Magnavox policy of direct to dealer distribution." Report reaffirms "wisdom" of that policy, also of "our successful policy based on enduring furniture design and the avoidance of annual model changes." With 24 basic TV models, usable also as second sound system required for stereo, and with phonograph and radio-phono business on upgrade, stimulated by stereo, report forecasts "increasing share of the market potential" for firm's consumer goods.

Magnavox management explained this week that its original purpose in taking over and offering Spartan was to expand through broader distribution, notably in rural areas, but general market conditions led to conclusion it was better to drop it in interest of economy. Sentinel was purchased primarily to acquire its new plant in Evanston, with intention of using plant solely for production of color sets. After producing a few hundred color sets, it was decided "we had jumped the gun on color" and the plant was sold, its jigs and fixtures being moved to the Greenville (Tenn.) plant "in order to put us in a position to be prepared to resurrect our color production when we felt the time was desirable . . .

"While we did not produce any color sets last year, we have one large deluxe console model in the line this year. We have it not because there have been indications of a big increase in color business but rather because there

Upturn in Movies: Republic Pictures this week reported net income of \$1,296,065 (50¢ per share) in 39 weeks ended July 26 vs. net loss of \$248,895 year earlier. And advance reports in *Wall St. Journal* on 3 other Hollywood majors—Paramount, Loew's MGM and United Artists—were other bright spots in usually gloomy movie industry. Paramount v.p. Paul Raibourn said upward trend in first 6 months (Vol. 14:33) continued through 9 months and earnings from operations "ought to be a little better" than \$2.13 per share in same 1957 period. He also mentioned "surprise in store" in Paramount plans for 1500 old silent features, but declined to say whether company is thinking of selling them to TV. Loew's pres. Joseph Vogel said that following bleak periods in recent years (Vol. 14:31), MGM is making money, will be in black for first fiscal quarter ending Nov. 30 vs. \$4,700,000 loss year earlier, has big earners in such pictures as "Cat on a Hot Tin Roof," "Reluctant Debutante," "High School Confidential." United Artists chairman Robert S. Benjamin said second 1958 half should continue first half uptrend when earnings were record \$1,319,000 (Vol. 14:37).

Higher definition TV is needed in Britain, according to Pye Ltd. chairman C. O. Stanley, who urges in annual report that a wideband system be adopted. As for color, he says: "Firstly, of course, we should proceed slowly and not imagine, as America did, that color would come overnight and suddenly break into a market of millions of sets. Second, we must learn by all the mistakes which have been made in America. And finally, let us try to do two things: Get a black-&-white system that is so good that it is valuable not only as entertainment but as an investment on its own merits."

have been enough dealers that have indicated to us that we could make scattered sales and they felt we needed it in order to complete our line."

Regarded in the trade as one of its best managed companies, the Ft. Wayne firm, which now has 8 plants in 6 cities, enjoyed second best year in its history—sales for fiscal year running \$82,592,113, net profit \$2,622,628 (\$2.50 per share) as against record 1957's \$87,467,864 & \$3,759,226 (\$3.70). Annual dividend of \$2.37½ was maintained and working capital dropped to \$16,486,890 from \$18,381,662 year ago while net worth climbed to \$23,542,119 from \$22,590,979. Taxes for year ran about twice net earnings—"major factor [being] trend of the various states and municipalities to increase their revenues at the expense of business."

Operating results and sales volume were said to have been adversely affected by general economic recession and the curtailment of military production schedules and by narrow profit margins on civilian products. Govt. & industrial products sales increased slightly over preceding year, company presently being in large-scale production of uhf systems for military aircraft and airborne radar. Research & development expenditures were about \$9,500,000 last year, 11.5% of total sales.

Proxy statement with notice for stockholders meeting Oct. 29 shows 941,278 shares of common and 115,154 of cumulative convertible preferred outstanding as of Aug. 31. Officer-director remunerations and common stockholdings were listed as follows: R. A. O'Connor, chairman, salary \$65,000 (50,857 shares); Frank Freimann, pres., \$75,000 (78,598); Gerard M. Ungaro, v.p., secy. & gen. counsel, \$40,000 (6527); Leonard F. Cramer, v.p., radio-TV div., \$50,000 (no stock).

Avco earnings, including TV-radio income from profitable Crosley stations subsidiary, rose to \$7,540,631 (80¢ per share) on sales of \$201,304,481 in 9 months ended Aug. 31 from \$6,223,181 (66¢) on \$238,983,886 year earlier, drop in sales reflecting halt in piston aircraft engine production. Report noted continued satisfactory results from TV-radio properties, good returns from electronics, airframe & farm equipment manufacturing and from research & development.

Raytheon, which increased sales & profits in first 1958 half (Vol. 14:31), will show record operating volume & earnings for full year, pres. Charles F. Adams told *Wall St. Journal* this week. He said sales should exceed \$325,000,000 vs. \$259,800,000 in 1957, "operating profits will show a substantial improvement" over last year's \$4,828,000 (\$1.70 per share). Backlog of govt. contracts—now representing 85% of Raytheon's business—totaled \$325,000,000 in first 9 months.

Reports & comments available: On Magnavox, review by Fahnstock & Co., 65 Broadway, N. Y. On Daystrom, discussion by Filor, Bullard & Smyth, 26 Broadway, N. Y. On Loew's, report by Eastman Dillon, Union Securities & Co., 15 Broad St., N. Y. On AT&T, review by Hirsch & Co., 25 Broad St., and analysis by David J. Greene & Co., 72 Wall St., N. Y. On Ling Electronics, study by J. A. Hogle & Co., 40 Wall St., N. Y.

Dividends: National Theatres, 12½¢ payable Oct. 30 to stockholders of record Oct. 16; Wells-Gardner, 10¢ Oct. 15 to holders Oct. 6; Avco, 10¢ Nov. 20 to holders Oct. 31.

Raytheon expands govt. equipment div. with new plant at No. Dighton, Mass., to employ about 1000.

Return of Eidophor: Virtually forgotten for years, the Eidophor system of big-screen TV (see p. 2) will be unveiled with considerable fanfare at meeting of American Assn. for Advancement of Science in Washington Dec. 27-30, under aegis of CIBA Pharmaceutical Products Inc. Two projectors will be on hand, one for technical sessions, other for exhibition. They were made in Zurich, Switzerland, by Dr. Edgar Gretener A.G., wholly-owned subsidiary of CIBA, will be fed by color cameras produced here by GE. Equipment and "staging" will be handled by Teletalent, new N. Y. closed-circuit organization.

GE holds rights to make projectors in U.S., and 20th Century-Fox is in the picture, too; 20th demonstrated equipment in U. S. originally in 1952 (Vol. 8:3, 5-6, 21, 26, 31, 33), and reportedly is considering ordering theatre-TV-type units from GE—as is TelePrompTer.

CIBA and Teletalent principals claim that Eidophor has been improved enormously in 6 years of development. It still uses same basic principles—film of oil on concave mirror in vacuum, modulated by electronic beam, with resultant "wrinkles" in film projected through special grating. However, equipment is now portable, reduced from 3000 to 800 lbs., and it uses xenon light. For color, it still employs field-sequential system with rotating disc. Largest projection is about 15½x11½-ft. During 1952 showings, system left generally good impression—particularly for its brightness (Vol. 8:26). Then, it was shown on 24x18-ft. screen, using 8-mc bandwidth and arc light source.

The AAAS demonstrations will be of material selected by AAAS groups—physics, chemistry, geology, botany, zoology. For Dec. 29-30 climax, there will be symposium on congenital heart disease ending with live open-heart operation.

Supervising this portion of AAAS program, along with several others, is Dr. D. B. Judd, noted Bureau of Standards color expert who testified during FCC's celebrated color-TV hearings (Vol. 6:16).

Notes on Educational TV: New twist in educational TV is closed-circuit system to alleviate overcrowding in Ohio State U law library by record-size freshman law class. Writes director Richard B. Hull of institution's WOSU & WOSU-TV (Ch. 34): "It is impossible presently to get all the freshman law students into the library for orientation or even into a single auditorium. Therefore, we are doing a closed-circuit TV job with the law librarian and a couple of student 'guinea pigs' showing how the library works and feeding it to students in different locations." Other ETV developments:

Nation's biggest class will be called to order Oct. 6 when Dr. Harvey E. White, vice-chairman of U of Cal.'s physics dept. & AEC consultant, launches *Continental Classroom* on NBC, 6:30-7 a.m. weekdays (Vol. 14:38). The noted physicist, who will conduct TV classes during fall & spring semesters, assisted by leading scientists and Nobel Prize winners, said ETV experiment marked "first time in history of TV that a full-year course in any field of education is offered to the general public on a nationwide basis." More than 300 universities & colleges offer credit for the nuclear age physics course, beamed primarily at high school science teachers.

Reports persist that Philadelphia's year-old ETV outlet, WHYY-TV (Ch. 35), may go off air if local board of

Television Factbooks Going Fast

OFF THE PRESSES only 2 weeks, *Television Factbook No. 27*, Fall-Winter edition of the TV-radio & associated electronic industries' standard reference book, has already sold some 3500 copies over and above its normal subscription run. It looks now as though extra-copy sales will exhaust the supply within a month or two, so we urge you not to put off ordering the additional copies you may need. Completely indexed, this 496pp. semi-annual "almanac" provides ready access to a wealth of basic data on all U. S., Canadian and World TV stations and networks (including complete rate cards of the U. S. & Canadian networks and digests of all station rate cards); new census of TV sets by states & counties; data on all CPs outstanding and applications pending; updated allocations tables. All other depts. have been updated, too, including directories of the FCC, TV sales reps, program producers & distributors, manufacturers of TV-radio sets, tubes & transistors, TV-radio attorneys, consulting engineers, specialized consultants, electronic labs, etc. etc. Included with each *Factbook* is a revised copy of our 34x22-in. Map of TV Cities and Network Interconnections, in color, suitable for framing. *Television Factbook No. 27* costs \$5 for a single copy; \$3.50 each for 5 or more.

Like other TV-conscious pharmaceutical houses, CIBA is stepping up its use of the medium—just last week sponsored filmed heart operation over WMAL-TV, Washington. It plans 8-10 showings of Eidophor next year, including use at spring meeting of American Academy of General Practice in San Francisco and plastics industry session in Chicago in March.

CIBA's Dr. R. H. Roberts, who has been working on projects for several months at CIBA's Summit, N. J. headquarters, emphasizes that his company's purpose is to offer system as a "tool for education and demonstration" by scientific organizations; that it has no plans to make or sell equipment here.

education is required to withdraw its annual \$200,000 contribution for operation and divert sum to new Youth Conservation Board created to cope with juvenile problems.

Little Rock's crash ETV program (Vol. 14:39) appeared to be bogging down at close of 2nd week of operation, with TV instructors complaining that one-way teaching is "boring," students finding that unanswered questions are frustrating.

N. Y. Metropolitan Educational TV Assn. adds TV courses in basic Russian and Far East history & politics on WPIX, N. Y. (Ch. 11). It now provides more than 30 hours of ETV on leased time per week.

Still another station—WGBH-TV, Boston (Ch. 2)—is offering Russian language for credit beginning Oct. 6, course being taught by Harvard Prof. Horace G. Lunt; need for accelerated Russian study programs is pointed up by participating Lowell Institute Cooperative Broadcasting Council, which reports: "Only an estimated 8000 Americans are studying Russian, as opposed to 10,000,000 people from Soviet countries who are studying English."

New York U's singularly successful *Sunrise Semester* on WCBS-TV, N. Y. (Ch. 2) resumes (Mon.-Fri. 6:30-7:30 a.m., Sat. 7-8 a.m.), university disclosing it may telecast a major portion of its liberal arts program soon; syndicated film of 1957-58 telecourse currently is aired in 9 other communities.

**THE
AUTHORITATIVE**

WEEKLY NEWS DIGEST
FOR EXECUTIVES OF THE
VISUAL BROADCASTING,
AND ASSOCIATED
RADIO & ELECTRONICS
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SUMMARY-INDEX OF THE WEEK'S NEWS — October 11, 1958

CBS-OWNED HARTFORD UHF closing down in favor of WTIC-TV (Ch. 3), victim of intermixture. Second network-owned uhf to quit, 88th thus far (p. 1).

BUSINESS RECESSION RECEDING: Reports of economic pundits indicate lost ground being recovered, income and consumer demand up, optimism prevailing (p. 2).

MICROWAVE GRANTED FOR CATV to serve 3 Texas towns as FCC begins case-by-case study of station-CATV fight. Tough cases yet to come (p. 3).

RIGHT OF NEWSMEN TO WITHHOLD confidential sources is issue headed for Supreme Court; new Justice Stewart wrote opinion being appealed (p. 4).

STEREO MULTIPLEX STANDARDS precipitating FCC struggle. High Fidelity Assn., GE ask more experiments. Halstead urges own system (p. 5).

TRANSOCEANIC TV TRANSMISSION via satellite relays expected in not too distant future, says Bell Labs' Dr. Pierce. Passive & active repeaters described (p. 6).

CINEMASCOPE-SHAPED TV suggested by engineer Madison Carwein and BBC design chief Richard Levin, both arguing that present 4:3 ratio is wasteful (p. 6).

WEEK'S NEW STATION STARTERS are WJRT, Flint, Mich. (Ch. 12) & KCMT, Alexandria, Minn. (Ch. 7), bringing on-air total to 534 (p. 7).

WHO'S WHO IN AMERICA lists more than 400 ad agency executives, most in N. Y. & Chicago (p. 16).

Manufacturing-Distribution-Finance

TV SALES HIT PEAK for year in Sept., presaging better-than-anticipated fall selling season. Industry leaders highly optimistic (p. 11).

ACCOLADES FOR STEREO voiced by music critics, industry leaders alike after highly successful N. Y. Hi-Fi Show and news of sales upswing (pp. 11 & 15).

PRICE ADVERTISING TRICKERY in 'bargain' sales is target of new FTC drive. Staff enforcement manual details 9 gimmicks in use (p. 12).

RCA REALIGNS TOP EXECUTIVES, Odorizzi heading consumer products & services, Watts adding to duties. Operational Big 5 report to pres. Burns (p. 13).

TV-RADIO PRODUCTION TREND UP but totals for Aug. and first 8 months of 1958 still lag behind last year. Retail sales figures revised upward (p. 15).

CBS DROPPING OWN UHF FOR HARTFORD VHF: "Deintermix or die" seems by way of becoming an immutable law in FCC's patchwork vhf-uhf structure -- and this week's notice by CBS that it's abandoning its own uhf WHCT, Hartford (Ch. 18) as of Nov. 15 in favor of an affiliation with Travelers Life Insurance Co.'s one-year-old vhf WTIC-TV there (Ch. 3) will now be cited as another case example of the need for reallocation on an all-vhf, all-uhf or extensively deintermixed basis.

CBS stated frankly that competitive forces -- "hard economic realities" -- led to its "reluctant decision" to give up its own noble but profitless experiment in uhf ownership & operation; that if it had not affiliated with the wider-coverage vhf outlet in Hartford, its rival NBC might have done so. NBC has had a basic radio affiliation with Travelers' WTIC since its founding, which is said to be unaffected by the TV deal. NBC also owns & operates Ch. 30 WNBC in that area, while ABC is affiliated with New Haven's vhf WNHC-TV on Ch. 8.

WTIC-TV becomes basic CBS at \$1750 per Class A hour, replacing WHCT at \$700. WNBC's base rate on NBC is \$600, WNHC-TV's on ABC \$1400. CBS says it has no intention of severing affiliation with uhf WHYH-TV, Springfield-Holyoke (Ch. 40), located only about 30 mi. from WTIC-TV and within Ch. 3 primary service range, with which it recently signed usual 2-year renewal contract to offer it as an optional at \$450.

Reiterated was CBS's "current intention" to continue to own and operate its remaining uhf, WXIX, Milwaukee (Ch. 18), also in an intermixed area; this station, it was stated, also makes little or no money but its picture was recently improved

by moving down from Ch. 19 to avoid bothersome second harmonic interference.

"CBS is still hopeful about the future of uhf," said its statement. "We continue to believe that in appropriate circumstances, uhf can provide a fully satisfactory and competitive service. We will seek another uhf investment to restore the full permissible station ownership quota [5 vhf, 2 uhf] under FCC regulations."

The CBS move away from uhf in intermixed lower New England -- where there are still more uhf than vhf outlets, some doing quite well -- follows shutdown Sept. 30 of NBC-owned uhf WBUF, Buffalo (Ch. 17) in favor of basic affiliation with new vhf WGR-TV (Ch. 2), independently owned and now sold at \$1400 in lieu of WBUF's \$625. As NBC did in Buffalo, where staff of 52 was disbanded (Vol. 14:39), CBS is seeking to find places within its own organization for most of Hartford staff of 70.

CBS had operated WHCT exactly 2 years, having acquired it by purchase for \$650,000. NBC operated Buffalo just under 3 years, buying it for \$312,000. It's an interesting fact that more uhf's have gone off the air than have survived -- 88, to be exact, with 84 still surviving if you deduct month-to-go WHCT (see also p. 7).

* * * *

At FCC there was deep regret over demise of another uhf, especially one so strongly backed by economic and technical know-how -- for it reemphasizes faults of FCC's allocation plan. There was no disposition to criticize CBS. As in case of NBC's Buffalo recent uhf shutdown, move was regarded as one of business judgment in which FCC members have no right to interfere.

But it was manifest that urgency of FCC's hunt for allocations solution has been intensified by the CBS defection in Hartford and NBC's in Buffalo -- and it's apparent some members of Senate Commerce Committee are bound to be displeased, particularly Sen. Pastore (D-R.I.) who once plumped for deintermixture of Hartford and the addition of another vhf channel to Providence. As for the commissioners:

"Makes me sick to my stomach," said Comr. Bartley, who long has held that extensive deintermixture could prevent such failures. Another member told us: "It distresses me, but it's a business judgment out of our hands. Networks were balanced there, now they're imbalanced, and it may suggest the need for power to correct such imbalances." Still another commissioner's comment:

"The impact on allocations and deintermixture depends on what our own studies turn up. CBS's move may turn out to be good or bad; I don't know now. I wouldn't undertake to tell CBS how to run a network. They have to use their own business judgment, taking things as they exist under FCC's actions to date."

THE RECEDING BUSINESS RECESSION: The appraisal of general business conditions by the usually cautiously conservative and sometimes staid First National City Bank so well buttons up what most of the more important business services are saying that we feel we can do little better than quote verbatim from its current newsletter:

"The business recovery is continuing at a good pace on a broad front. Preliminary reports for Sept. indicate that production and sales have risen further... Particularly encouraging is the month's news from the capital goods industries. These industries are the laggards in the upturn, and, during the summer, while most business indexes were rising sharply, optimism was tempered by fear that the decline in capital expenditures had much further to go and would exert a prolonged depressing influence. Latest evidence, however, is that the drop in this key area has already bottomed out. No great rise is in sight, but even a sideways move is a help.

"Preliminary estimates show both personal income and personal consumption at new records during the third quarter, while economic activity generally -- as measured by gross national product -- appears to have recovered roughly two-thirds the ground lost during the recession. The persistent rise in prices, inflating dollar figures, causes them to understate the decline and overstate the rise in real terms, but, even after allowing for inflation, the gains are significant.

"More than one-half of the decline in the physical volume of industrial production was regained in the first 4 months of recovery. Between April & August, the Federal Reserve Index (seasonally adjusted, 1947-49 = 100) rose from a low of 126 to 137, making up 11 points of the preceding 20-point decline. The sharpest drop in output during the postwar period is thus being followed by the sharpest recovery. The problem now is how long the present speedy rate of recovery can be maintained.

"Four influences stand out as dominant in this rapid upsurge: shifting inventory & purchasing policies, strong consumer demand [except for autos, down 22% in 3rd quarter from 2nd], heavy govt. buying, and an upswing in home building..."

* * * *

Bolstering the foregoing was monthly report of National Assn. of Purchasing Agents, usually bellwether. "Business continues to get better," it states. "While we do not have anything approaching a boom, there is renewed optimism on many fronts." Despite spotty strikes, the purchasing agents report sharp increases in both production and new orders: 53% report improved production rates in Sept. as against 45% in Aug., only 9% saying their production is off; 58% say their new order situation has improved, only 13% reporting it as worse.

Dept. of Commerce this week reported unemployment at mid-Sept. was down about 600,000, biggest drop since last Dec., and stated that sales of wholesale merchants in Aug. ran \$9.8 billion, 2% over July but 4% below Aug. 1957. For first 8 months of this year, sales were running 6% below same 1957 period. Both the Kiplinger and Whaley-Eaton Washington services this week were "assessing" the extent of upturn in business -- and were ready to report "favorable aspects" but no boom yet.

Note: That the TV trade is sharing in the general economic upsurge, with retail sales achieving new peak in Sept., was indicated by this week's preliminary estimates of Electronic Industries Assn. (details, p. 11).

THE STATUS OF FCC'S CATV-MICROWAVE FREEZE: FCC has begun to sink its teeth into job of settling small station-community antenna fight (Vol. 14:16, et seq), and first specific action to come out of special meeting this week was to grant microwave to serve CATV systems in little towns of Childress, Memphis & Wellington, Tex. This is not at all a true melting of the microwave "freeze" imposed by the Commission because of fears expressed by several Western telecasters (Vol. 14:24).

Commission sources caution that the grant certainly doesn't mean that the freeze is over or that whole CATV policy has been set. Rather, it's the establishment of a case-by-case consideration -- and the Texas microwave was easy to grant. It will bring TV to towns that have no stations, no applications, little or no TV service from out-of-town stations -- and no one has opposed the microwave. Cheese will get more binding as Commission considers microwaves designed to serve CATV systems in towns with stations, CPs or applications.

Station & CATV operators are on tenterhooks now, waiting to see what Commission will do about other microwave applications. CATV spokesmen argue, apparently convincing substantial group within FCC, that Commission is on very tenuous legal grounds in withholding CPs. They insist that the microwaves, as common carriers, offer their services to all comers, and that Commission is barred from discriminating against CATV operators to protect station operators against competition. Latter maintain that CATV, bringing multiple TV service from big-city stations via microwave, can drive them out of business; that FCC has both power and duty of protecting local service against such "invasions."

Winner of microwave grant was Mesa Microwave Inc., subsidiary of aggressive Video Independent Theatres, big Oklahoma City-based outfit headed by Henry Griffing -- which has long string of theatres in Southwest, rapidly expanding CATV holdings and TV station interests [11.9% of KWTW, Oklahoma City (Ch. 9); CP for KKIT, Santa Fe (Ch. 2)]. Mesa Microwave has announced some very ambitious plans, intends to offer microwave service to all comers, nationwide eventually. It states that it is

"an independent communications common carrier offering a variety of services at rates which for the first time make it possible for many companies to look to common carriers to solve their special communication problems."

APPEAL FROM DICTUM BY JUSTICE STEWART: Now a journalistic cause celebre -- with the newspaper fraternity generally hailing N.Y. Herald Tribune's announced intention of carrying it to the U.S. Supreme Court -- case of TV-radio columnist Marie Torre may settle once-&-for-all the ancient question whether a reporter has the inherent right to protect his confidential news sources. And one thing's sure:

Justice Potter Stewart, the 43-year-old Cincinnati Federal court jurist named this week to the highest court in the land, will disqualify himself in the case. For it was he who wrote last week's unanimous opinion for the U.S. Court of Appeals in N.Y., sitting as visiting judge, upholding the lower court's criminal contempt conviction of Miss Torre for refusing to tell where she got certain quotes. Justice Stewart wrote, among other things, that freedom of the press "is not an absolute" (Vol. 14:40) -- and it's a long-cherished principle that's being fought out.

Counsel for Miss Torre, who touched off the litigation by refusing to name the "CBS executive" whose unflattering remarks about singer Judy Garland were quoted in her column, is ex-U.S. attorney Mathias F. Correa, now member of the law firm of Cahill, Gordon, Reindel & Ohl, who happens also to be counsel for RCA-NBC. Counsel for CBS in its own separate defense are Rosenman, Goldmark, Colin & Kaye.

Thus, with the newspaper carrying the issue to the highest court, with the nation's news fraternity jealous to retain its presumed right to withhold confidential news sources, with CBS fighting a \$1,393,333 breach of contract and libel suit brought by Miss Garland, with RCA-NBC counsel happening to become involved, outcome of the case will be watched eagerly -- for it's of vital importance not only to the world of print but to the expanding realm of video-audio journalism. [For more details about Justice Stewart's opinion and counsel arguments, see below.]

Reporter's Prerogative? It's a moot question whether, in face of N. Y. Federal appellate court's opinion that a reporter's confidential sources of information are not sacrosanct, U. S. Supreme Court will sustain that traditional prerogative of American newsmen in now celebrated Marie Torre case (above). Since judges are "people" too, Judge Potter Stewart can be presumed to have drawn upon his own youthful experience as a reporter on the *Cincinnati Times-Star* and as chairman of the *Yale Daily News*. This is the dictum, in part, he wrote for the 3-man Court of Appeals:

"Freedom of the press, hard won over the centuries by men of courage, is basic to a free society. But basic, too, are courts of justice, armed with the power to discover truth. The concept that it is the duty of a witness to testify in a court of law has roots as deep as does the guarantee of a free press . . .

"As to the Constitutional issue, we accept at the outset the hypothesis that compulsory disclosure of a journalist's confidential sources of information may entail an abridgement of press freedom by imposing some limitation upon the availability of news.

"Freedom of the press within the historic meaning of the First Amendment meant primarily freedom from previous restraints upon publication and freedom from censorship. Yet, in the domain of the indispensable First Amendment liberties, it is essential not to limit the protection of the right to any particular way of abridging it . . . but

freedom of the press, precious and vital though it is to a free city, is not an absolute.

"What must be determined is whether the interest to be served by compelling the testimony of the witness in the present case justifies some impairment of this First Amendment freedom. That kind of determination often presents a 'delicate and difficult' task. The task in the present case, though perhaps delicate, does not seem difficult."

* * * *

Line of Miss Torre's defense undoubtedly will be patterned after tack taken by her counsel, Mathias F. Correa, who argued in court of first instance that First Amendment protected Miss Torre as "a newspaper reporter" from being forced to supply confidential information during pre-trial examination. He also pointed out that others would be loath to give her information were she to name confidential sources. Said he: "The protection of confidentiality of reporters' sources is important. That preservation is essential to the maintenance of a free press." Confidentiality, he insisted, extends to reporter & news source just as it does to attorney & client, priest & penitent, husband & wife.

Counsel for Judy Garland, Lionel S. Popkin, maintained that identity of the CBS news source was "essential" to the case against CBS. Although Miss Garland is not suing the *Tribune* or Miss Torre, the columnist faces 10 days in jail if Supreme Court upholds original ruling.

And what was the horrendous remark attributed to the unnamed CBS spokesman, which began the chain reaction? Miss Garland, he's alleged to have said, "is known for a highly developed inferiority complex [and he] wouldn't be surprised if it's because she thinks she's terribly fat."

FM, Stereo & Multiplex: FCC is fast moving into a new battleground of struggle over broadcast standards—this time over FM multiplexing for stereo. FCC's request for industry's suggestions on how FM stations can produce more revenue via "subsidiary" multiplexed services (Vol. 14:27) has already produced another fight—between broadcasters and common carrier operators, latter fearing stations will cut into their "radio paging," microwaving & similar business.

This week, FM's potential for multiplexed stereo was center of argument. Institute of High Fidelity Manufacturers urged Commission not to adopt any stereo standards at this time, stating: "The result might well be to inhibit rather than to expand the great potential of high quality service to the public which stereo transmissions on FM can assuredly offer." Rather, it said, Commission should encourage more experimentation for the present. Above all, it concluded, FCC should make certain that FM's high fidelity isn't degraded.

GE radio receiver dept., through engineering mgr. John N. Phillips and attorney J. S. Kelly, urged that study of standards be undertaken "immediately" by group similar to the National TV System Committees which worked out standards for black-&-white and color TV; that "this can probably be best achieved under the sponsorship of EIA."

GE offered this brusque evaluation of "subsidiary" services: "In view of the recognized fact that the use of FM channels for multiplexed subsidiary communications degrades the quality of the FM broadcast service, we have concluded [that] such use should be permitted only on a very limited and temporary basis . . ."

"Admittedly, the use of a multiplex channel for broadcasting stereophonic information will degrade to some extent information being transmitted monophonically over the main FM channel. However, it is entirely probable that the enhancement added by the ability to broadcast stereophonic information more than offsets any degradation in other characteristics of the transmission."

MCA TV now claims 18 TV markets thus far sold will account for \$40,000,000 of the \$50,000,000 it's paying for the Paramount pre-1948 backlog of about 700 feature films—and that by Nov. 1 it will have sold enough to pay the whole freight, with U. S. sales expected eventually to run \$70,000,000 plus residuals and foreign markets. Highest priced film package yet offered, it has met tough sales resistance at stations. Though MCA TV won't release whole list of buyers or amounts involved in deals, those announced piecemeal thus far are: KETV, Omaha; KIRO-TV, Seattle; WBZ-TV, Boston; KPIX, San Francisco; WTOP-TV, Washington; KHQ-TV, Spokane; KBET-TV, Sacramento; KMOX-TV, St. Louis; WFBM-TV, Indianapolis; WTTV, Bloomington, Ind.; WTCN-TV, Minneapolis; KUTV, Salt Lake City; WJW-TV, Cleveland; WTOL-TV, Toledo; WBAL-TV, Baltimore; WITI-TV, Milwaukee (conditional on approval of Storer purchase). Some are known to be taking only part of package, and most deals are said to run well into 7 figures.

NAB's 4th annual conference of presidents of state broadcasters associations will be held next Feb. 24-25 in Shoreham Hotel, Washington.

As pres. of Multiplex Services Corp., 160 E. 55th St., N. Y., Wm. S. Halstead this week asserted, in effect, that broadcasters can have their cake and eat it, too, by using 3-channel system he developed in collaboration with Richard Burden Assoc., Mt. Kisco, N. Y. Halstead claims his system permits use of main FM channel plus one multiplexed channel for stereo, leaves a third channel for subsidiary services—such as functional music.

Attacking "other stereo systems," he says they would permit "pirating" of subsidiary services, whereas his system uses "simple 4-tube home adapter" which screens out such services. He said system has been tested by WGHF-FM, Brookfield, Conn. and WIP-FM, Philadelphia, and can produce 15,000 cycles on both stereo channels.

Halstead's main targets seem to be Crosby Laboratories Inc., Syosset, N. Y., (Murray G. Crosby, pres.), and Harkins Radio Co., 4444 E. Washington St., Phoenix (Dwight Harkins, pres.)—latter a multiplex equipment manufacturer. These two have been working together, and Crosby has been stressing a "plus-&-minus" technique designed to give owners of ordinary FM sets an undisturbed signal while providing stereo owners with full stereo effect.

FCC staff members say that it's too early to talk about standards but that problem will be dealt with sooner or later.

NBC got support in Supreme Court this week from affiliate WNEM-TV, Bay City, Mich. (Ch. 5) in fight to protect its licenses against attack by Philco (Vol. 14:25, 39). Philco had claimed NBC used its stations to give RCA unfair advantage as a set manufacturer and TV advertiser. FCC threw out Philco's protest on grounds that it has no "standing" because it's not a broadcast licensee. Court of Appeals reversed Commission, and NBC went to Supreme Court. In *amicus curiae* brief, WNEM-TV argues that statute requires Commission to limit right of protest to licensees. Station points out that its owner James Gerity Jr. has interests in non-broadcast enterprises which are TV advertisers—Hammond-Standish (meat packing) and savings bank in Adrian, Mich.—and competitors of these could attack his license if Court of Appeals is upheld.

Russia's reprisal against CBS for its recent telecast of fictional drama "The Plot to Kill Stalin" on *Playhouse 90* was to expel network's Moscow correspondent Paul Niven this week, telling him there would be no more accreditations of any CBS newsmen. CBS news director John Day, noting that news dept. had nothing to do with the dramatic presentation, said State Dept. will be asked to help persuade Russians to rescind order.

Special TV-radio report in Oct. 13 *Newsweek* titled "TV: Dial Anything for Murder" says violence on TV gets out of bounds in new season. Cover story by TV-radio editor Marvin Barrett protests against 24 prime hours weekly on 3 networks being devoted to violence, lists half of new programs in "grisly category," suggests "at least a partial moratorium on mayhem."

Erratum: In story on the \$8,000,000 Hialand Development Corp. purchase of Honolulu's Consolidated Amusement Co., along with its 75.45% control of stations KGMB-TV, KGMB & satellites (Vol. 14:40), we mistakenly stated that the *Honolulu Star-Bulletin's* 24.55% interest in the stations was included in the deal. It is not—and we regret our error.

Wide-Screen TV Proposed: From 2 quite disparate sources this week came recommendations that serious thought be given to changing TV technical standards to permit wider pictures—a la movies' Cinemascope. Madison Cawein, research-production v.p. of Grimson Color Inc., 381 Fourth Ave., N. Y., presents case for wide-screen in Oct. *Signal Magazine*, published by Armed Forces Communications & Electronics Assn., 1624 Eye St. NW, Washington. Oct. 6 *Home Furnishings Daily* carries similar plea from London by Richard Levin, BBC design chief.

A veteran TV engineer whose firm produces wide-screen TV for military, Cawein asserts: "Wide-screen TV represents a major, and probably the most important advance in the TV art in recent years." He suggests 7-to-3 aspect ratio (width-to-height relationship) instead of present 4-to-3, with 10-mc bandwidth and 700 lines of resolution to provide adequate definition. His argument is that virtually everything televised—from beach landings to football to traffic to drama—has most of its action on horizontal plane. For some special applications (airport surveillance, etc.), he suggests 9-to-3 or even 5-to-1 ratio.

"In the theatre," he writes, "the natural aspect of the stage is about twice that covered by commercial TV. This is because the actors are usually performing side by side, and not on one another's shoulders." He also notes: "The aspect ratio of our vision is more nearly 7-to-3 than 4-to-3, due to the horizontal arrangement of the eyes." Present ratio was adopted by FCC on recommendation of first National TV System Committee, which in turn followed movies' formula. Review of standards is in order, Cawein believes, because of growing stockpile of wide-screen film.

BBC's Levin suggests 7-by-3 ratio, claims that it offers much better opportunity to program producer; that "nothing much ever happens at the extreme top or extreme bottom of a picture." He admits that cost of retooling for manufacture of new tubes would be great, suggests that tube makers could split costs of changeover.

TV Relays Via Satellites: Transoceanic TV transmissions via satellites, both passive and active, aren't too far in future, according to Dr. John R. Pierce, Bell Labs' noted director of electrical communications research. He described possibilities during symposium sponsored by IRE and George Washington U in Washington, Oct. 6.

Best immediate potential, he said, would be a link operating between Newfoundland & Scotland through series of satellites on transpolar orbit 3000 mi. out in space. Passive satellites would be 100-ft. metallized spheres weighing about 100 lbs. each. He said that 24 of these would offer sufficient contact to provide only 1% discontinuity of communication. Optimum frequencies appear to be 1500-2000 mc and 8000-10,000 mc, he said.

Signals would be bounced off satellites from 250-ft. "dish" antennas fed by 100-kw transmitters. Pierce noted that military plans to put 100-ft. sphere into orbit at 800 mi. next year, to measure air density.

Active repeaters are further off, Pierce said, because of need for more reliability than presently attainable. He envisioned maser-powered units radiating 30 milliwatts, triggered by 100-watt transmitters on ground.

Advantage of passive repeaters, Pierce stated, is that they're flexible—any kind and number of signals may be bounced off them, and all the fallible electronic gear is on the ground. On other hand, they demand tremendous power.

BBC Laments U. S. Films: Unhappiness over British reliance on TV film imports from U. S. is expressed by BBC in 1957-58 report to Parliament, released this week. Deploring fact that 10% of BBC programming during year "consisted of material of American origin," chairman Sir Arthur Forde says govt. system "regards as unsatisfactory this position of dependence on the American product and is therefore doing all that it can to stimulate production of British films for TV." He hopes for "substantial advances" in coming year to put more British-made products on home screens, increase exports of programs. Sir Arthur laments that BBC's trouble has been that British theatrical movie features haven't been "available at a reasonable price," that British TV films "are virtually non-existent." So BBC has had to turn to U. S. feature movie libraries on international market and to "vast reservoir of 30-min. films which were originally made for showing on American TV."

There were 86,348 fulltime executives & employees at U. S. stations and networks as of last Aug. 1, according to *Broadcasting Magazine's* newly issued 1958 Yearbook edition, listing all TV-radio stations by states & cities. The 3800-odd AM-FM stations employ 42,523, the 495 commercial TV stations 29,205, the combined TV-radio networks 14,620. Network payrolls are given as 6327 at CBS, 5600 at NBC, 2525 at ABC, 168 at MBS. Total 1957 payroll, according to Dept. of Commerce: \$527,000,000.

Much-publicized furore over new gen. mgr. Lloyd Yoder's shakeup of night program schedule of WNBQ, Chicago, proposing to eliminate popular newscaster Clifton Utley and arousing loud protests by no less than Senator Douglas (D-Ill.), et al., was resolved Oct. 10 when Yoder signed Utley to new contract, doubled his air time to 10-10:10 p.m. nightly.

Westbury Electronics, manufacturer of equipment for CATV, motels, apartments, etc., has turned over distribution to Graybar Electric Co.

Active repeaters are riskier and less flexible. Equipment failure in space is final. Furthermore, they can repeat only the kind of signals for which they're originally built, can't be modified. Another possibility, much more remote, is use of satellite 22,000 mi. out. Accurately placed, it would rotate with the earth, relatively stationary with respect to any single spot. However, if it's mere 1 ft. off position, it will drift .6 mi. yearly.

Dr. Pierce contrasted the satellites with other possible means of transoceanic TV transmissions. Broadband submarine cables are technically quite feasible—but prohibitively expensive. Tropospheric scatter is possible, but its broadband signals aren't of exceptional quality, it requires lots of power, and transmitters must be located in a lot of poorly accessible places.

In another paper, Ramo-Wooldridge's Dr. Charles Sonett described photo-cell unit designed to give rough idea of what other side of moon looks like through Air Force's "lunar probe" missile fired Oct. 11. If shot is fully successful, some idea will be given of appearance of back of moon, heretofore never seen by man.

International agreement on use of frequencies for space was urged by Andrew G. Haley, pres. of International Astronautical Federation and gen. counsel of American Rocket Society. He said there's prospect of 100-200 satellites orbiting in next few years—yet there's no frequency allocation agreement covering them.

New & Upcoming Stations: This week's starters are WJRT, Flint (Ch. 12), which begins Oct. 12 with ABC-TV, and KCMT, Alexandria, Minn. (Ch. 7), which began Oct. 8 with World Series and is affiliated with both NBC-TV & ABC-TV. Two other expected starters have been delayed; KCIX-TV, Nampa, Ida. (Ch. 6), which planned Oct. 10 start, has changed target to Oct. 26; KGEZ-TV, Kalispell, Mont. (Ch. 9), which had planned to resume Oct. 7 (Vol. 14:40), reports it has been delayed week or 10 days more. This week's 2 starters change on-air box score to 534 (85 uhf).

WJRT top executives are John F. Patt, pres.; Worth Kramer, exec. v.p.; A. Donovan Faust, station mgr. It has 50-kw RCA transmitter and 12-bay antenna on 990-ft. Emsco tower 4 mi. NE of Chesaning, Mich. and about 80 mi. NW of Detroit. Besides network, it is scheduling 37 hours weekly of local. Flint studios, equipped with 6 camera chains, are augmented by auxiliary studios in Chesaning and Detroit where WJR operates under same ownership. Base hour is \$700. Rep is Harrington, Righter & Parsons.

KCMT has 2-kw RCA transmitter and traveling wave antenna on 1000-ft. Stainless tower near Westport, Minn., 25 mi. S of Alexandria and about 100 mi. NW of Twin Cities. Principal owners are pres. Joseph O. Perino, 10%, and these executives of WDAY-TV, Fargo N. D. (Ch. 6): E. C. Reineke, 10%; Thomas K. Barnes, 21%; Julius Hetland, 10%. Glen Flint, ex-administrative asst. to Sen. Young (R-N.D.) and onetime WDAY-TV news director, is gen. mgr.; Kenneth Bechtel, program director; Kenneth L. Olson, ex-WDAY-TV, chief engineer. Base hour is \$200. Rep is Avery-Knodel (Ilarry Hyett remains for Minneapolis).

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

WENH, Durham, N. H. (Ch. 11, educational) has purchased used 10-kw Standard Electronics transmitter from RCA, hopes to begin Jan. 1, reports Jere A. Chase, director of development for grantee U of New Hampshire. Transmitter house on Saddleback Mt., 14-mi. away near Deerfield, N. H. is nearly ready, but studio construction in Memorial Union building on campus hasn't begun yet. It will use 360-ft. guyed Stainless tower.

CJDC-TV, Dawson Creek, B.C. (Ch. 15) has ordered 200-watt GE transmitter for Oct. 15 delivery, plans Dec. 15 programming, reports pres. H. L. Michaud. Studio-transmitter building is to be completed in 2 weeks, but work on 70-ft. tower, which will have Alford antenna, hasn't begun yet. Base hour will be \$100. Reps will be Donald Cooke and TV Representatives Ltd.

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Hawaiian channel shift requested by KGMB-TV, Honolulu (Ch. 9): Delete Ch. 7 from Honolulu & Hilo; add Ch. 7 to Wailuku; delete Ch. 8 from Wailuku; reserve Ch. 11 in Honolulu for educational use. KONA-TV, Honolulu (Ch. 2), has applied for Ch. 8 satellite on Wailuku, and KGMB-TV states that a Ch. 8 signal on Wailuku would interfere with pickup of KGMB-TV's Ch. 9 signal by its own satellite KMAU-TV (Ch. 3). KGMB-TV also states that a Ch. 8 operation on Wailuku would eliminate service by its Hilo satellite KIIBC-TV (Ch. 9) because its signal source is KMAU-TV.

Facility changes: WLWA, Atlanta (Ch. 11) Oct. 6 began operation from new site at 110 Arizona St. NE, with 1042-ft. tower and traveling wave antenna; WPSD-TV, Paducah, Ky. (Ch. 6) Oct. 10 boosted power to 100-kw.

The UHF's That Failed: More uhf stations have given up the ghost than have survived—forced by economic circumstance brought about by intermixture. So far this year alone, 9 have quit, including Hartford's CBS-owned WHCT (Ch. 18) which goes dark Nov. 15 (p. 1). The others: WITV, Ft. Lauderdale-Miami (Ch. 17); WFLB-TV, Fayetteville, N. C. (Ch. 18); KSAN-TV, San Francisco (Ch. 32); WKAR-TV, E. Lansing, Mich. (Ch. 60, educational); WNOW-TV, York, Pa. (Ch. 49); KFSA-TV, Ft. Smith, Ark. (Ch. 22); WBLN, Bloomington, Ill. (Ch. 15); WBUF, Buffalo (Ch. 17). [For complete list of the uhf's that left the air up to Sept. 5, see *TV Factbook No. 27*, pp. 370-72.]

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FM functional music operators must convert to multiplex operation or drop the music transmissions, FCC announced this week, turning down requests by 17 stations for more time. Commission adopted rules permitting functional operation July 1, 1955, but gave operators a year to convert from simplex to multiplex. Subsequently, it granted several extensions to Oct. 1. This week, it stated that multiplex equipment is readily available; that no more extensions are justified. Decision was by Comrs. Hyde, Bartley & Cross. Doerfer & Lee were absent. Ford dissented, Craven concurring, on basis that Court of Appeals has granted stay to WFMF, Chicago, pending consideration of whether FCC is correct in its assertion that functional music is non-broadcast. Ford said that failure to grant more time under these conditions is "abuse of the Commission's power." Had Court not granted stay, he said he'd agree with majority. Several of the disappointed operators went to Court of Appeals to contest this week's ruling.

W. Randolph Tucker leaves Nathan W. Levin Co., N. Y. investment firm, to become v.p.-treas. of Barnes Engineering Co., 30 Commerce St., Stamford, Conn., instrument manufacturer which has purchased community antenna system in Bluefield, W. Va. from Levin firm. Tucker is secy. of National Community TV Assn.; Gordon Fuqua continues as mgr. of Bluefield system.

New community antenna system—Desert TV Cable Service, Rancho Mirage, Cal.—is being built by Charles M. Trimble, ex-Lincoln TV System, DeLake, Ore. In International Falls, Minn., International TV Cable Corp. has begun extending cable to adjoining Ft. Frances, Ont., first instance of system straddling border.

Translator starts: W81AB, Hillcrest & Chenango Bridge, N. Y. began Sept. 30 repeating WINR-TV, Binghamton, also owner of W78AB, Johnson City & Vestal, N. Y. K71AJ, K75AK & K81AD, Wasco, Ore. went on air Sept. 24-30 repeating KPTV, KGW-TV & KOIN-TV, Portland.

"OKT Assn. of CATV Systems" has been formed by Okla. & Tex. community antenna operators with these officers: Curtis M. Faris, Guymon, Okla., pres.; Neil W. Shirley, Denison, Tex., v.p.; Benson Dean, Ardmore, Okla., secy.-treas.

Entron Corp., CATV equipment manufacturer, opens 2 new offices: 496 No. Dentura St., Littleton, Colo. (for Denver) Evan Jones Jr. mgr.; 1320 Arnold Ave. NE, Atlanta, J. M. Sims mgr.

Translator CPs granted: Ch. 75, Manson, Wash., to Manson Community TV Co.; Ch. 71 & Ch. 79, Olivia, Minn., to Renville County TV Corp.

Community antenna system in Waldport, Ore. has been purchased from Cable TV Corp., Reedsport, Ore., by Homer C. Stokes, operator of system in Yachats, Ore.

Persian Market Opens Up: Television of Iran's TVI, Teheran (Ch. 2), RCA-built under American standards and American-managed, was officially inaugurated Oct. 3 by His Majesty the Shah of Persia, opening 4-hour nightly schedule, playing to some 1500 receivers expected to increase to 25,000 by year's end. Station is commercially operated, owned by the prominent Habib Sabet family, whose sons Iradj & Hormoz Sabet were American-educated, managed by A. Vance Hallack, ex-color production chief for RCA-NBC in N. Y. & Washington. Hallack originally went to Baghdad on loan from U.S. Govt. to help organize Iraq's govt.-owned station (operating on European standards) and previously had been detailed to conduct TV demonstrations at Djakarta, Indonesia & New Delhi, India (neither with stations as yet) and as advisor to the new HSI-TV, Bangkok, Thailand (Ch. 4), also operating under U. S. standards. Writes Hallack from Teheran: "During the last month, experimental programs were put on the air to determine the basic tastes of the Iranian people. They enjoy most of all their own Iranian music, singing & dancing, yet are partial to American cowboy and adventure films. The language problem was overcome by narrating the shorter films in Persian, subtitled most of the American films and playing Continental films with complete Persian dubbing. Commercial time on the station at the outset was 50% sold, and it will gradually expand hours as audience increases."

Sale of radio WTPS, New Orleans (940 kc, 1-kw D, 500-w N) for \$200,000 to Robert W. Rounsaville was announced this week by *Times-Picayune*—Rounsaville in turn selling WYLD, New Orleans (600 kc, 1-kw D) for \$200,000 to country music impresario Connie B. Gay. *Times-Picayune*, under agreement with Justice Dept., had to sell either the station or *New Orleans Item*, which it had bought from David Stern for \$3,400,000 and combined with its *New Orleans States* (Vol. 14:29). [For news about other radio station sales & transfers, see *AM-FM Addenda* 00 herewith.]

Reallocation of 840-890 mc from TV to common carrier use, requested by Lenkurt Electric Co. and Hawaiian Telephone Co. in petitions filed with FCC (Vol. 14:40), was opposed this week by Assn. of Maximum Service Telecasters which stated that "under existing allocations [the frequencies] are required to meet the present and future spectrum needs of TV broadcasting."

Stauffer-Capper Publications Inc., which owns WIBW-TV, Topeka (Ch. 13), 4 radio stations, 13 daily newspapers (see *TV Factbook No. 27*, p. 391), this week sold its 60-year-old but unprofitable *Household Magazine* (circ. 2,650,000) to *Saturday Evening Post*, which will discontinue it and fulfill unexpired subscriptions with its own magazines.

All stock of WBRZ, Baton Rouge (Ch. 2) will be held by Douglas & Charles Manship families and their Baton Rouge radio WJBO, according to transfer application filed with FCC, which states radio is buying 47% interest held by Lewis Gottlieb and 5 others for \$548,000.

Tyne-Tees Television, Newcastle, with theatremen George & Alfred Black as chief owners and Anthony Jelly as managing director, is newest ITA commercial contractor in Britain, projected to cover northeastern England with transmitter due on air shortly after Jan. 1.

Single application for new TV station filed this week was for Ch. 8, Jonesboro, Ark. by radio KBTM there. This brings total applications pending to 95 (27 uhf). [For details, see *TV Addenda 27-F*.]

Japanese TV industry, which has produced about 1,700,000 sets and is adding sets-in-use at prodigious rate of about 1,000,000 a year, has put 3 more stations on air since our *Factbook* listing (pp. 303-4) was prepared Aug. 1, and 14 more are due before year's end. There are 29 operating now, 4 of them low-power boosters. These have been added since Aug. 1: JOHX-TV (Ch. J-10) & JOGX-TV (Ch. J-8), Kokura, both 6.4-kw ERP; JOIX-TV, Osaka (Ch. J-10), 100-kw. Following are due by Jan. 1: JORK-TV (Ch. J-4) & JOZR-TV (Ch. J-8), Kochi, both 10-kw; JOBF-TV, Kumamoto (Ch. J-11), 12-kw; JOAF-TV, Matsuyama (Ch. J-10), 23-kw; JOIU-TV, Muroran (Ch. J-9), 6-kw; JONK-TV (Ch. J-9) & JOSR-TV (Ch. J-11), Nagano, 12-kw & 10-kw, respectively; JODX-TV (Ch. J-8) & JOOR-TV (Ch. J-4), Osaka, both 100-kw; JOKX-TV, Sappora (Ch. J-5), 100-kw; JOIR-TV, Sendai (Ch. J-1), 80-kw; JOVR-TV, Shizuoka (Ch. J-11), 10-kw; JOAB-TV, Tokyo Ch. J-1, educational), 55-kw; JOIG-TV, Toyama (Ch. J-3), 18-kw.

Tallest self-supporting tower in world is TV structure at Tokyo's "Television City"—1092-ft. including the 82-ft. antenna which was being installed this week. The 1010-ft. tower itself is 26-ft. higher than Paris' Eiffel Tower. In U.S., record for that type of tower is held by WTVR, Richmond (Ch. 6), with 844-ft. U. S. has 66 guyed TV towers over 1000-ft. (tallest is 1610-ft. tower of KSWSTV, Roswell, N. M.) with CPs outstanding for 18 more.

Rate increases: KOMO-TV, Seattle, Sept. 1 raised base hour rate from \$1125 to \$1200, min. \$230 to \$250. KTUL-TV, Tulsa, Sept. 1, hour \$600 to \$650, min. \$120 to \$135. KROD-TV, El Paso, Sept. 1, hour \$450 to \$495, min. \$90 to \$109. WMTW-TV, Poland Spring, Me., Sept. 1, hour \$400 to \$500, min. \$80 to \$100. WSIL-TV, Harrisburg, Ill., Nov. 16, hour \$150 to \$350, min. \$30 to \$60. KRSD-TV, Rapid City, S. D., Sept. 1, hour \$147.75 to \$150. WDAM-TV, Hattiesburg, Miss., Sept. 1 added Class AA hour (7-10 p.m., daily) at \$200, Class A hour remaining \$175. KOA-TV, Denver, Sept. 1 raised hour from \$750 to \$800, min. \$175 to \$210. WNBC, New Britain-Hartford, Oct. 1 added class AA hour (7:30-10:30 p.m. daily) at \$700, min. at \$140.

Chesterfields aren't "milder," FTC said this week in order (Docket 6077) to Liggett & Myers to stop advertising claims that they're "less irritating" than other brands. FTC upheld opinion by examiner Wm. L. Pack that company's "no adverse effect" claim for Chesterfields is false, went beyond examiner's report in also holding that "milder" and "soothing & relaxing" claims are false. Liggett & Myers had argued advertising was based on findings by reputable consulting organization. Company has 60 days to carry order to Court of Appeals before it becomes final.

CBC's French network will comprise 8 interconnected stations with addition of CKBL-TV, Matane, Que. (Ch. 9) via microwave Nov. 15. Other stations: CBFT, Montreal (Ch. 2); CBOFT, Ottawa (Ch. 9); CHLT-TV, Sherbrooke (Ch. 7); CKMT-TV, Three Rivers (Ch. 13); CFCM-TV, Quebec (Ch. 4); CKRS-TV, Jonquiere (Ch. 12); CJBR-TV, Rimouski (Ch. 3). Interconnection charges, subject to discounts: hour, \$515; half-hour, \$309; quarter-hour, \$206. [For total rates, see *TV Factbook No. 27*, p. 66.]

Fred A. Niles Productions, Chicago & Hollywood producer of filmed TV commercials, buys Kling Film Enterprises' facilities at 1058 W. Washington St., Chicago, for undisclosed price. Kling exec. v.p. Michael Steheney will join Niles as v.p. in charge of TV commercials. Unaffected by deal is Kling's Hollywood operations.

 <p>Television Digest and ELECTRONICS REPORTS WYATT BUILDING, WASHINGTON 5, D. C.</p>	<p>MARTIN COEEL, Publisher ROBERT CADEL, Bus. Mgr. ALBERT WARREN, Senior Ed. WILLIAM WIGHT, Managing Ed.</p>
	<p>Associate Editors: WILBUR H. BALDINGER PAUL STONE WM. J. McMAHON Jr. BERYL D. HINES</p>
<p>Weekly Newsletters Published Saturdays Television Factbooks Published in March & September AM-FM Directory Published in January TV and AM-FM Addenda Published Weekly</p>	<p>Copyright 1958 by Television Digest, Inc.</p>

Personal Notes: R. J. McElroy, pres. of KWVL-TV & KWVL, Waterloo, Ia., who has option to buy KMMT (Ch. 6) with radio KAUS, Austin, Minn., assumes duties of KMMT gen. mgr. formerly held by John Esau; Don E. Inman, marketing director, promoted to acting sales director; Gene Loffler, ex-gen. mgr. of KMMT & KAUS, named operations director of KWVL-TV . . . J. Glen Taylor, ex-General Teleradio & MBS v.p., elected pres. & principal exec. officer of WAVY-TV, Portsmouth-Norfolk (Ch. 10) & WAVY, succeeding Hunter C. Phelan, ex-pres. of Colonial Stores who becomes chairman; Taylor holds option on 10% of stock. Carl J. Burkland, who continues as exec. v.p., this week appointed Dick Richmond, ex-McLendon stations, as news director . . . Joseph M. Kittner advances to partnership in McKenna & Wilkinson, Washington TV-radio law firm; Robert W. Coll, 1957 George Washington U law graduate, former law clerk in firm, recently law clerk to Chief Justice Marvin Jones of U. S. Court of Claims, returns as an associate . . . Frank Zuzulo, ex-MBS director of public relations, appointed to head new N. Y. office of Richards Associates, public relations firm headed by Robert K. Richards, ex-NAB v.p.; Zuzulo's new office is at 10 Rockefeller Plaza . . . Philip Beigel, ex-CBS, named asst. program mgr. of Westinghouse's WBZ-TV, Boston, replacing Ray Hubbard, now program mgr. of KPIX, San Francisco . . . Edward (Ned) Ryan, ex-adv. & sales promotion mgr., WBZ-TV, Boston, joins WJIM & WJIM-TV, Lansing, in similar capacity; Wm. B. Colvin now has his former post . . . Albert D. Johnson, gen. mgr. of KENS-TV & KENS, San Antonio, elected pres. of Texas Assn. of Broadcasters; George Tarter, sales v.p. of KCB-

ADVERTISING AGENCIES: Merlin E. Carlock resigns as partner in Calkins & Holden; v.p. William A. Chalmers promoted to exec. v.p.; v.p. Walter B. Geoghegan to senior v.p.; A. Dudley Coan and Warren E. Rebell named v.p.'s . . . Harry Peck, chairman of Peck Adv., N. Y., is chairman of new Doner & Peck, formed by merger with W. B. Doner, Detroit; Peck pres. Sidney Garfield continues as pres. & Sanford Hirschberg as exec. v.p.; W. B. Doner, ex-Doner pres., becomes treas. . . . Frederick J. Wachter, v.p.-gen. mgr. of Erwin Wasey, Ruthrauff & Ryan Chicago office, named exec. v.p.-gen. mgr. of N. Y. office & eastern div. . . . Dorothy Winter transfers from BBDO, Hollywood, to N. Y. to direct all daytime commercial TV production there; Lawrence Algeo replaces her as live programming director in Hollywood . . . David P. Crane, ex-Benton & Bowles v.p., named v.p. of Ogilvy, Benson & Mather . . . A. Roy Barbier, v.p. of MacManus, John & Adams, Detroit, retires after 42 years . . . Austin Johnson, Benton & Bowles mdsg. director, elected a v.p. . . . Ernest W. Eversz, ex-Leo Burnett v.p., returns to Foote, Cone & Belding, Chicago, as v.p. . . . R. C. Brown, BBDO TV-radio promotion mgr., promoted to corporate public relations mgr., succeeding Richard M. Detwiler.

TV, Lubbock, secy.-treas. . . . John A. Thompson promoted to v.p. of rep Peters, Griffin, Woodward . . . Clifford L. Eustace, who has operated own food brokerage business in Cincinnati, joins Crosley stations as product services director . . . Roger O. Van Duzer, ex-gen. mgr. of KNTV, San Jose, Cal., on Nov. 1 becomes mgr. of Harry Butcher's KIVA, Yuma, Ariz. (Ch. 11) . . . Kenneth A. Foellinger promoted to business mgr. of Time Inc.'s WFBM-TV & WFBM, Indianapolis, succeeding Andrew J. Murtha, returning to N. Y. for reassignment . . . Joe Hudgens promoted to program director of KRNT-TV & KRNT, Des Moines, succeeding Dick Covey, resigned . . . Joe Redmond, ex-Fox Midwest Theatres, named promotion mgr. of KMBC-TV & KMBC, Kansas City . . . Alvin E. Unger, ex-Ziv Chicago v.p., joins ITC-TPA, reporting to pres. Walter Kingsley, also ex-Ziv . . . Robert Bergmann promoted to v.p. of Transfilm's TV div.; Thomas Whitesell to v.p., motion picture production . . . Edwin J. Smith, ex-v.p. of Allied Artists International, named director of ABC Films international operations, reporting to pres. George T. Shupert . . . Robert Seidelman promoted to syndication sales director of Screen Gems . . . M. J. (Mike) Frankovitch, Columbia Pictures International v.p. and European production chief, also named managing director of subsidiary Screen Gems Ltd., London, replacing John B. Cron, resigned . . . Milton Westerman, ex-KMG-TV, Minneapolis (now KMSP-TV), named sales v.p. of Reub Kaufman's Jayark Films Corp. . . . A. Jay Segal, N. Y. adv. mgr. of *TV Guide*, promoted to adv. mgr. of regional editions with headquarters in Radnor, Pa.; Robert G. Baumler succeeds him in N. Y. . . . Keith Culverhouse promoted to TvB sales promotion director, succeeding Gordon Hellmann, resigned; Murray Gross to sales development director, replacing Culverhouse . . . Charles W. Godwin, MBS v.p. for station relations, replaces Armand Hammer, ex-MBS pres. & chairman, as Mutual's representative on NAB's radio board; Donald W. Thornburgh, pres. of CBS-acquired WCAU-TV & WCAU, Philadelphia, resigns from board.

Donald H. McGannon, Westinghouse Bcstg. Co. pres., is profiled in Sept. 26 *Printers' Ink*. Article calls him "dynamo" of Westinghouse stations, says they "never had higher revenues or a more promising future."

Obituary

Verne R. Young, 49, member since 1935 of Washington communications law firm of Loucks, Zias, Young & Jansky, died suddenly Oct. 4 of a heart ailment at Arlington, Va. He joined staff of old Federal Radio Commission in 1930, served briefly with FCC before going into private practice. He was onetime secy. of FCC Bar Assn. Surviving are widow, son, daughter.

Stephen Tuhy Jr., 50, Washington communications lawyer, died of leukemia Oct. 2 in Doctors Hospital. Surviving are widow, son, 4 daughters.

Yasha (Nathaniel) Frank, 57, TV-radio producer & director (NBC's *Pinochio*, *Hansel & Gretel*), onetime CBS program developer, ended own life Oct. 8 in Hotel Pickwick Arms, Greenwich, Conn.

Wm. J. Griffin Jr., 54, exec. v.p. of Kudner Agency, originator of TV-radio slogans ("With men who know tobacco best, it's Luckies 2-to-1"), died Oct. 3 in N. Y. Hospital. Surviving are widow, 3 sons.

Raymond R. Morgan Sr., 63, creator of many TV shows (*Breakfast in Hollywood*, *Queen for a Day*) died Oct. 3 in Hollywood.

Another 'Influence' Charge: Parma-Onondaga, Mich. Ch. 10 decision is "tainted," according to loser WKHM (Frederick A. Knorr), which cited "ex parte representations" as one of many reasons for rehearing, in petition filed with FCC this week. It referred to allegations made during hearings of House legislative oversight subcommittee (Vol. 14:40), said: "The transcript of the hearing on June 2, 1958 . . . contains a letter addressed to former Comr. Mack which stated that J. Addington Wagner, acting for or on behalf of Triad TV Corp., 'has furnished the FCC members with a summary of patent errors by the hearing examiner in its initial decision of March 7, this year, in granting CPs for new TV station operation on Ch. 10 in Michigan.' The clear, unequivocal language refers to members of the Commission, not alone to Comr. Mack . . . The ex parte communication or representation without having afforded [WKHM] the opportunity to reply not only has tainted the entire proceeding but also has denied [WKHM] due process and a full and fair hearing." Wagner is Battle Creek attorney—but Triad counsel says he is neither stockholder, officer nor director. Decision was won by share-timers TV Corp. of Mich. and Mich. State Board of Agriculture; losers were WKHM, Triad & WIBM, Jackson, Mich. WIBM is contesting decision in Court of Appeals.

Analysis of FCC workload occupied commissioners in special meeting Oct. 10, and members report happily they're getting far better understanding and control of what staff is doing. Said one: "For the first time since I've been here I feel I know where things are." One effect has been to get several-man task force, instead of one part-time man, to concentrate virtually full time on TV allocations problem. Commission began workload analysis month ago, was startled to learn just how little it knew (Vol. 14:37).

Arraignment of ex-FCC Comr. Mack has been set for Nov. 7, after Justice Dept. attorney Robert J. Rosthal informed Federal Judge John J. Sirica, in Washington, he'd learned that Mack would be sufficiently recovered from fall in which he fractured ribs (Vol. 14:40). Mack's arraignment had been scheduled last week, after indictment with Thurman A. Whiteside on conspiracy in Miami Ch. 10 case, but his attorney obtained delay pending investigation of his medical condition.

Updated political-broadcasting guide (Vol. 14:40) was issued by FCC Oct. 6, printed in *Federal Register* Oct. 9, will be reprinted by Commission in pamphlet form and distributed gratis to stations. It covers all Commission interpretations of Sec. 315 of Communications Act, including the 19 issued since first such question-&-answer guide was released in Sept. 1954. Title: *Use of Broadcast Facilities by Candidates for Public Office*.

Presidential spectrum study is still in works, though nothing definite or official has been announced by White House (Vol. 14:37-38). One report is that mere "red tape" is holding up establishment of high-level commission. Another is that Administration is seeking to get Congress to agree to joint effort of some kind. There's no reliable word as to possible appointees.

Miami Ch. 10 hearing record wasn't closed by FCC Oct. 10, as scheduled (Vol. 14:40), because of failure of attorneys to agree on stipulations covering activities of Sen. Smathers (D-Fla.) in case. However, closing is due Oct. 14 now, and it's expected agreement will be reached which won't require Smathers' appearance.

Notes on Educational TV: Stopgap effort of Little Rock's 3 stations to fill in for schools closed in integration crisis (Vol. 14:38-40) has ended after private operation of segregated schools was indicated. This week, station managements' ears were ringing with plaudits for the job done. KTHV gen. mgr. B. G. Robertson writes that a permanent setup is planned "as soon as the legal situation resolves itself" and quotes schools supt. Virgil Blossom as stating work of both stations and teachers was "tremendous." Robertson took issue with our Little Rock reports (Vol. 14:39) that students weren't much impressed with TV. He agreed that "TV class work would not supplant the classroom but rather was a supplement," and noted: "Most of the quotations from the students who took the TV lessons were very favorable except for the fact that they couldn't ask questions." Other ETV developments this week:

Jacksonville's WJCT (Ch. 7) this week became 33rd station to affiliate with National Educational TV Network, non-interconnected group associated with Educational TV & Radio Center, Ann Arbor. Latter starts new *Adventuring in the Hand Arts* Oct. 29 in partnership with NBC & Girl Scouts. Show will be fed live by NBC from N. Y. to educational TV stations via NBC's regular network facilities, Wed. 6-6:30 p.m., and offered to NBC affiliates on delayed basis.

"First color telecast on ETV anywhere" was claimed by KTCA-TV, St. Paul (Ch. 2), which celebrated first on-air anniversary with 3½-hour program. "Color TV is an ideal medium for teaching, especially in the area of science," said gen. mgr. John C. Schwarzwalder.

New English language-teaching daily series *Aqui Se Habla Ingles (English Spoken Here)* for N. Y.'s 900,000 Spanish-speaking population was started on WRCA-TV (Ch. 4). Show is aired live 6-6:30 a.m., with videotape reruns 1-1:30 a.m. next day to catch maximum audience.

Best programs aired by Detroit's WTVS (Ch. 56), based on material drawn from 18 educational & cultural institutions composing Detroit Educational TV Foundation, will be showcased as *ETV Digest* by *Detroit News'* WWJ-TV (Ch. 4), 1:30-2 p.m. daily beginning Oct. 13.

CBS has donated \$80,000 worth of equipment to Stamford, Conn. public schools for ETV pilot program scheduled for full operation via closed-circuit in 5 schools by next June.

ETV is now operating on experimental basis in Mexico City, where sets have been installed in 10 schools for daily half-hour programs; plan is to extend throughout Mexico if programs are successful.

Maryland's Dept. of Correction reports it's contemplating piping Hagerstown's closed-circuit ETV lessons to 1200 prisoners in nearby State Reformatory for Males.

New award to broadcast engineer for outstanding achievement was established this week by NAB Engineering Conference Committee headed by Allan Powley, chief engineer of WMAL-TV, Washington. A. Prose Walker, NAB engineering mgr., is chairman of special subcommittee which will determine criteria for award, members of which are: Raymond F. Guy, NBC; James D. Russell, KKTU, Colorado Springs, Colo.; Wilson Raney, WREC-TV, Memphis; Joseph B. Epperson, Scripps-Howard stations, Cleveland. Committee also set engineering sessions of 1959 NAB annual convention at Conrad Hilton, in Chicago, for March 16 all day, March 17 a.m., March 18 p.m.

SALES SURGE TO YEAR'S PEAK IN SEPT.: Apace with the upsurge in overall business conditions (see p. 2), the TV trade in Sept. enjoyed best month since Dec. 1957. As the custodian of the industry's statistics, EIA released to us at presstime preliminary estimate of 625,000 sets sold at retail during month, indicating upswing that began in July is carrying into the fall selling season.

Factory production in Sept. was 627,000 sets, EIA estimated. Retail sales approximated factory production so that total inventories remained unchanged -- at "safe level" of approximately 2,200,000 units.

Cumulative 9-mo. retail sales were 3,487,000 sets, down about 20% from same 1957 period's 4,425,000. But sales have been catching up each month since May when they were off a whopping 40%. June was 34% below same month last year, July 33%, Aug. 23%, Sept. 14% -- demonstrating that trend has been steadily upward.

Sept. is regarded as key month by the industry generally -- a useful index in gauging all-important 4th quarter in which 42% of year's business is customarily done. Should upward trend continue, there is a possibility total 1958 TV sales may reach 5,700,000 as against prior "guesstimates" from 5,300,000 to 5,600,000.

Radio shared in Sept. upturn, with retail sales estimated at 770,000 units -- only 6% lower than Sept. 1957 and boding well for balance of radio season.

* * * *

Asking key industry leaders for comment on current movement of their TV and other consumer items, we found them of one accord in their high optimism.

Said Motorola marketing v.p. S. R. Herkes: "Most encouraging thing about our business is fact public is buying a little better TV package than it did a year ago, seems willing to pay a bit more for quality & styling. Stepup models are selling better than leaders in all price ranges. While I don't like to hint at shortages, Sept. was such a good month in all lines, we are hard put to meet dealer demands."

RCA Victor v.p. James M. Toney: "Acceptance of our new TV line has exceeded sales program planned months ago and production is being maintained at a rate higher than previously anticipated. Big consoles are moving well and color TV represents a big dollar volume in RCA's overall picture this fall."

Philco pres. James M. Skinner Jr.: "TV, radio & phonos are all 'going great guns.' Our Predicta TV line is giving us a bigger share of the market than we've enjoyed for a long time. Radio & phono sales are also well ahead of last year."

Hoffman sales v.p. Paul E. Bryant: "Sept. consumer products sales were up 74% from Aug. and up 44% from Sept. 1957."

An Admiral spokesman: "I can't remember a better Sept. in the last decade. We're having trouble keeping up with demand, especially for our hi-fi TV 'theatre' models. Sets from middle to top of the line are selling best." And we learned from GE that its Aug. & Sept. sales were ahead of same months last year, that 1958 is expected to be the best year in history for radio.

More Accolades for Stereo: Sharing our enthusiasm for stereo after visiting Hi-Fi Show in N.Y. last week and after listening to ABC-TV network stereo simulcast of Plymouth's Lawrence Welk Show (Vol. 14:40), were some highly placed authorities in realms of music and trade. N.Y. Times music critic Harold C. Schonberg found the stereo demonstrations at the Show "impressive" and agreed with the trade that public is "talking stereo, thinking stereo and is going to be buying stereo."

Philco pres. James M. Skinner Jr. said: "Growing public interest in stereo stems from basic desire for really good music in the home. Stereo's not just a sales gimmick; it's a real service to the vast music loving public."

Westinghouse consumer sales v.p. Chris Witting described stereo as "shining star" for 1959 at N.Y. press conference.

Said RCA Victor v.p. R. W. Saxon, addressing a big dealer meeting in N.Y.: "No new product in past decade has received such favorable reception in such short time as stereo. Just look at this month's Esquire and Fortune -- for that matter, practically any magazine on the newsstands. Your customers are being pre-sold on stereo -- and most of them haven't even heard it yet."

[For further details on latest response to stereo see p. 15.]

War on 'Bargain' Price Fakers: TV-radio-appliance industry merchandisers, from manufacturers on down to side-street shops, should pay sober heed to formal declaration of war on price chisellers issued this week by FTC. It's in the form of 9-point "Guides Against Deceptive Pricing" for agency's staff (see below).

However blameless of "sale" sins themselves, few in industry are so innocent that they will fail to recognize specific "bargain" gimmicks cited by FTC in its new, intensified campaign (Vol. 14:35) to bring "unscrupulous merchants" to book for deception in their advertising. And FTC -- under sharp Congressional criticism recently for alleged ineffective policing of ads (Vol. 14:33-34) -- obviously means business. "Fast adversary action against those who think these guides don't mean what they say" is promised by FTC exec. director Harry A. Babcock.

No particular area of business is singled out by FTC in advance as target of drive, but agency's enforcers are known to have had offending TV-radio-appliance ads in their sights for long time. Copy on such deals as "factory" and "wholesale" buys, "50% off," "half-price," "2-for-1," etc., which are specifically noted in FTC's new "Guide," will bear close scrutiny at manufacturer, distributor and dealers levels.

TV-Radio Production: TV production was 121,495 sets in week ended Oct. 3 vs. 128,358 preceding week and 180,725 same week last year. Year's 39th week brought total TV production to 3,577,400 sets vs. 4,589,164 last year. Radio production for week was 309,574 (103,299 auto) vs. 305,230 (101,196 auto) preceding week and 380,732 (105,895 auto) in same week last year. Radio output for 39 weeks of this year was 7,688,148 (2,389,157 auto) vs. 9,863,054 (3,839,345 auto) last year.

Bargains That Aren't: "Battle lines were drawn" this week—to use FTC's own militant words—in that agency's "war on trickery in price advertising" (see above). Get-tough language accompanied release by FTC of marching orders—*Guides Against Deceptive Pricing*—to its investigative & enforcement staff.

"Intensified enforcement" of legal bars to fraudulent sales claims was promised by FTC Chairman John W. Gwynne in new campaign (Vol. 14:35) aimed at "bargain" merchandisers who not only mulct customers but work competitive hardships on honest advertisers.

Advertising Federation of America, Better Business Bureaus, civic organizations, are expected by Gwynne to join actively in govt. drive against "those who lie about their bargain prices." He said "problem is growing worse," instructed staff in *Guides* to watch out for these 9 "types of fictitious pricing":

(1) "Reduced price" claims based on "similar or comparable merchandise"—not specific articles.

(2) "Saving" claims based on "artificial mark-up or on previous infrequent & isolated sales."

(3) "Comparative" prices which don't have reference to comparable merchandise.

(4) "Special" sales which don't represent real reductions from seller's prices or regular prices in trade area.

(5) Come-on "2-for-1" sales which don't offer 2 articles at regular 1-article price.

(6) So-called "½ price," "50% off," "1¢" sales which are conditioned on purchases of additional merchandise.

(7) "Factory" and "wholesale" sales in which prices aren't what retailer pays regularly to stock merchandise.

(8) Fictitiously high "pre-ticketed" price tags on merchandise.

(9) "Comparative" prices for "imperfect," "irregular" or "seconds" goods which don't disclose regular prices of new goods.

FTC manual also instructs staff in how to read ads: "Advertisements as a whole may be completely misleading although every sentence separately considered is literally true."

Note: Copies of *Guides Against Deceptive Pricing* (FTC L-4375) are available from Bureau of Consultation, Federal Trade Commission, Washington 25, D. C.

Factory transistor sales jumped to a record high in Aug., renewing the steady increase temporarily checked in July (Vol. 14:38). EIA reports total Aug. sales of 4,226,616 units worth \$9,975,935 vs. 2,631,894 worth \$6,598,762 in July. Transistor sales for 8 months of 1958 were 25,310,834 worth \$59,419,783 vs. 14,611,300 worth \$42,063,000 in 1957 period.

First transistorized portable clock radio will be introduced by Westinghouse this month. Radio mgr. E. D. Smithers says 4x3x9-in. model, powered by 4 mercury penlite batteries, will retail at \$75, initial quantities limited.

Signup of 714 new Hoffman dealers for TV-radio-hi-fi as result of 6 weeks' recruitment drive is reported by sales v.p. Paul E. Bryant.

Trade Personals: Joseph P. Gordon, asst. mgr. of DuMont tube operations, succeeds v.p. Stanley J. Koch who has resigned following halt by DuMont of picture tube production (Vol. 14:37); Gordon supervises continuing industrial & military tube production. Eugene J. Tanner, DuMont gen. accounting mgr., has been named controller, succeeding George C. McConeghy, resigned. Other DuMont resignations: v.p.-treas. Donovan H. Tyson & manufacturing mgr. Donald M. Christie. Dr. Thomas T. Goldsmith continues as engineering v.p., adds supervision of research & development for military and instrument divs. . . . Robert L. Riley, Motorola credit mgr., named asst. to international operations director Thomas P. Collier; Roy Gonzales, ex-Zenith, appointed international sales supervisor for consumer products . . . Lester H. Bogen resigns as pres. of Siegler's Bogen-Presto div. . . . Mark Mooney, Jr. named exec. secy. of Magnetic Recording Industry Assn., succeeding Edward A. Altshuler, now a consultant . . . Charles V. Dickman, ex-Zenith, named national sales mgr. of Conrac's Fleetwood TV line . . . Arthur Gottlieb, ex-Granco, named national sales mgr. of Herold Radio's Steelman Phonograph and Roland Radio divs. . . . Wm. H. Meyers promoted to market mgr., RCA entertainment tube dept.

Famed 154-year-old Franklin Institute, Philadelphia, at annual Medal Day ceremony Oct. 15 will bestow Stuart Ballantine Medal on Dr. Harald T. Friis, Bell Labs, for contributions to radio-communications, and 1958 John Price Wetherill Medals on British scientists Dr. John T. Randall, U of London; Dr. Henry H. Boot, Services Electronics Research Lab, Baldock; Dr. James Sayers, U of Birmingham—latter 3 for developments providing first useful high-power pulsed microwave magnetron that made possible narrow-beam radar for precise location of aircraft targets.

Donald J. Plunkett, Capitol Records, is new pres. of Audio Engineering Society.

New RCA Executive Lineup: Realignment of RCA top-side assignments, first major move in program of executive organizational overhaul and probable later plant integrations, was announced this week by pres. John L. Burns—most important step being the placing of responsibility for all consumer products & services under former exec. v.p.-sales & services Charles M. Odorizzi, now titled group exec. v.p., consumer products & services. Former exec. v.p.-consumer products Robert A. Seidel becomes asst. to the president.

Only other group exec. v.p. title thus far formally designated is that of W. Walter Watts, now group v.p.-electronic components, though in effect the "group" title also actually applies functionally to Dr. E. W. Engstrom, senior exec. v.p., and Theodore A. Smith, exec. v.p.-industrial electronics products. Foregoing, along with E. C. Anderson, exec. v.p.-public relations, actually constitute the operational Big 5 at N. Y. headquarters, each reporting to Burns. Odorizzi & Engstrom also sit on RCA board of directors.

In the new setup, Odorizzi supervises RCA Service Co., whose newly named pres. Don H. Kunsman reports to him; RCA Institutes Inc. (George F. Maedel, pres.); RCA Victor Distributing Corp. (Walter M. Norton, pres.); RCA Victor Co. Ltd., Montreal (Pat J. Casella, pres.). Casella continues to head the Canadian subsidiary, but also becomes exec. v.p.-consumer products in N. Y. under Odorizzi.

Martin Bennett, ex v.p. merchandising, now becomes v.p.-distribution, also reporting to Odorizzi. Casella, like

ELECTRONICS PERSONALS: Maj. Gen. W. Preston Corderman (ret.), ex-commanding officer of Ft. Monmouth Signal Center, joins Litton Industries as v.p. . . . W. B. Kirkpatrick, ex-chief of airborne systems dept., RCA Defense Electronic Products, Camden, named mgr. of newly completed 135,000-sq. ft. plant at Burlington, Mass. set up for RCA's new Missile Electronics & Controls Dept. under exec. v.p. A. L. Malcarney; Dr. R. C. Seamans Jr., ex-mgr. & chief systems engineer, Boston Airborne Systems Lab, named chief engineer . . . Harvey H. Hellering, ex-Executive Communications Systems, named ITT eastern regional sales mgr. for industrial products . . . Robert R. Mallory, ex-Air Defense Command, ex-AT&T, joins Page Communications Engineers, Washington, as asst. to exec. v.p. J. A. Waldschmitt.

DISTRIBUTOR NOTES: Hoffman appoints Toledo Merchandise Co., Toledo, for TV, radios, phonos . . . Packard-Bell appoints Robert T. White Co., Seattle, for TV, radio . . . Olympic appoints Standard Electric Supply, Milwaukee, for TV, radios, phonos . . . Webcor appoints Mid-Cal Distributors, Fresno, for hi-fi, phonos . . . Granco appoints Empire Enterprises, Philadelphia, for radios, stereo equipment.

John T. Thompson, since June mgr. of Raytheon's new distributor products div., announces following staff appointments: gen. sales mgr. F. E. Anderson, ex-receiving tube distributor sales mgr.; industrial products mgr. John A. Hickey, ex-asst. industrial products sales mgr.; dealer products mgr. Frederick H. Keswick, ex-GE; mdsg. mgr. William Grey, ex-*Life Magazine*; director of personnel & trade relations E. I. Montague, ex-distributor sales adv. mgr.; controller John Manchester, ex-Mahasco Industries; market research mgr. Harold Hennig, ex-sales analyst.

Odorizzi a onetime Montgomery Ward executive, will have under him the RCA Victor TV Div. (James M. Toney, v.p.-gen. mgr.); RCA Victor Radio & Victrola Div. (Ray W. Saxon, v.p.-gen. mgr.); RCA Victor Record Div. (George R. Marek, v.p.-gen. mgr.).

Watts adds the RCA International Div. (Douglas Lynch, gen. mgr.) to his group, which continues to include Electron Tube Div. (Douglas Y. Smith, v.p.-gen. mgr.) and Semiconductor & Materials Div. (Dr. A. M. Glover, v.p.-gen. mgr.). Recently promoted to Brigadier General, Army Signal Corps Reserve, Watts joined RCA in 1945 after wartime service in the Signal Corps as colonel in command of its distribution agency and as procurement director.

* * * *

Dr. Engstrom retains title of senior exec. v.p., and under him are Arthur L. Malcarney, exec. v.p.-defense electronic products; Dr. Douglas H. Ewing, v.p., research & engineering; Frank Sleeter, v.p., manufacturing services; Carl W. Zemke, mgr. of newly formed Astro-Electronics Div. Under Malcarney comes the newly established missile electronics & controls dept. (see Electronics Personals). Under Dr. Ewing are Dr. James Hillyer, v.p.-gen. mgr., RCA Labs, and O. B. Hanson, v.p., engineering services.

Theodore A. (Ted) Smith's industrial electronic products group embraces the newly formed Automation Products Dept., which has just contracted to make the Dow Jones electronic typesetting machine and which is headed by D. A. Thomas (see p. 14); new Educational Electronics

Dept. headed by v.p. P. B. (Pinky) Reed; Telecommunications Div., headed by Col. Thompson H. Mitchell, who is also pres. of RCA Communications Inc.; Broadcast & TV Equipment Dept. (E. C. Tracy, mgr.); Theatre & Industrial Products Dept. (H. M. Emlein, mgr.); Communications Dept. (C. M. [Buck] Lewis, mgr.).

E. C. (Andy) Anderson, currently confined in Nantucket (Mass.) Cottage Hospital after a recent heart attack (Vol. 14:40), continues as exec. v.p.-public relations, reporting directly to Burns. Under him are Sydney M. Robards, director of press relations; Orrin E. Dunlap Jr., v.p., institutional adv. & publications; George Y. Wheeler, Washington v.p.; Julius Haber, director of community relations; Dermot A. Dollar, director of exhibits.

Official Films Inc. (Harold L. Hackett, pres.), reported discussing possible merger with Guild Films (John C. Cole, pres.) [Vol. 14:39], shows net loss of \$180,095 for fiscal year ended June 30 vs. net profit of \$437,831 in 1957 period. Earned surplus dropped to \$374,735 from \$692,904 in year, total assets to \$4,651,825 from \$5,019,854, current liabilities rising to \$1,601,399 from \$988,489.

United Artists Associated Inc. controls 75% of stock of Associated Artists Production Corp. in deal (Vol. 14:38) by which United Artists Corp. affiliate acquires \$21,000,000 Warner Bros. film library held by Associated Artists, according to UA chairman Robert S. Benjamin. He said UAA will have 80% of AAP stock by mid-Oct., paying \$11 cash per share plus 6% interest from July 1 to Oct. 16.

Reports & comments available: On CBS, report by F. P. Ristine & Co., 123 S. Broad St., Philadelphia. On Westinghouse, review by Paine, Webber, Jackson & Curtis, 25 Broad St., N. Y. On Time Inc., special report by Loewi & Co. Inc., 225 E. Mason St., Milwaukee. On Philips' Lamp, comment by Milwaukee Co., 207 E. Michigan St., Milwaukee.

Merger of *Electronic Servicing* into Howard W. Sams & Co.'s *PF Reporter* (Mal Parks Jr., gen. mgr.) has been completed, former name to be used later; also, with Oct. edition, *Service Magazine* was merged into *Electronic Technician* (Howard A. Reed, publisher).

Mindful of hi-fi snafu due to lack of standards, EIA has asked Record Industry of America to join in setting up standards for stereo records "to insure consumers appropriate quality safeguards and adequate identification."

OFFICERS-&DIRECTORS stock transactions as reported to SEC for Sept.:

Amphenol—John Frank Leach exercised option to buy 500, holds 1000; Fred G. Pace exercised option to buy 300, holds 350; John L. Woods exercised option to buy 500, holds 1725.

Avco—A. B. Newton bought 5000, holds 5900.

Beckman Instruments—Frederick L. Ehrman bought 2500, holds 3000.

Columbia Pictures—Group of 10 officers & directors reported direct or indirect ownership of shares of Fico Corp., which bought 4797, holds 35,158; L. M. Blanche holds 152; Samuel J. Briskin holds 95 and 512 more in S. J. Briskin Pictures; Ralph M. Cohn holds 42,056 and 1843 more in trust; Alfred Hart bought 549 privately, holds 8818; Leo Jaffe holds 151; Paul H. Lazarus Jr. holds none; Abraham Montague holds 8352; Abraham Schneider holds 16,772; Charles Schwartz holds 14,498 in Schwartz & Frolich, none personally; Donald S. Stralem holds 1748.

Corning Glass—Paul T. Clark sold 500, holds none; John L. Hanigan sold 200, holds 2425; Eugene C. Sullivan sold 400, holds 31,295; Arthur W. Weber exercised option to buy 3000, sold 1000, holds 5000.

DuMont Labs—Frederick H. Guterman sold 500, holds none; Percy M. Stewart sold 900, holds 100.

Emerson—Benjamin Abrams bought 100, holds 261,766 personally, 29,239 in trusts, 65,001 in foundations.

GE—John W. Belanger exercised option to buy 4125, holds 16,688; George L. Irvine exercised option to buy 900, holds 3348; Clarence H. Linder bought 2070, holds 10,310; Ray H. Luebke bought 2892, holds 10,352; C. K. Rieger exercised option to buy 1725; holds 6059; Chauncey Guy Sults exercised option to buy 2481, holds 6720; Arthur F. Vinson exercised option to buy 3732, holds 9481 personally, 310 for minor children.

Electronics for Printing: Broad range of industrial products produced under the RCA monogram was extended significantly this week with announcement that it would produce and market a new electronic typesetting machine originally developed by Dow Jones & Co., publishers of *Wall St. Journal*. Agreement also provides for RCA production of tape editing & collation apparatus, and a strip labeler for addressing newspapers and other printed matter.

Emphasizing RCA's continuing diversification into industrial products, pres. John L. Burns announced formation of new Automation Products Dept. under D. A. Thomas, who reports to Theodore A. Smith, exec. v.p., RCA industrial electronic products. Dept. covers production of materials-handling equipment, metal-grinder controls and electronic-inspection units for beverages, foodstuffs, metal products, plastics.

Typesetter sales aren't confined to *Wall St. Journal*, pres. Bernard Kilgore stating that "RCA will make available to other publishers anything we produce that seems useful elsewhere." Said Burns: "This marriage of journalism and electronics represents a major step in dealing with the problem of producing newspapers more efficiently and economically in the face of rapidly rising costs."

Concept of Electro-Typesetter isn't new—in fact, *Wall St. Journal* uses them for simultaneous setting of type for its identical issues printed in N. Y., Washington, Chicago, Dallas, San Francisco. What's new in latest unit is increased automation which permits casting of type 2-3 times faster than by conventional methods.

Earlier Electro-Typesetters work like this: An operator perforates tape, using typewriter-like keyboard. Tape is fed through device that actuates type-casting machine (such as Linotype), using machine's keyboard but substituting electrical or mechanical devices for operator's fingers.

New machine bypasses type-casting machine keyboard and much of the complicated machinery that releases matrices for individual letters. According to inventor J. J. Ackell of Dow Jones, it produces more accurate and trouble-free composition.

Earlier this year, RCA announced new transistorized newspaper counter, one of which is now used by *Detroit News*, which can count up to 120,000 units per minute. Strip labeler can print addresses at rate of 15,000 per hour—2-3 times as fast as other devices.

Indiana Steel Products—Paul R. Doelz bought 1000, holds 5600 personally, 6160 in trusts; Charles A. Maynard bought 100, holds 1350.

Litton Industries—Charles R. Abrams Jr. sold 100, holds 3320; Roy L. Ash acquired 48 in partnership through failure of performance by purchasers, disposed of 263 from partnership through exercise of options by employes, holds 13,829 in partnership, 50,925 personally; Lewis W. Howard sold 300, holds 3425; Carl A. Spaatz sold 100, holds 4000; Charles B. Thornton acquired 104 in partnership through failure of performance by purchasers, disposed of 574 from partnership through exercise of options by employes, holds 30,422 in partnership, 123,249 personally.

Loew's—Jerome A. Newman bought 100 and 200 more through Graham-Newman Co., holds 5770 personally, 6665 in Graham-Newman Co.; Benjamin Thau sold 11,300, holds none.

P. R. Mallory—J. E. Cain exercised option to buy 3825, holds 19,991 personally, 1020 in trust, 2080 in Niac Co.; G. A. Godwin sold 200, holds 6430 personally, 1530 in trust; Ray F. Sparrow sold 600, holds 21,366.

National Telefilm Assoc.—E. Jonny Graff exercised option to buy 2000, sold 700, holds 3200.

Philips Electronics—Oliver H. Brewster sold 500, holds 500.

Raytheon—N. B. Krim exercised option to buy 3323, holds 8048.

Television Industries—Matthew Fox acquired 64,840 in 10-for-1 reverse split (Vol. 14:22), bought 10,300 more, holds 75,140 of which 64,640 are pledged as collateral against loans.

Texas Instruments—F. J. Agnich sold 1000, holds 27,105.

Tung-Sol—Alfred K. Wright bought 200, holds 986.

20th Century-Fox—Spyros P. Skouras exercised option to buy 12,800, holds 22,800; James A. Van Fleet sold 1500, holds 500.

Westinghouse—J. H. Jewell sold 130, holds 1000; Leonard B. McCully bought 1500, holds 2800; Fergus M. Sloan exercised option to buy 250, holds 1001.

TV-Radio Production: August brought upturn in both TV and radio set production—but totals for the month, and for first 8 months of 1958, were still well below corresponding 1957 periods. EIA reports cumulative TV output as of Sept. 1 was 2,950,455 sets vs. 3,756,533 in 1957. Aug. production was 507,526 vs. 274,999 in July and 673,734 in Aug. last year. TV sets made with uhf tuners in Aug. totaled 38,166 vs. 23,205 in July and 88,615 in Aug. 1957.

Radio production in Jan.-Aug. period totaled 6,611,686 receivers (1,893,813 auto) vs. 8,765,606 (3,392,926 auto) last year. Aug. radio output was 1,028,852 (242,915 auto) vs. 621,541 (186,379 auto) in July and 965,724 (301,971 auto) in Aug. 1957. FM radio production in Aug. was 21,335 vs. 11,816 in July. This is only second month EIA has reported FM radio statistics, and comparisons with prior periods are not available.

Picture tube sales, paralleling TV, increased in Aug. but lagged behind 1957. Jan.-Aug. sales totaled 4,952,862 vs. 6,236,890 in same 1957 period. Aug. sales were 713,458 vs. 549,817 in July and 930,296 in Aug. 1957.

EIA also revised upward TV retail figures for Aug. and first 8 months of 1958 from preliminary estimates (Vol. 14:37), though totals were still well below same 1957 periods. EIA said Jan.-Aug. retail sales were 2,862,452 sets vs. 3,756,834 last year. Aug. sales totaled 405,790 vs. 279,010 in July and 510,097 in Aug. 1957. Radio sales at retail likewise increased in Aug.—658,247 units vs. 488,495 in July and 710,553 in Aug. 1957. Cumulative radio sales were 4,110,080 vs. 4,947,000 last year. Revised EIA Jan.-Aug. monthly production figures follow:

	TV		Picture Tubes		Receiving Tubes		
	TV	Auto Radio	Total Radio	Units	\$ Value (Add 000)	Units (Add 000)	\$ Value (Add 000)
Jan. ---	433,983	349,679	1,026,527	621,910	\$12,342	26,805	\$ 23,264
Feb. ---	370,413	268,445	876,891	556,136	11,211	29,661	25,650
March ..	416,903	234,911	931,341	634,779	12,643	28,548	25,716
April -	302,559	190,435	697,307	590,357	11,592	32,582	28,788
May ---	266,982	185,616	654,803	560,559	11,237	36,540	31,406
June ---	377,090	235,433	774,424	725,846	14,203	36,270	31,445
July ---	274,999	186,379	621,541	549,817	11,109	30,795	26,927
Aug. ---	507,526	242,915	1,028,852	713,458	14,190	30,456	25,442
Total	2,950,455	1,893,813	6,611,686	4,952,862	\$98,528	251,657	\$218,639

Rhapsody Over Stereo: From 2 recognized authorities—one a music critic, the other a merchandiser—came confident predictions this week that stereo has captured the fancy of the vast music loving public and is sure to be a big factor in the home entertainment market this fall. Wrote N. Y. Times' music critic Harold C. Schonberg after visiting last week's N. Y. Hi-Fi Show:

"There were some mighty impressive demonstrations. Judging from the public reception and the corridor gossip, the American public is talking stereo, thinking stereo, and is going to be buying stereo. This column has pointed out before, and will point out again, that monophonic disks will not be made obsolete; that a great performance can be enjoyed as a great performance whether it is on cylinders, acoustic disks, early electrics or stereo; and that, furthermore, monophonic disks can sound immensely more impressive when played through stereophonic equipment.

"But there is no point denying the fact that stereophonic disks are ushering in a new dimension of sound; and, under the proper conditions (involving decent playback equipment, judicious tone control settings, correct speaker placement), it will be still another valuable tool toward the goal to which all are aspiring: the truer reproduction of good music in the home."

Said R. W. Saxon, RCA Victor v.p.-gen. mgr. at dealer meeting in N.Y.: "We stand on the bridge that spans

WHY, IN A TIME of bull markets and inflation, should the shares of some companies sell for less than their share of the liquid assets, at a price which puts no value at all on the sometimes considerable plant and equipment? asks Oct. 1 *Forbes Magazine*, which under caption "Bargains or Booby Traps?" goes on to say that a stock is worth only as much as the public is willing to pay for it and to set forth other possible reasons. Then it lists more than 100 of what it called "Loaded Laggards." In Radio-TV category it puts Admiral, with book value of \$25.03, prior obligations \$11.94, recent price 13½; DuMont Labs, \$7.52, \$3.65 & ¾; Emerson Radio, \$10.70, \$9.15 & ¾; Sparton, \$9.10, \$4.62 & ½. [Note: Oct. 10 closing of Admiral was 14½, DuMont 4, Emerson 9½, Sparton 5½.]

In his "Market Outlook" column in same issue of *Forbes*, Josephthal & Co.'s Sidney B. Lurie comments on "Wall Street's loss of enthusiasm for RCA, now around 38." He observes: "The promise of RCA is not this year's \$2 per share earnings potential, or the fact that the TV industry has learned to live in a replacement set market. Rather, few major companies possess as much internal earnings leverage as is evidenced by the fact that a 1% increase in pre-tax profit margins could add about 80¢ per share to pre-tax profits. This is probably within the realm of possibilities next year—which is when the stock could come into prominence again.

"There are various reasons why profit margins may be better, not the least of which is a cost-conscious new president. Furthermore, color TV, which has cost RCA untold sums in recent years, some day will be a real 'plus' for it obviously will make black-and-white obsolete. RCA is a stock for the sophisticated speculator, one who is in a position to build up an interest over a period of time. It is not a holding for the impatient."

Recently formed Lazard Fund Inc. (assets as of Sept. 30: \$122,851,003) reports that common stocks related to electronics in its portfolio are 25,000 shares of GE, 4800 IBM, 15,000 RCA.

the gap between the good sales days of hi-fi and the untouched, unlimited era of stereophonic sound. We've never been in such a potentially profitable spot in our history. The future is fantastic. We expect the home music industry will chalk up a record total of \$1,300,000,000 in business next year. We forecast a gross of \$585,000,000 in packaged hi-fi alone. Standard phonos—those selling for under \$100—will account for \$125,000,000. Records will reach an all-time high of \$400,000,000. Pre-recorded tapes will bring in another \$50,000,000 and tape recorder-players an estimated \$140,000,000."

Merger of General Transistor and Barnes Engineering is planned on basis of exchange of one share of General Transistor for 3¾ shares of Barnes. Former makes transistors, computers, electronic equipment; latter, infra-red systems and instruments for military and industrial uses.

Hewlett-Packard Co., Palo Alto, Cal. (electronic measuring instruments) acquires 80% of outstanding stock of F. L. Moseley Co., Pasadena maker of recorders & other electronic equipment. Details of stock exchange deal, by which Moseley continues as independent firm, weren't disclosed.

Raytheon purchases 250,000 sq.-ft. plant formerly occupied by Bostich, Pawcatuck, Conn. for expanded operations to be revealed later.

Do You Know That...

UNDER THE CATEGORY Advertising Agency Executives are something more than 400 biographies in the 1958-59 *Who's Who in America*—and it's interesting to note that more than half the names are from New York City and 60-odd from Chicago. As in the case of the Radio-TV and the Electronics and Electronic Equipment executives categories, published in Vol. 14:39, there's obvious overlap with other categories and some quite substantial top names among the advertising fraternity are missing.

But relying on the Vocational Index just released by *Who's Who*, we find well over twice as many ad agency folk listed in *Who's Who* as were TV-radio network and station executives. As we did with the aforementioned categories, we've culled the Advertising Agency Executives roster and these are the names listed, starting with New York City and Chicago and then tabulating the remainder by states & cities, alphabetically:

NEW YORK CITY: Edward Aleshire, H. C. Allen, R. E. Allen, T. H. Anderson Jr., Donald B. Armstrong Jr.

A. A. Bailey, W. R. Baker Jr., S. M. Ballard, H. R. Bankart, T. L. Bates, S. H. Bayles, K. J. Beebe, G. N. Beecher, F. K. Beirn, Wm. Bernbach, Jack Bisco, R. J. Blair, Brown Bolte, Barrett Brady, J. A. Brewer, T. D. Brophy, D. L. Burdick, T. C. Butcher.

J. A. Cairns, H. W. Calkins, J. Caples, Len Carey, Thomas K. Carpenter Jr., Albert Carroll, E. A. Cashin, G. D. Cates, G. I. Chatfield, W. S. Chesley, J. T. Chlurg, D. K. Cliford, R. T. Colwell, W. H. Conine, S. R. Coons, F. W. Coste, Edwin Cox, Thayer Cummings, B. A. Cummings, J. P. Cunningham.

Samuel Dalsimer, H. M. Dancer, Maxwell Dane, William Dasheff, S. W. Dean Jr., H. J. Deines, F. E. Delano, S. H. M. Dene, H. H. M. Dobberteen, Sherwood Dodge, J. C. Dowd, J. E. Doyle, B. C. Duffy, R. C. Durham, R. S. Durstine.

J. T. Ellington, E. H. Ellis, J. H. Ellis, Z. D. Ely, G. A. Erickson, Frank Fagan, A. C. Fatt, G. H. Fitch, Bernice Fitz-Gibbon, C. L. Fitzgerald, C. J. Fleming Jr., H. C. Flower Jr., Emerson Foote, R. L. Foreman, G. S. Fowler, Don Francisco, G. T. Fry.

F. R. Gamble, R. M. Ganger, A. V. Geoghegan, B. B. Geyer, S. H. Gliellerup, G. H. Giese, S. W. Granville Jr., C. C. Green, Marjorie Greenbaum, G. H. Gribbin, Rudolph Guenther.

Walter Haase, D. H. Halpern, J. E. Hanna, Marlon Harper Jr., G. E. Harris, W. A. Hart, John Hertz Jr., W. R. Hesse, A. F. Hewitt, J. M. Hickerson, W. R. Hillenbrand, Peter Hilton, D. D. Hoover, J. J. Houlahan, W. H. Howard, F. L. Howley, Winthrop Hoyt, E. F. Hudson Jr., P. D. Hyland.

J. H. Irish, E. F. Johnstone, Muriel Johnstone, H. K. Kahn, Elkin Kaufman, W. H. Kearns, A. H. Ketchum, Abbott Kimball, A. A. Kron, J. A. Kuneau.

T. H. Lane, S. S. Larmon, H. M. Legler, A. W. Lehman, Douglas Leigh, F. T. Leighty, A. W. Lewin, W. B. Lewis, W. H. Long Jr., G. P. Ludlam, R. E. Lusk.

F. W. Mace, F. B. Manchee, W. C. Matthews, H. A. Mattoon Jr., C. J. McCarthy, N. F. McEvoy, J. T. McHugh, W. E. McKeachie, R. C. McKee, G. S. McMillan, S. W. Meek, S. L. Meulendyke, D. C. Miller, Dwight Mills, H. W. Moloney, John Monsarrat, Rudolph Montgelas, S. M. Morey, J. B. Morris, L. W. Munro, Marvin Murphy.

R. R. Newell, C. P. Newton, E. B. Noakes, N. B. Norman, H. R. Noxon, D. M. O'Gilvy, W. T. Okle, A. F. Osborn, E. J. Owens.

R. C. Palmer, D. R. Parman, C. N. Parsells, J. W. Patterson, H. O. Pattison Jr., A. G. Peart, C. A. Pooler, C. A. Posey.

C. D. Reach, V. D. Reed, Rosser Reeves, J. A. H. Rehm, T. S. Repplier, Stanley Resor, William Reydel, F. D. Richards, J. W. Rindlaub, L. H. Rosenberg, F. B. Ruthrauff, F. B. Ryan Jr., J. D. Ryle.

C. A. Sante, F. A. Schneller, V. O. Schwab, H. S. Schwerin, A. J. Seaman, A. N. Sidnam, C. L. Smith, G. C. Smith, J. S. Smith, Raymond Spector, F. E. Spence, L. T. Steele, W. E. Steers, E. E. Stowell, H. D. Strauss, N. H. Strouse, J. K. Strubing Jr., D. D. Sutphen Jr., W. M. Swertfager.

A. J. Taranton, J. D. Tarcher, R. W. Taylor, R. E. Thompson, A. J. Toigo, J. V. Tutching, G. M. Ule, J. D. Upton, Lawrence Valenstein, L. B. Van Doren, I. A. Vladimir.

J. A. Wales, B. A. Walker, F. H. Walsh, A. M. Ward, W. B. C. Washburn, R. M. Watson, J. D. Webb, Walter Weir, R. L. Wensley, F. K. White, Elwood Whitney, J. E. Wilcy, D. B. Williams, A. M. Wilson, J. O. Young.

Other New York State: Red Hook—H. S. Ward. Rochester—F. M. C. Hutchins, F. M. Hutchins, W. B. Potter. Westhampton—W. R. Moorc.

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CHICAGO: David Adler, J. C. Arnold, J. T. Aubrey, B. A. Baker, V. R. Bliss, F. O. Britton, Melvin Brorby, Burton Browne, Walter Buchen, H. J. Buckley, Leo Burnett, F. S. Cary, T. R. Chadwick, J. M. Cleary, F. M. Cone.

Draper Daniels, G. C. Dibert, W. L. Diener, Andrew Duncan, A. C. Farlow, C. E. Frank, C. D. Frey, E. R. Gambic, E. A. Gebhardt, D. L. Harrington, R. N. Hartsing Sr., R. N. Heath, L. O. Holmberg, N. E. Jacobs, Freinan Keyes, J. H. Kies, R. J. Koretz, L. M. Krautter.

J. K. Laird Jr., J. J. Louis, Earle Ludgin, Hays MacFarland, L. M. Malitz, J. M. McDonald, R. W. Metzger, A. E. Meyerhoff, M. H. Needham, L. R. Northrup, Sterling Peacock, G. C. Reeves, B. L. Robbins, J. P. Roche, A. E. Rood.

M. H. Schwartz, R. J. Scott, J. W. Shaw, A. W. Sherer, A. E. Tatham, H. H. Thurber, Louis Tilden, W. D. Tyler, A. G. Wade II, J. E. Weber, E. H. Weiss, T. T. Weldon, S. A. Wells, L. A. Wherry, W. T. Young Jr., Martin Zitz.

Except for Los Angeles and environs, with 16 names, Detroit 14, San Francisco 9, Boston, Philadelphia, Pittsburgh & Minneapolis 7 each, St. Louis 6, Cleveland 5, there are only a scattering few agency men listed from the rest of the country. Still listing only those names shown in the Vocational Index, we find:

CALIFORNIA: Los Angeles—Don Belding, Roy Campbell Jr., H. E. Cassidy, Burt Cochran, T. H. Factor, J. A. Ford, R. C. Francis, Cornwell Jackson, E. C. McGaughey, C. B. Oliver, W. J. Pringle, R. A. Robinson, M. B. Scott, J. W. Smock, Tony Wahn, P. H. Willis. San Francisco—D. F. Bascom, W. C. Baumont, Russell Farbes, Walter Guld, H. Q. Hawes, S. R. Hutton, L. H. Odell, E. B. Sorensen, F. C. Wheeler. Santa Barbara—A. F. Marquette.

COLORADO: Denver—W. J. Kostka.

DISTRICT OF COLUMBIA: L. F. Wood.

FLORIDA: Miami—J. A. Day.

GEORGIA: Atlanta—J. H. Kinsella.

INDIANA: Ft. Wayne—B. F. Geyer.

LOUISIANA: New Orleans—J. H. Epstein, J. L. Killeen, R. M. Schwarz.

MARYLAND: Baltimore—Joseph Katz, Wilbur Van Sant.

MASSACHUSETTS: Boston—Harold Bugbee, Harold Cabot, F. W. Hatch, R. S. Humphrey, E. D. Parent, L. J. Raymond, W. J. Sheehan.

NORTH CAROLINA: Raleigh—H. R. Hames.

MICHIGAN: Detroit—W. B. Booth, D. P. Brother, W. C. Campbell, W. B. Doner, Clay Doss, J. H. Forshew II, W. S. French, E. R. Grace, W. R. A. Graham, J. J. Hartigan, Clarence Hatch, G. A. Porter, E. H. Scott, F. W. Sharp, Henry Tuttle.

MINNESOTA: Minneapolis—J. C. Cornellus, J. S. Fish, Wayne Hunt, A. H. Lund, R. O. Mithum, L. H. Swenson, A. R. Whitman.

MISSOURI: Kansas City—J. B. Woodbury. St. Louis—Beatrice Adams, H. W. Chesley Jr., C. E. Claggett, E. G. Marshutz, J. B. Orthwein, K. E. Runyon.

NEBRASKA: Omaha—M. E. Jacobs, F. C. Miller.

NEW JERSEY: New Brunswick—E. G. Gerbic. Princeton—G. M. Lauck, S. J. Schwin.

NEW MEXICO: Pena Blanca—J. W. Young.

OHIO: Cleveland—K. W. Akers, E. L. Andrew, J. C. Maddox, E. T. Morris, M. S. Sweeney. Toledo—D. B. Seem.

PENNSYLVANIA: Philadelphia—G. W. Cecil, J. B. Gray, B. S. Greene, H. H. Kynett, F. C. P. McGlinn, W. S. Shelly, J. M. Wallace. Pittsburgh—H. S. Downing, R. E. Grove, Emil Hofsoos, G. Ketchum, W. A. Marsteller, E. T. Parrack, W. S. Redpath.

TEXAS: Houston—S. R. Wilhelm.

VIRGINIA: Roanoke—C. B. Houck.

WISCONSIN: Milwaukee—F. V. Birch, C. J. Callos, A. R. McGinnis, A. W. Seller.

Add another to new rash of novels with TV-advertising as backgrounds—*The Insider*, by Ellington & Co. v.p. James Kelly, its background the advertising business and suburban living, published this week by Henry Holt & Co. One of best written of current crop, *The Hot Half Hour*, by BBDO exec. v.p. Robert L. Foreman, with Madison Ave. and bigtime TV giveaways as theme, looks like best-seller potential, may go into movies (Vol. 14:36); just released, its publisher is Criterion Books, N. Y. Also new and awaiting reviews is ABC-TV Chicago v.p. Sterling (Red) Quinlan's *The Merger*, based on what happens to people involved in a broadcasting merger; its release date by publisher Doubleday & Co. is Oct. 16 (Vol. 14:35).

Medics Warned on TV: Physicians shouldn't endorse drugs on TV commercials, says N. Y. County Medical Society's *New York Medicine*. Reporting that advertisers had attempted to recruit 3 young doctors to take places of "man in white coat" actors after NAB TV Code ban on such presentations becomes effective Jan. 1 (Vol. 14:30), publication asks: (1) Do physicians want to make reputations as pitchmen? (2) Shouldn't doctors practice medicine, not advertising? (3) How can doctors regain reputation as practicing physicians after TV contracts run out? Medical Society has made no official ruling on appearances by physicians in commercials, however.

Twelve No. Carolina radio stations, one of them owned by Charlotte's WSOC-TV (Ch. 9), have banded together as Carolina Radio Group to offer time under group rates with John E. Pearson Co. as national rep.; pres. is Harry L. Welch, WSAT, Salisbury, national sales mgr. Tom Morris, WTIK, Durham.

**THE
AUTHORITATIVE**

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

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OCT 20 1958

Television Digest

with **ELECTRONICS REPORTS**

Wyatt Building • Washington 5, D. C. • Telephone Sterling 3-1755 • Vol. 14: No. 42

SUMMARY-INDEX OF THE WEEK'S NEWS — October 18, 1958

NBC SHIFTS SEATTLE & PORTLAND affiliations to Bullitt stations from KPTV and KOMO-TV, which attacks "audacity." New ABC affiliations not indicated (p. 1).

BRITISH TV AD VOLUME rapidly approaching that of newspaper & magazines. Already 47% as great after only 3 years, compared with 27% in U.S. (p. 2).

FOUR STATIONS OPERATE TRANSLATORS to fill holes, extend coverage, counter CATV inroads. FCC reports translator coverage good, costs low (p. 3).

FREEZE ON CATV MICROWAVE attacked in Court of Appeals. Eager to tap new markets, applicants ask that FCC be forced to issue CPs or start hearings (p. 3).

COLOR TV OWNERS RATE HIGH in income, education, social status, civic activity, interest in new products, NBC-BBDO "ColorTown" report shows (p. 4).

FCC QUESTIONS STORER PURCHASE of WITI-TV, Whitefish Bay-Milwaukee on "concentration of control," proposed rates, "financial basis" (p. 5).

NETWORK TV ONLY GAINER in Aug. *Printers' Ink* National Advertising Index, rising 5% from year earlier vs. general 8% drop; network radio down 25% (p. 6).

BIG-MONEY TV QUIZ SHOWS seem doomed as *Twenty-One* shuts shop in wake of "fix" charges, low ratings. Fate of \$64,000 *Question* is next question (p. 6).

AT&T LOOKS AT ETV, sees future bright in quarterly report to stockholders (p. 8).

ADVERTISERS HELP ETV by sponsoring programs promoting interest in classics, etc., CBS-TV's Merle Jones tells NAEB. Other ETV news (p. 8).

Manufacturing-Distribution-Finance

NO TV PRICE INCREASE LIKELY this year, as trial balloon finds nobody ready to go first. Possible 3% or 5% increase on new Jan. lines (p. 11).

ELECTRONICS FACTORY PACE quickens toward recovery from poor first half, but 1958 output will drop for first time since TV, Commerce Dept. says (p. 11).

GE'S 'OPERATION UPTURN' helps accomplish most profitable 3rd quarter in company history—6% up from 1957 period despite 4% drop in sales (p. 13).

AMPEX'S CHARLIE GINSBURG, man behind the Videotape recorder, got into electronics through side door, enjoys "monomania" about work and golf (p. 14).

NBC AFFILIATE SWITCH IN SEATTLE & PORTLAND: Shift of NBC'S Seattle & Portland, Ore. affiliations to Mrs. A. Scott Bullitt's KING-TV (Ch. 5) & KING, and KGW-TV (Ch. 8) & KGW, respectively -- from KOMO-TV (Ch. 4) & KOMO, and KPTV (Ch. 12) -- provoked an expression of extreme bitterness from KOMO-TV exec. v.p. W.W. Warren, emphasizing anew the vital necessity of major network affiliation. Owner of KPTV, George Haggarty, had offered no comment by week's end. Changes are effective next year.

"NBC's announcement [came] as a complete surprise to us," Warren said. "We do not know what political, economic or ulterior forces were brought to bear on NBC to destroy 32 years of successful partnership. We are amazed that NBC would have the audacity to make a 'package' deal involving Portland & Seattle which sells one of its oldest friends and staunchest supporters down the river. This is all the more incredible in light of the fact that KOMO-TV is No. 1 in the market and repeatedly attracts the most viewers on directly competitive local programs."

NBC reacted with this brief statement: "No 'political' or 'ulterior' motives were involved. The affiliation changes were based on NBC's conclusion that they would benefit its TV network and the public and advertisers it serves. This conclusion was reached with regard to each of the stations, in each of the markets, on its individual merits."

Warren didn't indicate whether protest would be made to any official agency, but FCC has consistently kept out of such controversies, regarding them as private

business matters -- nor has Congress ever intervened, though individual Congressmen have at times protested to Commission.

A number of stations have smarted under network shifts through the years but seldom have they been able to do anything about it. Right now, KIRO-TV, Seattle (Ch. 7) and CBS are in court because of switch, in \$15,000,000 treble-damage anti-trust suit by KTNT-TV (Vol. 14:22, 27), but litigation will run months if not years.

* * * *

The Bullitt stations will shift from ABC, and there's no indication yet as to who will pick up the ABC affiliations. All switches to primary NBC affiliate status will come next year: KING-TV, June 14; KING, Dec. 10; KGW-TV, May 1; KGW, Dec. 19. Meanwhile, they are designated NBC secondary affiliates. NBC has no radio affiliate in Portland itself, has been using KGON in nearby Oregon City.

KIRO-TV (Ch. 7) & KIRO are CBS outlets in Seattle, KOIN-TV (Ch. 6) & KOIN in Portland. Independents in Seattle-Tacoma are KTNT-TV (Ch. 11) and KTVW (Ch. 13). Portland has only 3 stations, all affiliated, and a projected uhf -- KHTV (Ch. 27).

NBC Spot Sales has been rep for KOMO-TV, but neither station nor network had anything to say about possible change in rep. Blair-TV handles both Bullitt stations, and Katz represents KPTV. There was no comment, either, about status of Mrs. Bullitt's KREM-TV, Spokane (Ch. 3), now ABC-TV. KHQ-TV (Ch. 6) has NBC there, and KXLY-TV (Ch. 4) is CBS outlet in the 3-station market.

NOTABLE STATURE OF BRITISH COMMERCIAL TV: If you think TV in U.S. has been a phenomenal growth industry, have a look at Britain. After a mere 3 years of commercial operation there, TV is already garnering 47% as many advertising dollars as entire newspaper-magazine field. TV advertising volume in the U.S. runs only about 27% of printed media's -- after 12 commercial years. Even if you add radio in U.S., commercial broadcasting here still captures only 40% as much as newspapers & magazines.

Look at the figures: Britain's Media Records Inc. reports that in first half of 1958 printed media absorbed £51,849,207 (about \$145,566,000), up £4,500,000 (\$12,633,000) over same 1957 period. But TV took in £24,500,000 (\$68,783,000), rising whopping £10,500,000 (\$29,478,000) over year ago -- and with only 7 commercial stations (though they reach about 75% of TV homes).

For comparable U.S. figures, McCann-Erickson's estimate (TV Factbook No. 27, p. 24) put 1957 TV total at \$1,290,000,000, radio \$622,500,000, newspapers & magazines at \$4,698,900,000. This, with U.S. operating 494 commercial stations and 3 networks at the end of 1957.

British commercial TV was expected to rise faster than it did in U.S., for simple reason that long non-commercial BBC-TV operation had created substantial saturation of sets (9,313,800 as of Aug. 1) which needed only small investments to convert them for reception of commercial channels -- whereas U.S. set saturation (48,300,000 as of July 1) grew from scratch in 1946.

But the relationship of TV to printed media is the astonishing thing -- for British publishers are no slouches at selling space. In fact, advertising in England is generally more pervasive and more blatant than it is in U.S.

We don't pretend to prognosticate how British TV will progress from here on out -- but we doubt whether its pell-mell growth is going to slacken drastically. There are already demands for more commercial stations as well as for inauguration of commercial radio. At present rate of growth, commercial broadcasting in Britain may well become the dominant medium, printed media playing second fiddle in volume.

Foregoing accounts for hegira of U.S. TV executives to Britain, rapidly accelerating, as they seek chunk of that income by way of syndicated film, agency branches, rating services, equipment sales, etc. And profits can be substantial: Associated TV Ltd., one of the 10 commercial contractors, achieved operating profit of £4,053,000 (\$11,378,000) in 1957 vs. £447,600 (\$1,256,000) in 1956; profit after taxes was £1,997,909 (\$5,609,000) vs. £201,000 (\$564,307).

STATIONS EXPERIMENTING WITH TRANSLATORS: Only 4 TV stations have built uhf translators or applied for them -- out of the 142 operating, 32 CPs, 40 applications -- but experience being amassed by translator pioneers may well develop a brisk growth in use of the hole-fillers and coverage-extendors.

Greatest translator enthusiast among station operators is Wm. Putnam, who is developing a veritable chain emanating from his WWLP, Springfield, Mass. (Ch. 22). He has not only a conventional satellite, WRLP, Greenfield, Mass. (Ch. 32), but 2 translators operating -- and he's applying for 3 more soon. Translators are now operating in Claremont & Lebanon, N.H., and Putnam asserts: "I get more viewers per dollar of outlay from translators than I do in Springfield."

Two other uhf's with translators: WINR-TV, Binghamton, N.Y. (Ch. 40), with units in Johnson City-Vestal, and Hillcrest-Chenango Bridge; WHIZ-TV, Zanesville, O. (Ch. 18), with repeaters in Coshocton & Cambridge.

Effort to counteract community antenna systems is objective of the sole vhf organization using translators -- Wm. Smullin's KBES-TV, Medford (Ch. 5) & KOTI, Klamath Falls (Ch. 2), both Ore. Smullin has been applying left & right for translators in his coverage area, because CATV systems are giving their customers the 3 Portland signals, thus cutting into pickups of his signals.

Smullin operates one translator in Cave Junction, holds CPs for 2 in Cow Creek and 2 in Grants Pass, is applicant for one in Butte Falls. He also had applications for one each in Medford & Klamath Falls, to repeat both his stations, but FCC said they'd violate "duopoly" rules -- commonly-owned stations in a market.

Most of station-owned translators are too new to give definitive coverage data -- but FCC's information on other and older units is that they're working very well, will do even better when power ceiling is hiked from 10 to 100 watts, expected shortly when Commission concludes its power-increase rule-making.

Translator cost data has been collected by TV Allocations Study Organization along with coverage measurements. It found that average 1-channel translator costs \$6212; 2-channel, \$13,040; 3-channel, \$20,764. Average annual operating costs are: 1-channel, \$1161; 2-channel, \$1990; 3-channel, \$2210. Commission estimates there are more than 750,000 people living in areas served by translators -- and it figures equipment costs at \$1.20 per person, annual operating cost about 22¢. It estimates average maximum distance reached by translators is 22 mi.

CATV MICROWAVE FREEZE ATTACKED IN COURT: FCC's "deep frost" on microwaves to serve community antenna systems really isn't thawing at all, despite one Texas grant last week (Vol. 14:41), in opinion of several microwave applicants -- so they trudged up to Court of Appeals and asked that Commission be forced to grant CPs or hearings.

Reason for applicants' impatience is that there are scarcely any good-sized towns left to develop for CATV without use of microwave -- i.e., signals can't simply be picked out of the air, must be piped substantial distances. In addition, CATV operators using 1 or 2 signals need microwave to bring in more or better signals.

Three nearly identical appeals were filed this week by Smith & Pepper law firm, whose E. Stratford Smith is also counsel for National Community TV Assn. The theme is that FCC can't legally freeze applications. Mesa Microwave, which last week obtained grant to serve Memphis, Wellington & Childress, Tex., asks court to get FCC action on microwave designed to serve CATV in Laredo, Tex.; Tallahassee, Ft. Myers & Naples, Fla. Carter Mt. Transmission Corp. proposes to initiate or augment service to Miles City, Mont.; Riverton, Lander, Thermopolis, Cody & Powell, Wyo. E. Texas Transmission Co. seeks to serve Tyler, Jacksonville & Palestine, Tex.

"Perhaps this Court can compel the Commission," petitions state, "to tell the Court what the Commission apparently is unwilling to tell Petitioner, namely, the precise reasons why it will not grant its applications, and why the Commission is unwilling to have Petitioner know these reasons." Then, warming up: "If there is no improper reason for such 'secrecy' then it is sheer, incredible, unlawful, bureau-

cratic arbitrariness and capriciousness." In conclusion, petitions ask that "this Court retain a supervisory jurisdiction over this matter insuring that both proper and expeditious action be taken."

Some FCC attorneys concede the Commission might have been wiser to send the applicants a letter or to issue a public notice -- to justify freeze during its consideration of CATV's impact on TV stations (Vol. 14:21). Ordinarily, the petitions wouldn't disturb them too much -- but they're not so sure now, in light of scathing language court has used on Commission in recent months. Notable instance was the court's effort to make "errand boy" out of FCC in Miami Ch. 10 remand (Vol. 14:16). Another was court's decision on Ch. 10, Norfolk, in which it clearly questioned Commission's good sense by stating: "It may be that Congress has confided too great power in the agency" (Vol. 14:38).

Tidings from 'ColorTown': Owners of color TV today constitute a "cream" market, 4 out of 10 having incomes of \$10,000 or more, 65% earning more than \$7500 annually. This is major finding in first formal report on 3-year "ColorTown" TV survey project undertaken jointly by NBC & BBDO (Vol. 12:9, 41).

Started in Dec. 1955 to measure "growth & impact of color TV within a panel of 4000 families in a typical medium-sized city," field work by Advertest Research Inc. yielded these conclusions about color TV set owners—"compared with the average citizen"—in project's Study No. 1, released this week:

(1) They have more spending money, fewer family obligations. (2) Most are home owners. (3) They're better educated. (4) They're more active socially and in civic groups. (5) They have more interest in new products and new ideas—and firmer opinions. (6) "They are excited about color TV."

Researchers had to go outside 4000-family panel for documenting statistics, however, since "it will be some time before the panel itself will yield a large enough group of color owners to serve as a basis for a separate study." RCA service contract and dealer lists in area were culled to make total of 328 color set owners for sampling.

In addition to probing economic & social status of color owners, "ColorTown" field workers invited criticism of set performance: 75% were "very satisfied," 22% "fairly well satisfied," 3% "not satisfied at all." Major color vs. black-&-white complaint, voiced by 14% of all 328 owners: "Color is harder to tune; too much adjusting." Also, 7% thought color TV "isn't perfected yet," 5% found black-&-white clearer on regular sets.

Additional "ColorTown" surveys, intended by NBC & BBDO to chart change in character of color TV market as medium develops and to show impact of color on programs & commercials, will be conducted by R. H. Bruskin Assoc.

Sunday news ban invoked against CBC by Ont. courts, which ruled publicly-owned corporation must stand trial under Lord's Day Act for news broadcasts on that day, was appealed this week to Canadian Supreme Court. CBC argued that it's an agent of Crown, not subject to blue law because Crown isn't specifically named in Act. Ont. courts held CBC is "legal person," responsible for any offenses it commits.

NBC signs affiliation with TV Corp. of Mich. Inc., whose share-time Ch. 10, Onondaga (with State Board of Agriculture), is due on air Jan. 1 (Vol. 14:38). Call letters for commercial station (40% owned by Lansing radio WILS) will be WFTV; State Board's, WMSB.

Non-Profit UN Series: Underwritten by group of TV network & station executives, new filmed 15-min. *Dateline: Un* series of 26 programs, designed to bring "understanding in depth" of United Nations to U. S. viewers, starts Oct. 24—United Nations Day—on 60 stations. Non-profit series, made with help of UN camera crews in Washington, Moscow, Africa, other parts of world, is offered at these rates by U. S. Broadcasters Committee for UN, 422 Madison Ave., N. Y.: N. Y., Chicago, Los Angeles, \$200; cities with more than 1,000,000 sets, \$100; cities with 225,000-1,000,000 sets, \$50; cities with 100,000-225,000 sets, \$25. Committee's chairman is *Television Magazine* publisher Frederick Kugel; vice chairman, P. A. Sugg, NBC; secy.-treas., David C. Moore, Transcontinent TV Corp. Members of exec. committee: Roger W. Clipp, Triangle Stations; R. E. Dunville, Crosley Bestg. Corp.; Harold Grams, KSD-TV, St. Louis; Jack Harris, KPRC-TV, Houston; Donald McGannon, Westinghouse Bestg. Co.; C. Howard Lane, KOIN-TV, Portland, Ore.; C. Wrede Petersmeyer, Corinthian Bestg. Corp.; James G. Riddell, ABC; J. S. Sinclair, WJAR-TV, Providence; George Storer Jr., Storer Bestg. Co.; Robert D. Swezey, WDSU-TV, New Orleans; E. K. Wheeler, WWJ-TV, Detroit; George Whitney, KFMB-TV, San Diego.

Defense of FCC members was delivered by Comr. Robert T. Bartley, as he spoke this week to meeting of Mass. Broadcasters' Assn. in Boston, his old stamping grounds where he served as asst. to pres. of Yankee Network 1939-1943. Though he stated that Rep. Harris (D-Ark.) subcommittee "wasn't merely playing cops & robbers" when it had Commission on grill earlier this year, he lauded his colleagues as conscientious officials—at peak of abilities, with average age of 53, average length of public service 22 years.

Miami Ch. 10 hearing finished this week with competing attorneys agreeing, by stipulation, to put into record the entire letter sent by Sen. Smathers (D-Fla.) to Harris investigative committee—describing his activity in case (Vol. 14:41). Smathers was executor of estate of L. B. Wilson, who had been an applicant for Ch. 10. Judge Horace Stern, the hearing examiner, has asked for briefs by Nov. 3, oral argument Nov. 17, says he hopes to issue initial decision before Christmas.

U. S.-Soviet TV exchange "could well be the first effective step toward the peace we all want," *TV Guide* managing editor Merrill Panitt told Detroit Ad Craft Club last week, reporting on recent trip to Russia. "If Russians can see movies and TV shows that describe how we live, what we enjoy, and what sort of people we are, perhaps they will start doubting the insidious propaganda they are subjected to," Panitt said.

Storer Purchase Questioned: Snag developed this week in Storer Bcstg. Co.'s proposed \$4,462,500 purchase of WITI-TV, Whitefish Bay (Milwaukee), Wis. (Ch. 6), which it plans to substitute for now-dark WVUE, Wilmington-Philadelphia (Ch. 12) [Vol. 14:32 et seq], when FCC wrote both buyer & seller and said it couldn't approve sale unless it has more information showing transfer wouldn't produce too much "concentration of control."

Vote was 3-2 by the 5 commissioners present, but chances are that same results would have obtained had all been there. Comrs. Hyde, Craven & Ford voted for "more information," while Lee & Cross would have approved sale. Based on past records, it's likely Bartley would have joined majority, Doerfer minority.

Commission called attention to Sec. 3.636 of its rules, said application for transfer made no showing that Storer's swap of Wilmington for Milwaukee outlet wouldn't increase Storer's market coverage to degree inimical to public interest. Storer's other TV holdings: WJBK-TV, Detroit (Ch. 2); WSPD-TV, Toledo (Ch. 13); WAGA-TV, Atlanta (Ch. 5); WJW-TV, Cleveland (Ch. 8).

Commission had some other questions, too. It stated: "Such showing as you decide to submit should include a statement as to whether, in setting its rates for time purchased on WITI-TV, Storer Bcstg. Co. proposes to operate said station in combination with its other broadcast stations . . . Further, since Storer operated station WVUE as an independent station and found it necessary to terminate such operation for financial reasons, its showing should set forth the basis for its belief that station WITI-TV can be operated as an independent station on a sound financial basis in the public interest."

Action of FCC doesn't at all mean that it's bound and determined to deny approval of sale ultimately. Similar letters have gone out before in similar cases. On other hand, approvals have been granted rather routinely in similar cases.

There's no gainsaying, however, that Commission is "stickier" than it used to be. Its question about "concentration of control" isn't unusual—but its queries about rates and independent operation are.

Disqualification of Comr. Craven from any further participation in Indianapolis' Ch. 13 case, which was sent back to FCC by Court of Appeals (Vol. 14:39), was urged in petition filed this week by WIBC, which had lost final decision to Crosley. WIBC says it doesn't "impugn the integrity" of Craven but that he's barred from acting in judicial capacity because he had served as consulting engineer to Ch. 13 contestant WIRE before he joined FCC. Now operating WLWI, Crosley this week asked FCC for special temporary authority to continue running station pending outcome of further proceedings. Court of Appeals had said Commission should take steps to continue service pending reconsideration—and WIBC has asked FCC to establish "trusteeship" to take over station.

Reservation of Ch. 8, Waycross, Ga. for educational use was denied by FCC this week. Petition of Georgia State Dept. of Education was turned down, according to Commission, because Waycross isn't a predominantly educational center, because it's likely to have only one vhf channel in foreseeable future—and, therefore, Commission should let all comers, educational & commercial, seek channel on their "comparative merits."

Stereo broadcasts by educational WTTW, Chicago (Ch. 11) and FM station WFMT were authorized by FCC for 6 months under waiver of rules, Sec. 3.651 (c).

WWL-TV Wins Court Fight: Religious issue was rejected by Court of Appeals this week as it affirmed FCC's choice of Loyola U's WWL in decision on Ch. 4, New Orleans. Loser James A. Noe had contended that Jesuit's Loyola was "alien-controlled" because Roman Catholic Society of Jesus' superior general is Belgian citizen living in Rome. Unanimous decision by Judges George T. Washington, Daniel L. Bazelon & Charles Fahy, written by Washington, noted that section of Communications Act dealing with aliens was designed to protect country in time of war and concluded: "The relationship of Loyola to the Society of Jesus hardly seems to endanger our national security" and this relationship "has never been used in the past to impinge upon the independence of the University in the operation of its radio station . . . The religious orientation of a licensee is an irrelevant factor. As the Commission has held, the prime consideration is 'whether the applicant, whatever his own views, is likely to give a "fair break" to others who do not share them.'" Court also rejected argument of "Protestants and Other Americans United for Separation of Church & State" that grant to Loyola violated Constitution's church-state separation provision. Note: Court exercised care in choice of judges in case—for Washington is Protestant, descendant of President Washington's family through Col. Samuel Washington, Bazelon is Jewish, and Fahy is Catholic.

Aftermath of Hartford Switch: Request for a vhf channel in Springfield-Holyoke by uhf WHYN-TV (Ch. 40), submitted to FCC this week, was the quick reaction of CBS affiliate WHYN-TV to CBS's action in Hartford last week—dropping its own uhf WHCT (Ch. 18) there and taking on WTIC-TV (Ch. 3) as CBS-TV affiliate (Vol. 14:41). Wm. Dwight, pres. of WHYN-TV, asked FCC to find a new vhf channel for area, stating: "Circumstances indicate that others may seek and will probably be successful in obtaining permission to operate at least one other vhf channel in the Hartford, Conn. area. It is our opinion, based on the experience of others throughout the country, that successful operation of uhf stations in the Springfield-Holyoke, Mass. area cannot long continue if vhf operation is permitted in the adjacent Hartford, Conn. area and only uhf operations permitted in the Springfield-Holyoke, Mass. area. A Hartford, Conn. vhf station does not, cannot and undoubtedly will not adequately service the people in the Springfield-Holyoke area. There is no community of interest between the people of Hartford and Springfield-Holyoke."

Courts Need TV Coverage: Public gets more realistic understanding of trial procedures on TV than press reporting provides, says Judge John C. Powell of Okla. Criminal Court of Appeals. In opinion concurring with ruling by Judge John A. Brett upholding right of WKY-TV, Oklahoma City, to televise burglary trial proceedings (Vol. 14:36), Judge Powell concludes: "We have in this court had experience with the TV people, and such has been favorable. Where cases of notoriety have become beclouded by the conflicting reports of various newspapermen, the visual broadcasting of actual proceedings has demonstrated the due process of law and in a light healthful & favorable." Judge scorns "forced maxim" of American Bar Assn.'s Canon 35 ban on TV in courtrooms. He points out cameras can be unobtrusive, says TV provides "educational opportunity for the citizen [to] enable him more truly to gain an insight into the working of the courts, not so realistically revealed by the written word."

TV Up, Other Media Down: Network TV again was only medium on up side in Aug., gaining 5% from same 1957 month while general advertising average dropped 8%, according to monthly National Advertising Index in Oct. 17 *Printers' Ink*.

Overall, national ad volume after 8 months of 1958 was running 2% below Jan.-Aug. last year, continuing decline which started early in year. Omitting any estimates of TV or radio spot from its figures, *Printers' Ink* showed that network TV's cumulative 11% rise in 8 months continued to be only plus mark in Index's ledger.

In Aug., network radio was down 25%, newspapers 14%, magazines 12%, business papers 11%, outdoor 3% from year earlier.

Coincident with release of these index figures, TvB this week released Aug. roundup of estimated expenditures of top 15 network advertisers by name and brand, plus grand totals by day parts and by product classifications (available from its N. Y. headquarters, 444 Madison Ave.). The *Printers' Ink* Index and percentage figures for Aug. and Jan.-Aug.:

	Index		% change from		% cumulative change
	July 1958	July 1957	1 month ago	1 year ago	
Medium	199	216	- 3	- 8	- 2
General Index	199	216	- 3	- 8	- 2
Total Magazines	151	172	- 6	-12	- 7
Weekly	174	200	- 5	-13	- 7
Women's	112	125	- 7	-10	- 6
General Monthly	172	184	- 3	- 7	- 4
Farm	87	117	-13	-26	-19
Newspapers	184	213	- 4	-14	- 9
Network Television	408	390	+ 1	+ 5	+11
Network Radio	24	32	- 8	-25	- 5
Business Papers	190	213	- 2	-11	- 6
Outdoor	163	168	- 7	- 3	- 2

All indexes have been seasonally adjusted. The index shown for each medium is based on estimated total advertising investments in the medium, including talent, production and media costs. For each medium, the base (100) is an average of total investments in the years 1947-49 except for the TV base which covers the years 1950-52. "Cumulative change" in the last column refers to the change, from the same period last year, of the index average from January through Aug. 1958. Direct mail index for Aug. is not available.

Baltimore's ad taxes are invalid, Md. Court of Appeals ruled Oct. 17, upholding July decision by Md. Circuit Court that 6% special levies on TV, radio, press, other media "violate the fundamental [constitutional] guarantees of freedom of the press" (Vol. 14:28). City Council has repealed 4% tax on advertising sales plus 2% on media receipts, effective Jan. 1, 1959, but appealed lower court's ruling in hope of retaining about \$1,500,000 already collected this year. Baltimore stations & newspapers joined in court challenge of levies, which now are forbidden under new state law.

TV discount discrimination against Amana Refrigeration Inc. is denied by CBS Inc., which filed Chicago Federal court brief asking dismissal of Robinson-Patman Act anti-trust claim in \$9,000,000 countersuit by Amana against network (Vol. 13:29, 44). In court actions stemming from alleged contract failure by Amana in sponsoring 7 spots on *Phil Silvers Show*, CBS previously had denied "must-buy" and "tie-in" allegations by refrigerator firm in triple-damage suit.

Big Associated TV Ltd., major commercial TV contractor in Britain, is getting bigger. Recently it established reciprocal arrangement with Jack Wrather's new Independent TV Corp. (Vol. 14:38). Now, it has purchased Australia's Broadcasting Associated Pty. Ltd., large TV-radio station operator which also holds interests in Macquarie Network, most extensive commercial radio chain. BAP was owned by *Daily Mirror* and *Sunday Pictorial* newspapers, each of which owns 11% of ATV.

Curtains for Quizzes: End of TV's big-money quiz show era was close at hand this week as result of program "rigging" scandals (Vol. 14:35-38, 40) and falling ratings, *Twenty-One* following *Dotto* and *\$64,000 Challenge* off network air, *\$64,000 Question* facing almost certain death.

Less than 2 weeks after NBC-TV took over direct charge of much-battered *Twenty-One* from packagers Barry & Enright, it died with Oct. 16 show. Viewers were given no explanation why program would be seen no more. But spokesman for sponsor Pharmaceuticals Inc. cited "decline in ratings," adding: "We must admit the [N. Y. grand jury] investigation had something to do with the decline." Show had 10.3 Trendex rating—its lowest—last week. It once hit 34.7.

As for CBS-TV's *\$64,000 Question*, which hasn't been mentioned in any "fix" charges by disgruntled quiz contestants, it still was alive at our presstime. But "it's just a matter of time," spokesman for network told us. Show sank to 12.4 Trendex Oct. 12, and v.p. George Abrams of co-sponsor Revlon Inc. said he was discussing its survival with producers Entertainment Productions Inc. He acknowledged "there is no question but that quiz shows have shown a general decline."

In dropping *Twenty-One*, sponsor deserted neither NBC nor Barry & Enright. Pharmaceuticals bought firm's game-type *Concentration* for same Thu. 8:30-9 p.m. spot, starting Oct. 30. Jack Barry will m.c. it, as he did *Twenty-One's* 2-year \$1,000,000 giveaway run. And for good measure, Pharmaceuticals became alt. sponsor (with P. Lorillard, which dropped NBC's *\$64,000 Challenge*) of *Arthur Murray Party* Mon. 10-10:30 p.m., and bought 5 segments of NBC daytimers *Treasure Hunt*, *It Could Be You* and *Concentration*.

Pharmaceuticals spokesman underscored vote of confidence in Barry & Enright: "They are above reproach. In our own investigation of the charges, we haven't found a thing that would personally implicate these 2 fellows in any wrongdoing."

Meanwhile, there were no reports indicating what N. Y. grand jury was doing in its probe of quiz shows which started after Colgate's *Dotto* sank without trace from CBS & NBC schedules in Aug. Man who started it all—*Dotto* stand-by contestant Edward Hilgemeier Jr.—charged winner on show had been fed answers to quiz questions. Run on District Attorney Frank P. Hogan's office by winners & losers on other shows followed.

Rate increases: WFIL-TV, Philadelphia, Oct. 1 raised base hour from \$3200 to \$3300, min. \$750 to \$880. WBKB, Chicago, Aug. 15 raised hour from \$2400 to \$3000, min. \$700 to \$750. WWJ-TV, Detroit, Oct. 1, hour \$2400 to \$2700, min. \$600 to \$660. KFRE-TV, Fresno, Oct. 15, hour \$650 to \$750, min. \$150 to \$180. WWTW, Cadillac, Oct. 1 added Class AA hour (7:59-10:31 p.m. daily) at \$400, min. at \$80, Class A hour remaining \$350. WCSC-TV, Charleston, S. C. Nov. 1 raises hour \$300 to \$350, min. \$75 to \$80. WLEX-TV, Lexington, Nov. 1 adds Class AA hour (7-10 p.m. daily) at \$341, min. at \$55.50, Class A hour remaining \$284.

WJR, The Goodwill Station, big Detroit broadcaster whose WJRT, Flint (Ch. 12) went on air Oct. 12 (Vol. 14:41), reports lower earnings & sales for 9 months ended Sept. 30 vs. corresponding 1957 period. Net income was \$254,239 (44¢ per share) on sales of \$2,352,012 in first 3 quarters this year vs. \$370,149 (64¢) on \$2,639,422 in 9 months of 1957.

 <p>Television Digest with ELECTRONICS REPORTS WYATT BUILDING, WASHINGTON 5, D. C.</p>	<p>MARTIN CODEL, Publisher ROBERT CADEL, Bus. Mgr. ALBERT WARREN, Senior Ed. WILLIAM WIGHT, Managing Ed.</p>
	<p>Associate Editors: WILBUR H. BALDINGER PAUL STONE WM. J. McMAHON Jr. BERYL D. HINES</p>
<p>Weekly Newsletters Published Saturdays Television Factbooks Published in March & September AM-FM Directory Published in January TV and AM-FM Addenda Published Weekly</p>	
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Personal Notes: Edmund C. Bunker, CBS-TV v.p.-director of affiliate relations, named v.p. & gen. sales mgr., reporting to network sales v.p. Thomas H. Dawson; Carl S. Ward succeeds Bunker under affiliate relations & engineering v.p. Wm. B. Lodge . . . Joseph L. Tinney, v.p. & asst. gen. mgr. of WCAU-TV and WCAU, Philadelphia, retires after 14 years . . . Frank Marx, ABC engineering v.p. & Raymond F. Guy, NBC senior staff engineer, left N. Y. Saturday on 5-week global inspection of Voice of America facilities as representatives of USIA Broadcast Advisory Committee . . . Ross Donaldson promoted to NBC-TV script services director . . . Richard C. Barron promoted to asst. to exec. v.p. & gen. mgr. Harold Essex of WSJS-TV and WSJS, Winston-Salem, N. C. . . . John P. Sholar, ex-WNOK-TV, Columbia, S. C., named sales director of WSPA-TV, Spartanburg . . . Frank Ridolphi promoted to administrative asst., WSFA-TV, Montgomery, Ala. . . . S. Wm. Aronson promoted to administrative asst. to ABC radio v.p. Edward J. DeGray . . . Howard Coleman, ex-WMAQ, Chicago, named administrative asst. to pres. Harold Gross of WJIM-TV & WJIM, Lansing . . . Bob Krieghoff, program director of WTOL, Toledo adds duties as program director of upcoming WTOL-TV (Ch. 11) due in Dec.; Rus Stone, WTOL sales mgr. promoted to sales mgr. of TV . . . Paschal Porta, ex-KFSA-TV, Ft. Smith, named program director of KNAC-TV there . . . Edwin

Roy H. Thomson, Canadian chain newspaper publisher (*Quebec Chronicle-Telegraph*, etc.), publisher of *St. Petersburg (Fla.) Independent*, 49% owner of CKWS-TV, Kingston, Ont. (Ch. 11) & CHEX-TV, Peterborough, Ont. (Ch. 12), publisher of *Edinburgh (Scotland) Scotsman & Dispatch*, chairman of commercial TV contractor for Scotland, has been elected to board of Rediffusion Inc., Montreal wired-music & community antenna operator.

New public affairs dept. established at CBS's WCAU-TV, Philadelphia, and headed by gen. mgr. John A. Schneider, is claimed to be "most extensive operation of its kind by an independent local TV station." Staff includes: program director Jack Dolph, public affairs director Don Lenox, news director Charles Shaw, educational director Margaret Mary Kearney, promotion & information director Robert N. Pryor.

Michael M. Sillerman who resigned as exec. v.p. of TPA following its merger with Jack Wrather's ITC (Vol. 14:38) joins Gross-Krasne, N. Y. and Hollywood TV film producers & distributors, as pres. Philip Krasne is chairman; Jack Gross, v.p.; named changed to Gross-Krasne-Sillerman.

Canadian Broadcasting Corp. promotes: Peter McDonald, to director of TV network; Gunnar Rugheimer, to asst. director of TV network; John R. Malloy, to supervisor of TV network sales; Ian Ritchie, to headquarters station relations staff.

Pfeiffer, ex-rep Edward Petry, joins KOTV, Tulsa, as commercial mgr. Nov. 1 . . . Dick Paul promoted to promotion director of WBRE-TV & WBRE, Wilkes-Barre . . . William E. Goetze, ex-San Diego Chamber of Commerce, named adv. & promotion director of KFSD-TV & KFSD there . . . Pierre Marquis, Screen Gems director of sales planning, adds duties of adv. & promotion supervisor, succeeding Henry White who continues as program procurement director; Gene Plotnik promoted to publicity director . . . Norman Wieland, ex-*Billboard* magazine, named merchandising mgr. of 20th Century-Fox Records . . . Florence Small, agency editor of *Broadcasting* magazine, resigns to form Penthouse TV Assoc., public relations & advertising counselling, 595 Madison Ave., N. Y. (Plaza 3-4380) . . . Alvin Cooperman, producer (Shirley Temple's *Storybook*), named executive producer of Screen Gems, Columbia Pictures TV subsidiary . . . Don Waterbury, ex-Broadcast Time Sales, named national sales mgr. of rep Rambeau, Vance, Hopple, N. Y. . . . David H. Sandberg resigns as v.p. & Pacific coast mgr. of rep Avery-Knodel . . . W. C. Swartley, v.p. of Westinghouse's WBZ-TV, Boston, elected pres. of Mass. Bestrs. Assn.

ADVERTISING AGENCIES: Bruce L. Altman & John L. Baldwin promoted to v.p.'s of Kenyon & Eckhardt, Chicago . . . Wm. H. Howard, ex-Young & Rubicam v.p., joins J. Walter Thompson, his executive title to be announced . . . Everard W. Meade, ex-Young & Rubicam, appointed TV-radio v.p. of Ogilvy, Benson & Mather . . . Harry M. Jobson promoted to exec. v.p. of Harris & Co., Miami . . . Wm. H. Genge promoted to v.p. of MacLeod & Grove . . . Rudy Etchen, ex-Browning Arms, named v.p. of Erwin Wasey, Ruthrauff & Ryan, Pittsburgh . . . Ned Smith, ex-Raymond Spector, named v.p. of Maxwell Sackheim Inc. . . . Julian P. Brodie, ex-Lewin, Williams & Saylor, named v.p. of Lawrence C. Gumbinner, N. Y. . . . Dean Avery, ex-Young & Rubicam, named v.p. of Muray Associates, adv. photographers.

Ever-expanding Independent TV Corp., which recently purchased TPA (Vol. 14:38), promotes 5 to district mgrs.: Ralph Barron, Hugh Simpson & Alton Whitehouse in N. Y., reporting to mgr. Walter Plant; Lee Cannon & Casper Chouinard in Chicago, reporting to mgr. Art Spirt.

Visit to Russia by U. S. broadcast engineering group is being planned by State Dept.'s East-West Contacts section under Scott Lyon. Many other industry groups—steel, plastics, etc.—have sent delegations under the U. S.-Russian exchange agreement.

Dr. Norwood L. Simmons, Eastman Kodak Co., elected SMPTE pres., succeeded as exec. v.p. by John W. Servies of National Theatre Supply Co.

Obituary

Joseph Katz, 70, Baltimore adv. executive, pioneer in radio, 95% owner and chairman of WWDC, Washington, which in Aug. acquired WMBR, Jacksonville, died Oct. 13 in Baltimore of a heart ailment. His son-in-law is Ben Strouse, pres.-gen. mgr. of WWDC & WMBR. Surviving are widow, 2 sons, daughter.

Elroy Schroeder, 59, pres. & 20% owner of KNOX-TV (Ch. 10) & KNOX, Grand Forks, N. D., also Grand Forks supt. of schools, died of heart attack Oct. 10 after collapsing at Minneapolis Airport.

Robert Allan Smalley, 69, retired J. M. Mathes Adv. exec., died Oct. 10 in Sherman, Conn. Surviving are widow, 2 daughters.

Bell System Backing ETV: Not only are GE & RCA currently researching ETV expansion and equipment potential, so convinced of its inevitable growth that one top GE executive told us he believes there will be more educational than commercial stations on the air within 10 years, quite aside from closed-circuit teaching (Vol. 14:39), but no less than AT&T is watching it closely as an actual & prospective long-lines customer. Giant Bell System is probably the most powerful ally to be enlisted in the cause of ETV since Ford Foundation's generous bequests gave it the economic & political guidance and the industrial & sociological caste that was unobtainable from FCC and from most of the broadcasting industry.

Sent along with quarterly dividend checks to its more than 1,600,000 stockholders, AT&T's quarterly report last week devoted 4 of its 8 pages to ETV, noting that "providing its connecting links is a natural undertaking for the telephone companies." Report includes simple diagrams of closed-circuit only, closed circuit with station tied in, and network connecting stations. It also mentions Bell System's pioneering in coaxial cables, microwave radio and TV interconnections, and telephone engineers' role in the Hagerstown, Louisville, San Jose & Cortland, N. Y. school TV projects. It further states:

"The Bell companies believe therefore that they can be of much help to educators who are exploring the potential value of ETV. They welcome opportunities to work with boards of education, and with colleges, in this important effort . . . Educational TV has not yet come of age. How

well it may serve each community will depend largely on finding good answers to many technical, administrative and financial problems. . . . If you are an educator or school board member, and are concerned with this question, don't hesitate to get in touch with your local telephone manager. He and his associates who are specially familiar with TV problems will be glad to work with you in studying your needs."

Broadcasters have been derelict in job of informing public, in opinion of CBS v.p. & newsman Edward R. Murrow. He made it clear he was speaking for himself, not CBS, in addressing Radio-TV News Directors Assn. in Chicago this week. He didn't exempt networks from his attack, accused them of feeding public steady diet of "decadence, escapism and insulation from the realities of the world in which we live" rather than keeping people informed of national & international problems. He criticized networks for failing to protest State Dept. refusal to permit newsmen to enter Red China. He also suggested that sponsors turn over to networks one period annually for presentation of information programs. NAB pres. Harold E. Fellows urged group to give more local news, rely less on wire services, and stated: "From a news standpoint and in the view of serving the public, there can't be too many radio stations or too many TV stations or too many newspapers—although those who own and operate them might take a contrary view from the standpoint of the balance sheet."

Notes on Educational TV: Big commercial sponsors—however indirectly—are going in for educational TV, CBS-TV stations div. pres. Merle S. Jones told 34th annual convention of National Assn. of Educational Broadcasters in Omaha this week. In major speech, he pointed out advertisers are "now sponsoring an encouraging number of shows with real educational value."

FCC's emissary at convention was Comr. Cross, banquet speaker. "ETV is out of the switchyard and on the mainline," he said. "Anybody who tries to subvert an ETV channel is in for serious opposition."

NAEB officers for 1959, when convention will be held Oct. 30-Nov. 2 in Detroit: pres. Wm. G. Harley, U of Wisconsin's WHA-TV, Madison (Ch. 21); first v.p. Jack McBride, U of Nebraska's KUON-TV, Lincoln (Ch. 12); 2nd v.p. Robert Schenkkan, U of Texas TV-radio director; 3rd v.p. Graydon Ausmus, U of Alabama broadcasting services director; treas. Robert Coleman, Michigan State U's radio WKAR; secy. Keith M. Engar, U of Utah's KUED, Salt Lake City (Ch. 7).

A sidelight of NAEB sessions, attended by record number of delegates including representatives of 33 on-air ETV stations, was presentation of special NAEB citation "of exceptional merit" to Washington communications lawyers Marcus Cohn & Leonard Marks for "sound & realistic counsel" to educational broadcasters. In other ETV developments:

- Ford Foundation announced new ETV grants: \$320,100, to Language Research Inc., closed-circuit English instruction in N. Y.'s predominantly Puerto Rican Chelsea district; \$172,191, American Institute of Biological Sciences, high school courses; \$110,000, Metropolitan Pittsburgh Educational TV Assn., 1958-59 programming; \$35,000, American Chemical Society, 2 TV films; \$35,000, College of St. Catherine, St. Paul, psychology course; \$25,000, National Academy of Science's National Research Council, grade school science courses in Washington & Pittsburgh.

- Montgomery County, Md. school board got into storm-in-teacup trouble with other officials by ordering \$25,000 worth of specially-built 24-in. TV sets from Transvision Inc., New Rochelle, without seeking bids. State law requires bidding for over \$5000 purchases. Board explained sets, similar to those in Hagerstown ETV experiment, meet Greater Washington Educational TV Assn. specifications.

- Dr. Robert S. Lankton of Detroit schools' instructional research dept. told Board of Education year-long ETV experiment in 9 schools showed TV helps promote learning, boosts grades, minimizes tardiness & absenteeism, reduces need for discipline.

- New morning series, *Big Blackboard*, Sat. 8:30-9 a.m. beginning with Dr. Carlton Coon, U of Pa. anthropologist, has been started by WCAU-TV, Philadelphia (Ch. 10).

- Chicago Teachers College said it will give credits for *TV Teachers College* on WGN-TV (Ch. 9) 8:15-8:45 a.m. daily.

- Elementary typewriter course was scheduled by WTOP-TV, Washington (Ch. 9), starting Nov. 4.

Broadcasters' immunity from libel suits resulting from political broadcasters, emphasized by North Dakota Supreme Court in case involving WDAY, Fargo (Vol. 14:14), will be weighed by U. S. Supreme Court. Station had been sued by Farmers Union because of statements made by independent Senatorial candidate A. C. Townley; station claimed it was immune from libel suits because Communications Act forbade it from censoring Townley's remarks. After losing in state courts, Farmers Union appealed to U. S. Supreme Court which this week agreed to review case.

"Time Listings" is new feature of *Time Magazine*, gives capsule previews & reviews of TV, movies, theatre, books. Oct. 13 issue covers 10 TV shows, Oct. 20 nine.

St. Louis' Ch. 11 & 'Influence': Revocation of CBS's KMOX-TV, St. Louis (Ch. 4) and reopening of city's Ch. 11 for new hearing were sought this week by St. Louis Amusement Co., which lost to CBS in original hearing on Ch. 11. CBS has since turned Ch. 11 (KCPP) over to 220 TV Inc., after having bought Ch. 4 (then KWK-TV) last year (Vol. 13:43). In petition filed with FCC, St. Louis Amusement cites testimony presented to House legislative oversight subcommittee alleging that CBS chairman Wm. S. Paley and pres. Frank Stanton agreed with Tex McCrary (identified as friend & neighbor of Paley's) to talk to FCC commissioners before Ch. 11 decision was rendered. Petition said that McCrary was to go to Commission "ostensibly as a newspaper reporter not associated with CBS, and ostensibly to procure information about the decision, about rumors of trial votes taken by the Commission, about the machinery for decision in the case and to learn 'if there was anything the matter.'" It says that McCrary did see Comrs. Doerfer, McConaughy & Craven and that purpose "was to induce them to take action favorable to CBS." CBS and 220 TV Inc. countered immediately, both pointing out that Court of Appeals has held that St. Louis Amusement no longer has any standing to participate in case. CBS characterized pleading as "an extreme example of the 'nuisance' litigation approach to Commission proceedings." McCrary's discussions with commissioners, it said, were totally on his own as a news reporter—not as an agent of CBS.

KGEZ-TV, Kalispell, Mont. (Ch. 9) went on program tests Oct. 17, resumes program schedule Oct. 20, after being dark since April 7, 1958, attributing shutdown to audience loss to community antenna system (Vol. 14:16). On-air total now stands at 535 (85 uhf). KGEZ-TV is affiliated with CBS-TV & NBC-TV, picking up programs of KXLY-TV, Spokane (Ch. 4) & KHQ-TV, Spokane (Ch. 6). Control is held by Frank Reardon (58%), who also owns majority of radios KGEZ, Kalispell, and KBOW, Butte, Mont. Minority KGEZ-TV stockholder, with 30%, is Northwest Video Inc., the CATV system which Reardon had blamed for his economic troubles. Base hour is \$125. Reps are Donald Cooke and Art Moore.

RCA Shipments: Six-section superturndial antenna to WDAY-TV, Fargo, N. D. (Ch. 6), planning boost to 100-kw; 18-section superturndial to KRBB, El Dorado, Ark. (Ch. 10), boosting to 316-kw; pylon antenna to WICS, Springfield, Ill. (Ch. 20), boosting to 512-kw; 10-kw transmitter Sept. 12 to upcoming KXAB-TV, Aberdeen, S. D. (Ch. 9), planning Nov. start; 18-gain traveling-wave antenna Sept. 19 to KCMT, Alexandria, Minn. (Ch. 7); 50-kw transmitter to upcoming WTOL-TV, Toledo (Ch. 11), due in Dec.; used 12-kw amplifier Oct. 9 to WKYT, Lexington, Ky. (Ch. 27), planning boost to 214-kw; pylon antenna Oct. 1 to KBAS-TV, Ephrata, Wash., planning switch from Ch. 43 to Ch. 16; traveling wave antenna Oct. 9 to WXYZ-TV, Detroit (Ch. 7), planning move to new tower & site.

Translator starts: K81AC, Grangeville, Ida. began Oct. 1, repeating KHQ-TV, Spokane; K82AE, Rock Springs, Wyo., Oct. 4 with KUTV, Salt Lake City; K83AH, Roseburg, Ore., Oct. 5 with KOIN-TV, Portland; K73AL, Truth or Consequences, N. M., Oct. 12 with KNME-TV, Albuquerque; K70BF, Douglas, Ariz., Oct. 14 with KVOA-TV, Tucson.

CP granted: Ch. 6, Pocatello, Ida., to KBLI Inc., operators of KBLI, Blackfoot, Ida. and KNAK, Salt Lake City (Howard D. Johnson, pres.). [For details, see *TV Addenda 27-G.*]

Transfer of off-air WWOR-TV, Worcester, Mass. (Ch. 14) to Wm. Putman's Springfield Television Bestg. Corp., operator of WWLP, Springfield, Mass. (Ch. 22) & satellite WRLP, Greenfield, Mass. (Ch. 32), was approved this week by FCC, with condition that assignment be consummated within 20 days and WWOR-TV resume operation within 90 days of consummation. WWOR-TV owners are to get 20% of Springfield Television in return for station, which is to operate initially as satellite of WWLP (Vol. 14:30, 37). Also approved this week was sale of 47% of WBRZ, Baton Rouge, La. (Ch. 2) for \$548,000 by Lewis Gottlieb and 5 others to Baton Rouge radio WJBO, owned by Douglas & Charles Manship families, also publishers of *Baton Rouge Advocate* and *State Times* (Vol. 14:41).

Radio Station Sales: Charles Britt, who headed group which founded WLOS-TV, Asheville, N.C. (Ch. 13), now owned by Mitchell Wolfson's WTVJ Inc. (Vol. 14:29), is buying radio WIRY, Plattsburgh, N. Y. for \$200,000 from Joel Scheier. WSPB, Sarasota, Fla. has been sold by Robert C. Jones and associates to owners of radio WALL, Middletown, N.Y. for \$335,000, thru broker Allen Kander. WALL principals are John Morgan Davis (60.2%), former minority stockholder in WPFH (now WVUE), Wilmington-Philadelphia (Ch. 12), and Roger W. Clipp (32.48%), v.p. & gen. mgr. of radio and TV div. of Triangle Publications. [For news about other radio station sales & transfers, see *AM-FM Addenda PP.*]

Sarkes Tarzian shouldn't get Ch. 13 in Bowling Green, Ky., according to FCC's broadcast bureau, which this week told Commission that examiner Millard F. French erred in initial decision favoring Tarzian over George A. Brown Jr. (Vol. 14:37). Bureau stated that Tarzian's civic activity in Bloomington, where he owns WTTV (Ch. 4), is irrelevant when balanced against Brown's Bowling Green residence & activities; that examiner failed to give Tarzian a demerit on "media diversification" factor, in face of Brown's lack of media ownership.

New \$1,500,000 studio-office building of WKRC-TV (Ch. 12) & WKRC, Cincinnati, will be started by designer-contractor Austin Co. next week—2-story structure including 2 TV and 3 radio studios. Site is near present TV transmitter in Mt. Auburn. WKRC-TV will move all but newsroom from old location, Post & Times-Star Bldg., while all radio facilities except transmitter & tower will shift from Alms Hotel. Estimated construction time is 10 months.

Construction of 3-station tower in Baltimore, to carry all antennas candelabra-fashion, was begun this week after 3 years of planning, is due for completion in Jan. or Feb. The 730-ft. structure will support antennas of WBAL-TV (Ch. 11), WMAR-TV (Ch. 2) & WJZ-TV (Ch. 13).

Waiver of FM rules to permit power increase from 11 to 34.1-kw is sought in petition filed with FCC this week by *N. Y. Times'* WQXR-FM, which claims hike would add 300,000 to service area and improve signal in present coverage area.

Identification changes granted by FCC under waiver of rules: KWVL-TV, Waterloo, Ia. (Ch. 7), to identify itself also with Cedar Rapids; WMT-TV, Cedar Rapids (Ch. 2), to add Waterloo. Comr. Lee dissented, merely says he doesn't believe rules should be waived.

Only TV application filed this week was for Ch. 16, Pittsburgh, by WQED (Ch. 13) there, which plans to use it as second non-commercial outlet. Total applications pending are now 94 (28 uhf). [See *TV Addenda 27-G.*]

'Economic Injury' Debate: Philco counterattacked NBC in Supreme Court this week, arguing that there's no need to review Court of Appeals' decision that Philco has "standing" to protest renewal of NBC's Philadelphia stations (Vol. 14:25, 39, 41). Philco asserts: "The petitioner [NBC] seems to recognize that the authorities have uniformly considered likelihood of economic injury as the test in cases involving standing. However, it is argued that something more is required in the present case. In addition to alleging economic injury as a result of the grant, the petitioner would require that Philco meet what can only be characterized as an occupational test. Philco is variously described in the petition as 'not even a member of the "industry at large,"' and as having 'no interest in the broadcasting business.' This unique theory of limiting standing to members only is highly discriminatory and fortunately, was not the test adopted by Congress. Economic injury hurts regardless of a person's occupation and Congress, wisely, did not attempt to discriminate between those so injured." Philco also objected to motion of WNEM-TV, Bay City, Mich. (Ch. 5) to assist NBC as *amicus curiae* (Vol. 14:41).

Suit against community antenna system in Helena, Mont. (Vol. 14:36, 38) is likely to be washed out soon—because both complainant KXLF-TV, Butte (Ch. 4) and Helena CATV system have asked for dismissal. CATV has quit carrying KXLF-TV's signal, and station has asked for dismissal of suit without prejudice, subject to refile if CATV starts picking up signal again. Suit was based on "rebroadcast" rules of FCC, station asserting that CATV utilized its signals without permission. CATV system argued that U.S. District Court Judge W. D. Murray doesn't have jurisdiction; that FCC must be approached first by complainant.

Hal Roach Studios, bought in May by Scranton Corp. in TV-radio-film expansion moves which since have embraced MBS and Flamingo Telefilm Sales Inc. (Vol. 14:40), buys out ABC Films 50% interest in RABCO Inc., becoming sole owner of TV film program producing firm. Jointly formed 4 years ago by Roach and ABC Films as AB-PT subsidiary, RABCO's properties include *Forest Ranger*, *Racket Squad*, *Code 3*, *Passport to Danger*. Terms of Roach's purchase deal with ABC Films pres. George T. Shupert weren't disclosed.

Competitor of AT&T and ITT is Florida Micro-Communications Inc., which is ready to accept business for one-way TV transmissions from Marathon, Fla. to Matanzas, Cuba, starting Nov. 1. Using over-the-horizon "scatter" technique, it filed tariff with FCC providing rates of \$500 for black-&-white hour, \$750 color. It shows plant investment of \$343,000, estimates \$168,000 annual revenues, \$14,900 income after taxes.

Forty-city closed-circuit business meeting for General Motors dealers, conducted by Theatre Network TV from Waldorf-Astoria Oct. 15, was used to introduce new GM chairman Frederic G. Donner and pres. John F. Gordon, as well as to display 34 new cars. Show was narrated by newscaster John Daly, employed 12 cameras.

CBC Board of Governors recommended only power boosts at Oct. 9 meeting—to 49.3-kw for CJBR-TV, Rimouski, Que. (Ch. 3) and 90-kw for CKNX-TV, Wingham, Ont. (Ch. 12).

Alpine tramway with cars carrying 6 passengers to transmitter site on Ranger Peak is proposed by KTSM-TV, El Paso (Ch. 9), which has filed application to move to peak, 5962-ft. above sea level.

Tax regulations for personal holding companies—including those organized by high-bracket TV & movie stars to escape 91% individual levies (Vol. 12:50-51, Vol. 13:4, 12)—are detailed in T. D. 6308, published as 76 pp. section of Sept. 29 *Internal Revenue Bulletin*. Modifying once-proposed IRS ruling which performers feared would wreck them financially, regulations impose 75% tax on undistributed personal holding company income not in excess of \$2000 and 85% on undistributed income above \$2000. Personal holding companies are defined as those in which more than 50% of stock is owned "by or for not more than 5 individuals." Examples are cited how regulations work for incorporated actor who has other performers under contract.

TV signal distribution systems for educational use will be studied by special EIA group under Ben Adler, Adler Electronics Inc. Project was initiated by Wm. J. Morlock, GE technical products dept. gen. mgr., who said group "will lay foundations for EIA recommendations to the FCC regarding necessary rule changes for frequencies necessary to operate low power RF transmitters in connection with educational TV systems."

Experimental transmissions of TV "standard test signals" may be continued by stations until April 3, 1959, FCC stated this week. Last year (Vol. 13:14), Commission started rule-making on NBC-suggested proposal for transmitting variety of system-checking signals between frames of ordinary transmissions (Doc. 11986). This week's extension is for purpose of gathering more data.

NBC countered AFTRA's complaint about Chicago performer hiring-firing practices (Vol. 14:40) by telling FCC that AFTRA has no legal standing to complain; that Commission has repeatedly ruled it has no jurisdiction over broadcasters' day-to-day labor and programming policy decisions; that there have been only very minor changes in WNBQ's programming.

Scholarship of \$520 annually, for electrical engineering students at George Washington U, Washington, has been established by Assn. of Federal Communications Consulting Engineers. Head of AFCCE scholarship committee is David L. Steel Sr., of Page, Cruetz, Steel & Waldschmitt.

Britain's powerful Trades Union Congress approved resolution at recent annual conference criticizing American TV programs, highly popular on both BBC and commercial ITA schedules but under quota as to numbers, as violent and alien influence on British life; it urged programs more correctly reflecting "the British way of life."

First outdoor studio in Europe, possibly first ever, is operated in Wales by TWW, independent commercial contractor for the area, to take advantage of "the rural atmosphere and natural vistas." Photos and description of engineering problems are available from TWW, 187 Oxford St., London W.1.

Triangle stations (Annenberg) have dispatched veteran newsman John Raleigh to Formosa to handle on-the-scene reports. Newsmen Gunnar Back & Allen Stone of Philadelphia's WFIL-TV & WFIL have been given roving assignments, foreign & domestic, while ex-NBC & ABC newsman John McVane is covering UN.

Regular Russian color transmissions will begin in Dec., according to a Soviet communications official—UPI reports from Stockholm.

German TV saturation is 10%, radio 80%, according to recent report by Institute of German Industry; it estimates 1,760,000 TV sets-in-use.

PRICE INCREASE TRIAL BALLOON COLLAPSES: Apparently just about everybody wants to boost TV prices right now -- but nobody will stick his neck out to lead the parade. Trial balloons -- talk of upping prices before Christmas, countering the long-standing price squeeze with an across-the-board increase -- were sailing high early this week, but by weekend had apparently collapsed. Now, it's almost a certainty current price line will hold steady for balance of the year.

One break in the ranks and all would follow, we learned from our conversations with leading merchandisers in the industry. None wanted to be quoted but all agreed rising costs made price increases a logical next step. They'd like to take the step now, feel that the recent upsurge in retail sales would absorb a "modest" increase. But each is wary of making first move.

Distributors are most chary of price increases, it would appear, since they are not quite sure the buyer strike which has plagued them all year has ended for certain. This gun-shy attitude of distributors and big dealers is principal reason there won't be a general price move by manufacturers immediately. Also, distributors and dealers are pleased with prospect of pretty good sales and profits during the coming Christmas season and don't want anything to upset the applecart.

Price increases on Jan. lines are almost a certainty. There is talk of 3% or 5% -- maybe more -- especially if the retail upsurge continues through the holiday. Most makers say an increase of that size would enable them to catch up with steadily mounting production costs over last several months.

Prices are creeping up on hi-fi stereo instruments. There's been no across-the-board hike, but new models are coming out with slightly higher price tags. It's a gradual move with prices being upped a fraction here and a fraction there. Component manufacturers already have raised prices and have notified makers that they may expect a general increase right after first of the year.

Electronics Industry Picks Up Pace: Momentum of midyear upturn in production of electronic equipment & components -- not counting research & development expenditures -- is continuing through rest of 1958, promising recovery of most of lag suffered by industry in poor first half, Commerce Dept. reported this week.

"Greater than seasonal upswing in radio & TV receiver output" was cited by director Donald S. Parris of Business & Defense Services Administration's electronics div. as big factor -- plus expanding military production -- in factory recovery from early-in-year doldrums brought on by cuts in consumer output.

But for first time since advent of TV, electronic production will fail to show increase this year, Parris said in "Trends in the Electronics Industries" report (No. 6304). He forecast total factory value of around \$6.9 billion for 1958 -- drop of \$100,000,000 from record \$7 billion in 1957. Parris noted that "magnitude of recovery" in balance of year depends on consumer demand.

Note: Industry sources don't accept Commerce estimate of \$100,000,000 decline in factory figure. They insist upswing in past 30 days, with impetus of stereo on hi-fi phono sales, is more than enough to counter-balance drop.

TV-Radio Production: TV production was 127,125 sets in week ended Oct. 10 vs. 121,495 preceding week and 167,605 same week last year. Year's 40th week brought TV production for the year to 3,704,525 sets vs. 4,769,000 last year. Radio production for week was 314,884 (93,088 auto) vs. 309,574 (103,299 auto) preceding week and 356,748 (114,402 auto) in same week last year. Radio production for 40 weeks was 8,003,032 (2,482,245 auto) vs. 10,731,000 (3,952,000 auto) last year.

Trade Personals: Commodore A. J. Spiggs (USN ret.) takes leave of absence as Packard-Bell v.p. to be adviser to Commerce Dept. electronics div. director Donald S. Parris . . . Dr. Myron S. Heidingsfield, chairman of Temple U's Business School marketing dept., named RCA Victor TV market research mgr.; John E. Johnson, ex-Minneapolis-Honeywell, named marketing mgr., RCA electronic data processing div. . . Col. James W. Anderson Jr. (USAF ret.) named gen. mgr. of Magnavox Urbana (Ill.) div. . . Frederick R. Lack, retired Western Electric v.p., elected a director of Hazeltine Corp. . . Harold J. Adler, ex-Hallicrafters, named operations v.p. of Shure Bros., Evanston, Ill. . . G. W. Tunnell promoted to mgr. of broadcast systems & service sales, RCA Service Co. . . Calvin Roberts promoted to mgr. Columbia Transcriptions, succeeding Al Schulman, now Epic Records gen. mgr. . . Irving Jerome named sales v.p. of Roulette Records, succeeded as MGM Records national sales mgr. by Charles Hassin . . . Sid N. Cottin, ex-Crest Records, named show director of Institute of High Fidelity Mfrs., succeeding Elliot Davis, resigned . . . Harold F. Driscoll, ex-Bell & Howell, named Zenith adv. mgr.

John V. L. Hogan, pres. of Hogan Labs, N. Y., elected pres. of DeForest Pioneers Inc., organization of those who worked with inventor Dr. Lee DeForest in early days. Other officers: Dr. Allen B. DuMont, v.p.; E. N. Pickerill, ex-RCA, now retired, secy.; Sidney A. Wood, exec. v.p. of Wilbur B. Driver Co., treas. New directors: Charles A. Rice, pres. of United Electronics Co.; Ellery W. Stone, ITT chairman.

Brig. Gen. David Sarnoff, RCA chairman, will deliver principal address at traditional Veterans Day observance, Nov. 11, at the Arlington National Cemetery memorial amphitheatre.

ELECTRONICS PERSONALS: Brig. Gen. Monro MacCloskey (USAF ret.) named asst. to pres. of Avco's Crosley div. with headquarters in Washington; James R. Kerr promoted to pres. of research & advanced development div.; George H. Geick, ex-General Mills, named Crosley div. market research & planning mgr. . . Arthur L. Lebel promoted to asst. chief of State Dept. telecommunications div., assuming position vacated by FCC Comr. John S. Cross . . . Fred C. Alexander appointed deputy asst. director for telecommunications, Office of Defense & Civilian Mobilization; Brig. Gen. Wendell H. Duplantis (USMC ret.) named deputy asst. director for communications & warning, Battle Creek . . . Maj. Gen. Merrill D. Burnside (USAF ret.), appointed Philco special representative, headquartering at West Coast Development Lab, Palo Alto . . . Richard B. Dozier promoted to sales administrator of Beckman Instruments' international div., succeeding Robert T. Jones, resigned.

DISTRIBUTOR NOTES: Motorola has sold its Detroit factory branch (Motorola-Michigan) to v.p. & gen. mgr. James B. Charters who forms J. B. Charters Inc. . . Hoffman appoints C. Carson Merehandiser Co., Detroit; Radio Electronic Sales, Worcester, Mass., for TV, radio, hi-fi . . . Stromberg-Carlson appoints Ed. J. Halliday Co., Burlingame, Cal., for radios, phonos . . . Emerson appoints Hom-Aids Inc., Birmingham; Robinson Distributing, Seattle, for DuMont TV, radio, hi-fi . . . Olympic appoints Charles Laub, Hyattsville, Md., for TV, radio, phonos in Washington area . . . Arvin appoints Joseph Kurzon Inc., N. Y., for radio, phonos.

Obituary

George Sheets, 68, Stromberg-Carlson Washington representative, died Oct. 11 at Washington Hospital Center after a long illness.

TV & Radio Shipments: TV shipments to dealers in Aug. were ahead of the same 1957 month for the first time this year. EIA reports that shipments jumped to 499,857 sets from 334,200 in July, and nosed out Aug. 1957, when they were 409,849. Shipments for first 8 months of this year were 2,835,045 sets vs. 3,460,100 for corresponding 1957 period. Radio shipments to dealers for 8-mo. period totaled 4,229,576 sets vs. 4,787,066 last year. First 8-mo. TV-radio shipments by states:

State	TV	Radio	State	TV	Radio
Ala. _____	36,950	51,749	N. J. _____	106,167	159,552
Ariz. _____	20,099	25,793	N. M. _____	11,741	12,828
Ark. _____	23,775	23,327	N. Y. _____	321,749	585,096
Cal. _____	286,135	333,368	N. C. _____	56,252	72,020
Col. _____	24,597	33,933	N. D. _____	7,874	13,384
Conn. _____	45,878	56,944	Ohio _____	149,360	239,522
Del. _____	8,123	9,026	Okla. _____	36,907	42,800
D. C. _____	31,766	45,018	Ore. _____	28,758	42,773
Fla. _____	102,458	112,234	Pa. _____	202,044	303,884
Ga. _____	53,554	79,027	R. I. _____	16,060	25,035
Ida. _____	8,617	15,977	S. C. _____	22,470	32,202
Ill. _____	169,405	337,840	S. D. _____	8,860	10,527
Ind. _____	69,880	77,767	Tenn. _____	43,625	60,979
Ia. _____	34,111	51,613	Tex. _____	143,061	204,895
Kan. _____	33,251	51,439	Utah _____	13,549	15,966
Ky. _____	43,187	58,461	Vt. _____	5,598	9,930
La. _____	48,068	54,476	Va. _____	48,447	70,208
Me. _____	14,712	27,523	Wash. _____	45,931	63,977
Md. _____	43,369	85,704	W. Va. _____	26,245	25,892
Mass. _____	95,273	155,403	Wis. _____	50,322	85,987
Mich. _____	97,450	151,083	Wyo. _____	7,375	5,485
Minn. _____	42,353	75,858			
Miss. _____	22,652	27,101	U. S. TOTAL	2,825,483	4,213,784
Mo. _____	67,492	126,372	Alaska _____	1,639	3,760
Mont. _____	12,170	14,196	Hawaii _____	7,923	12,032
Neb. _____	23,916	26,249			
Nev. _____	4,484	7,815	GRAND		
N. H. _____	9,363	15,546	TOTAL	2,835,045	4,229,576

Sylvania opens new receiving tube plant at Altoona, Pa., Oct. 21. It's said to be fully air conditioned, have unique manufacturing equipment.

NBC-TV debut in stereo simulcast—the *George Gobel Show* Oct. 21 (Vol. 14:35)—is billed by sponsor RCA as "most ambitious one-shot promotion in its history." It's second network venture into stereo simulcasting, first being Plymouth's *Lawrence Welk Show* now in its 5th week over ABC-TV to 75 cities. In addition, RCA show will be in color. Special program "gimmick" has been arranged for viewers on black-&-white sets to show what it would look like in color. Special color photo has been placed in current *TV Guide* and when Gobel "stops the show" for one minute, viewers will be asked to superimpose color photo on half of black-&-white screen to show contrast. RCA adv. & sales promotion v.p. R. H. Coffin says gatefold cost in *TV Guide* is \$130,000, extra costs of stereo simulcast promotion include \$105,000 for network TV & radio time, \$50,000 for special point of sale material. Big show will plug RCA color TV and stereo hi-fi phonos.

Rumors of Lockheed-Hazeltine merger which, if consummated, would initiate long-expected invasion of big aircraft manufacturers into electronics field, were neither confirmed nor denied by principals this week. It was known, however, that Lockheed, already deep in missile and satellite electronics, has made overtures to several important electronics firms looking toward acquisition of additional facilities. Hazeltine exec. v.p. W. M. McFarlane told us "approaches" had been made by several companies including Lockheed but that no definitive steps had been taken toward a merger. He pointed out that Hazeltine is now engaged in weapon systems "teamwork" with Lockheed and that relationship between companies is very close.

Financial Reports:

GIANT GE SCORED RECORD 3rd quarter earnings of \$58,589,000 (67¢ per share)—6% up from \$55,165,000 (63¢) in corresponding 1957 period—despite 4% decline in sales to \$1,003,000,000 from last year's record 3rd quarter \$1,047,000,000, chairman Ralph J. Cordiner attributing results largely to "Operation Upturn" launched in April.

In first 1958 half, GE earnings were down 19%, sales off 7% from year earlier (Vol. 14:29). But 3rd quarter ended Sept. 30 improved trend for 9 months, which showed net profit down 11% to \$161,970,000 (\$1.85) from \$182,988,000 (\$2.10) in 9 months of 1957, sales down 6% to \$2,982,000,000 from \$3,169,000,000.

"Operation Upturn"—intra-company campaign to boost sales, improve merchandise quality, speed deliveries, increase customer service—"has helped create business that GE might otherwise not have received," said Cordiner.

General Instrument, big TV-radio components manufacturer, earned \$266,561 (20¢ per share) on sales of \$10,397,040 in 2nd fiscal quarter ended Aug. 31 vs. \$169,599 (12¢) on \$8,157,605 year earlier, chairman Martin H. Benedek reporting TV-radio business "holding firm" despite decline in set production. For 6 fiscal months, net profit was \$354,477 (26¢) on \$19,076,067 vs. \$247,053 (18¢) on \$15,200,170 in 1957 half. "Major contribution" to gains in earnings & sales came from semi-conductor & military business, Benedek said, adding that fall-winter pickup in TV production should help General Instrument achieve "significantly improved" 3rd quarter results and substantial increase in pre-tax profits for 4th successive year.

Raytheon earned \$6,381,000 (\$2.10 per share) on sales of \$264,079,000 in first 3 quarters ended Sept. 28—both figures surpassing results for all 1957 (Vol. 14:5). In 9 months last year earnings were \$3,258,000 (\$1.15) on \$172,949,498, net income excluding \$2,672,000 (94¢) from sales of Datamatic Corp. to Minneapolis-Honeywell (Vol. 13:25). Raytheon pres. Charles F. Adams said 4th quarter should continue sales growth and improved operating results. Govt. business accounted for about 85% of company's sales in first 3 quarters, backlog totaling more than \$300,000,000 now.

Texas Instruments, which had record earnings in first 1958 half (Vol. 14:34), expects to end year with sales of nearly \$90,000,000 vs. \$67,338,574 in 1957, chairman J. E. Jonsson told *Wall St. Journal* this week. He said earlier predictions of 1958 earnings of \$1.45 vs. \$1.11 "appear solid." Third quarter sales this year ran ahead of \$17,284,000 in 1957 period, when earnings were \$953,000 (29¢ per share).

Howard W. Sams & Co. reports before-tax profit of \$324,597 on sales of \$3,474,303 in first 9 months this year vs. \$270,914 on \$2,985,206 in corresponding 1957 period, gains in last 3 months representing new highs in 13-year record of Indianapolis electronics engineering, research & publishing firm. Associated Sams enterprise Waldemar Press Inc. had profits of \$141,986 on sales of \$1,496,535 in 9 months vs. \$111,432 on \$1,205,489 year earlier.

Cornell-Dubilier, which lost \$51,948 on sales of \$13,319,184 in 6 months ended March 31 (Vol. 14:24), reported net income for 9 months of \$25,319 on sales of \$20,259,777 vs. \$525,068 (95¢ per share) on \$24,958,419 in same period year earlier. Earnings for quarter ended June 30 were \$77,267 (13¢) on \$6,940,592 vs. \$110,026 (19¢) on \$8,065,718 last year.

Jerrold Electronics Corp. is showing so much improvement, according to pres. Milton J. Shapp, that fiscal year ending Feb. 28 will have sales of around \$8,000,000, about 30% above previous year, with earnings considerably higher than 10¢ per share in 1957. He attributed rise primarily to unusually heavy sales in community antenna equipment and to operating revenues in Jerrold-owned CATV systems. He also reports highly encouraging progress of new consumer product—TV-FM amplified home system for multiple-set homes, listing at \$67.75—introduced to Allentown, Pa. market last week. Reflecting improved showing, Jerrold stock has risen from \$2 per share at beginning of year to nearly \$4 recently; it was first introduced publicly at \$4 three years ago.

Columbia Pictures had operating loss of \$1,150,000—excluding \$3,837,000 write-offs for unabsorbed Hollywood studio overhead and unused stories—in fiscal year ended June 28 vs. earnings of \$2,253,103 (\$1.80 per share) year earlier. Preliminary report by pres. Abe Schneider said operating loss equaled net loss because no tax provision was made, Columbia having used up tax carry-forward. Movies made by independent producers for Columbia distribution should absorb studio overhead in current fiscal year, Schneider added.

Allied Artists lost \$1,189,688 in fiscal year ended June 28 vs. loss of \$2,458,910 (reduced to \$1,783,910 after \$675,000 Federal income tax credit) year earlier. Acknowledging "result for the year is far from satisfactory," pres. Steven Broidy nevertheless pointed out losses had been cut, said outlook for current fiscal year—with 32 movies scheduled for release—is more favorable. Domestic & Canadian gross from film rentals fell during last fiscal year to \$11,311,000 from \$13,822,000, but foreign rentals rose to \$4,427,000 from \$3,980,000.

Stanley Warner Corp., which now owns more than 61% of 1,044,500 shares of Cinerama Productions Corp. as result of Cinerama Inc. stock deal (Vol. 14:25), extends share-for-share offer to Cinerama Productions stockholders until Nov. 3. Stanley Warner's subsidiary Stanley Warner Cinerama Corp. holds 35% of Cinerama Inc., which owns patent rights to Cinerama movie process. Cinerama Productions shares picture profits with Cinerama Corp.

United Artists, which expects rosy 2nd-half profits this year (Vol. 14:40), had gross revenues of \$23,678,505 from theatrical distribution in 3rd quarter ended Sept. 30 vs. \$18,476,637 year earlier. World gross for 9 months was \$56,938,150 vs. \$48,115,010 in 1957 period, reports UA pres. Arthur B. Krim.

TelePrompTer shares, now over-the-counter, are due to be listed on American Exchange in next few weeks.

Reports & comments available: On RCA, review by Halle & Stieglitz, 52 Wall St., N. Y. On Westinghouse and AT&T, comments by *Investor's Reader* of Merrill Lynch, Pierce, Fenner & Smith, 70 Pine St., N. Y. On Motorola, study in *Weekly Review* of Fahnestock & Co., 65 Broadway, N. Y. On Sylvania, report by Hayden, Stone & Co., 25 Broad St., N. Y. On E. J. Korvette, analysis by Lee Barishaw of Auchincloss, Parker & Redpath, 729 15th St., Washington.

Dividends: General Instrument, 15¢ payable Dec. 15 to stockholders of record Nov. 14; Decca Records Ltd., 1¢ Oct. 10 to holders Aug. 5; Marconi International, 4% stock Dec. 3 to holders Oct. 30; Gross Telecasting, 40¢ payable Nov. 20 to holders Oct. 27; class B, 7½¢ Nov. 10 to holders Oct. 27.

Do You Know That . . .

WE'VE BEEN INTRIGUED for some time with a young man whose contributions are in the news almost daily but about whom little is known of a personal nature. He's Charles P. Ginsburg, the key man in Ampex's development of its strikingly successful Videotape recorder (Vol. 14:40). Recently, we were able to get him to hold still long enough to learn something about him.

Within the last year, Ginsburg has won the top TV marks of distinction—SMPTE's David Sarnoff Gold Medal Award and IRE's Vladimir Zworykin TV Award—and this month he is being made a Fellow of the SMPTE.

But Ginsburg is most eager to see that these "goodies," as he puts it, aren't credited solely to him, and he calls attention to the fact that the citations accompanying awards also recognized his associates.

* * * *

What manner of man is he? "Charlie" P. Ginsburg (he won't tell what the "P" stands for) is 38, slight & wiry, with short-clipped dark hair and a good-&-easy smile. A native of the San Francisco Bay area, he's son of a roentgenologist who died in 1941.

He got into electronics on the side, holds math degree (San Jose State College, '48) rather than E.E. Actually, he started in pre-med (against his father's wishes) at U of Cal. at Berkeley, veered to animal husbandry at U of Cal. Davis Campus—while working for various small communications firms in the area.

He left school to get married in 1942, went to work for Wesley Dumm's international stations KWID & KWIX, principally as a transmitter engineer. In 1947, he decided to go back to school, got his math degree. Also in 1947, he began working for KQW, San Francisco (now KCBS), staying there until joining Ampex in 1952.

Ampex approached him to work specifically on the Videotape project. He was given a basic team—and the same group is still at Ampex, working under Ginsburg, who now holds title of mgr. of advanced video development dept. He's mighty enthusiastic about his group, extolling talents of such people as Ray Dolby, who joined Videotape project when he was only 19, is now studying electron microscopy at Pembroke College, England, under Marshall scholarship. He says Dolby's contributions have been "stupendous." Ginsburg will show you "my most treasured possession"—a watch given him by his group, inscribed: "Charlie. V.T.R. Project. 1955."

"The amazing thing to me," says Ginsburg, "is the way the Ampex people, all the way, will knock themselves out. I once asked some of the top executives the reason for this—though I thought I knew the answer. I was right. It's the top man—founder and chairman Alexander M. Poniatoff. He's the source of the spirit, always bubbling with enthusiasm. I recall once we were stuck with a tough formula. He wandered into the lab, asked if we wanted him to take it. He took it into his office and came out with the answer. You know, you just don't expect the boss to bother with that kind of thing."

He makes no secret of his high regard for his immediate superior, Neal McNaughten, mgr. of professional products div. McNaughten is an engineer of broad experience—with FCC, NAB & RCA.

A major factor about the Videotape unit, which makes it work as well as it does, according to Ginsburg, is the FM system itself—and apparently this was one of his own major contributions, though he's reluctant to em-

phasize it. "It's the cause of the marvelous grey scale," he says. Another major breakthrough was the conquering of tape stretching—finding reliable automatic means of compensation, which is a very important factor in interchangeability of tapes & machines.

Asked why the Ampex organization proved fertile ground for the tape's success, Ginsburg says: "Ampex has always been awfully good in mechanical aspects, able to achieve the close tolerances needed for production runs."

Ampex Corp. started out in Redwood City, Cal. during World War II as a small manufacturer of precision motors & generator units for Navy airborne radar units. With end of war and cancellation of contracts, it turned to tape recording, which Germans had pioneered with their "Magnetophone." It's now a leader in every phase of recording—for industry, military and home market—does a \$40,000,000 business and employs 2500 people.

Ginsburg says Videotape is now "well in hand." It was designed for TV, and it's doing the job. Now, he's concentrating on non-broadcast uses—and he envisions enormous potential there.

"I like to work," he says. "I guess it gets to be a sort of monomania with me at times. For 6½ years I've been telling my wife it will ease off next month, but it doesn't seem to." Asked if other manufacturers have tried to entice him away from Ampex, he smiles and says: "They know I'm pretty happy with Ampex. I'm doing what I want to do."

Golf, apparently, is another mania. Ginsburg is a very fine golfer. He started caddying at 12, once played in low 70s with a 2 handicap. Three years ago, he entered the National Open, was eliminated, determined never to take it seriously again—but he still participates in tournaments. He's fond of tennis, too, plays whenever he gets a chance.

He's been quite athletic all his life. This is all the more remarkable because he's one of those medical rarities—an "old diabetic." He developed the disease when he was 4, just 2 years after Banting & Best discovered insulin, and he's been on it 34 years. A few months ago, he had complete physical, was declared to be in excellent health.

Ginsburg's wife, a Stanford U political science graduate, is also athletic—a fine swimmer & diver and tennis player. They have 5 daughters, ranging from a 13-year-old to 9-year-old twins. They live on Orange Ave. in Los Altos, in a 50-year-old 11-room house—along with a spotted Pointer and Siamese cat. To transport his sizeable family, he owns a Volkswagen "Microbus" and he zips around town in a 1953 English Rover.

Intriguing technical paper scheduled Oct. 22 during Oct. 20-24 convention of SMPTE at Sheraton-Cadillac Hotel, Detroit, will be presented by Alexander F. Victor, of Alexander F. Victor Enterprises Inc., Carmel-by-the-Sea, Cal. Program describes it: "A method for producing color on existing black-&-white TV receivers, which does not require electrical or mechanical changes in the sets. The system includes a projector for broadcasting stations to transmit color pictures to existing black-&-white receivers and a multicolor screen for the reception of the pictures." Convention agenda includes 5 papers on closed-circuit TV teaching and "Impressions of Electronics in Russia" by Axel G. Jensen, Bell Labs.

Stereo system proposed by Crosby Labs (Vol. 14:41) was endorsed this week by hi-fi manufacturer Harmon-Kardon Inc., 520 Main St., Westbury, N. Y., whose engineering v.p. Robert E. Furst wrote FCC: "We strongly feel that the Crosby compatible system of stereophonic FM multiplexing presents a major and important step."

**THE
AUTHORITATIVE**

WEEKLY NEWS DIGEST
FOR EXECUTIVES OF THE
VISUAL BROADCASTING
AND ASSOCIATED
RADIO & ELECTRONICS
ARTS AND INDUSTRIES
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Wyatt Building • Washington 5, D. C. • Telephone Sterling 3-1755 • Vol. 14: No. 43

SUMMARY-INDEX OF THE WEEK'S NEWS—October 25, 1958

NETWORK BUSINESS GOOD NOW, delegates to NBC affiliates convention given bullish reports (p. 1). Sarnoff discusses networking stresses & strains (p. 7).

PORTABLE TRANSISTORIZED TVs, portable tape system for home "hear-see" and electronic photography, vidicon color system for field pickups, are among new developments shown at RCA Labs (p. 2).

NAB LIQUOR AD BAN DEFIED by 2 radio stations, reviving hopes of dry forces that Congress will outlaw all TV-radio alcoholic beverage commercials (pp. 3 & 6).

'INFLUENCE' IN RULE-MAKING questioned as Supreme Court sends Peoria & Springfield, Ill. deintermixture cases back to Court of Appeals (p. 4).

WHITNEY BUYING KBET-TV, Sacramento (Ch. 10), for \$4,500,000 cash. Providence's WJAR-TV (Ch. 10) offered with Outlet Store for \$14,000,000 (p. 6).

NBC PRESS TOUR highly successful, bringing in 73 newspaper TV-radio editors for interviews with stars & executives, trip to RCA Labs (p. 11).

STEREO AM BROADCASTING, through use of both sidebands, demonstrated by RCA. Compatibility and single-transmitter use stressed at Princeton (p. 16).

Manufacturing-Distribution-Finance

CORNING PLANS 23-in. TUBE, will sample makers next month. Laminated face panel permits more rectangular picture area, greater strength (p. 12).

JAPANESE TRANSISTOR PRODUCTION in sharp rise, with bulk of exports flowing into U. S. market, according to communiques from Tokyo (p. 12).

GOVT. PATENT SUITS AGAINST RCA due for settlement soon, attorneys reportedly agreeing on major facets of consent decree in anti-trust cases (p. 13).

HUGE ELECTRONICS RESEARCH expenditures by industry to develop new products revealed in first govt. survey; total was \$1.4 billion in 1956 (p. 14).

NEW BOOM IN ELECTRONICS will come soon from adaptations to multitude of industries and businesses. Investment firm picks leaders (p. 14).

NBC-TV NETWORK FEVER CHART AGAIN HEALTHY: TV's much-publicized summer recession and concomitant fears for the winter season turned out to be merely "a delay in placing orders," in the words of NBC-TV network sales v.p. Walter D. Scott -- and things are hunkydory again on the business front despite a few unsold gaps. Word from the reps is that spot is booming, too, but reports on radio are too spotty to point uptrend.

It was in an atmosphere of quiet confidence and calm assurance that NBC affiliates -- TV & radio delegates overlapping more often than not (e.g., advisory board memberships, p. 5) -- held their annual convention in New York this week. As was the case at CBS-TV affiliates convention in Washington last winter (Vol. 14:3), there were no stunts, no ballyhoo. It was mostly serious business, no pep rally.

Key network executives rendered reports, made sometimes elaborate presentations, capped by an extraordinarily penetrating talk by Chairman Robert W. Sarnoff, carried in full on pp. 7-9 because its topicality and broad-gauged viewpoints cut across so many facets of the industry as a whole that we believe every responsible executive should read it regardless of network affiliation or competitive prejudice.

Most important points made by NBC spokesmen, as we heard them:

* * * *

Pres. Robert E. Kintner's report that the network was basically sold out at night, has more daytime sponsors than ever before, has hit jackpot with Garroway and Paar shows -- all in face of severest competition ever from ABC-TV and always-tough CBS-TV. His general statements were documented by Walter Scott, who reported "rush of business," both night and daytime, in last 2 months and trend still favorable.

National sales v.p. Don Durgin's claims of "audience shift to NBC," which he

spelled out with charts and figures, quoting Nielsen & Trendex liberally -- theme of all the business talks being that NBC has overtaken and passed arch-rival CBS.

TV network programs v.p. Robert F. Lewine's refutation, by way of programming breakdowns and ratings reports, of press criticisms of "mediocrity" in the current season's offerings; his specific claims of audience and ratings superiority over CBS & ABC; his presentations of key NBC newsmen, some brought in from foreign posts; and his claims for news v.p. Wm. McAndrew's dept. that it's now the unsurpassed leader.

RCA-NBC color coordinator William E. Boss' report that color sets sales are running 25% ahead of last year (figures still secret); that only 35-40% of viewers have yet seen color TV, leaving lots of "exposure" yet to be achieved; that dealer apathy is fast being overcome, servicing problems solved; that 3 out of 5 demonstration sets installed on approval stay in homes; that 297 stations can now colorcast.

Radio v.p. Matthew J. (Joe) Culligan's report that sponsorships are on rise; that NBC now enjoys higher ratio of radio network sponsorships than CBS; that plan is to put on more news analyses to compete especially with MBS's all-news policy and with plenitude of newscasts on independents; that time clearances have gone up from 74% in July 1957 to 80% in Oct. 1958, an 85% clearance level now goal; that higher clearances are needed to justify higher prices; and that compensations to stations, already up, will increase accordingly.

Note: Boxscore on unsold network option time at this week's end, with the TV season now in full swing, shows NBC with 2½ unsold half-hours, down from 8½ first week in Sept. (Vol. 14:36); CBS 5 (down from 7½); ABC 8 (down from 10) -- total 15½ comparing with 26 only 7 weeks ago. As for daytime, CBS is now 82% sold (up from 78%); NBC 70% (unchanged); ABC 95% (unchanged). And of course the network TV volume index figures continue to stay up, well ahead of all other media which are still down for year (Vol. 14:42) while reports on dollar sales are well up (Vol. 14:40).

MORE SCIENTIFIC WONDERS IN THE OFFING: This was a "week of wonders" for some 300 owners & executives of NBC affiliated stations gathered for their annual conclave in New York's Hotel Plaza -- and no less for the 100-odd newsmen from dailies and trade press throughout the country invited to some of the sessions. Though essentially a business convention for an accounting of progress & plans and an exchange of ideas, what will probably stick longest in the minds of those attending were the fabulous new technical achievements demonstrated during a side trip to RCA's Princeton Labs.

Actually seeing what to most had merely been printed or spoken effusions up to now, quickly glossed over and easily forgotten, gave them new and larger scientific perspectives, new food for thought, about matters affecting their own industry vitally but lying beyond their immediate operational problems and their day-by-day quests for competitive advantage and more profit.

Not that sales, profits, program trends, competitive problems were ignored. Far from it; they were the main purpose of the convention. But the new vistas opened up by RCA scientists, especially those devices applicable to TV-radio broadcasting, held the rapt attention and intrigued the broadcasters and newsmen fully as much as the present and prospective accomplishments of NBC expounded by its topkicks (p. 1) and the "long range" thinking urged by its board chairman Robert W. Sarnoff (p. 7). This is what they were shown at Princeton:

(1) Portable battery-operated TV sets -- a 14-in. weighing only 30 lb., an 8-in. 24 lb., both with 25 transistors, one rectifier tube, powered by dry cells or rechargeable storage battery or even from a 12-volt auto battery connected to the cigaret lighter. Rabbit ears picked up excellent signals from Empire State, 50 mi. away. Such sets will be ready for market in less than 2 years (from other manufacturers as well as RCA) and can be expected to do for widening of TV audiences what portables, notably the fast-selling transistorized ones, are doing for radio.

(2) Portable TV tape system -- with its concomitant prospect of a new form of electronic photography. Lab model "hear-see" unit, no larger than a high quality magnetic tape sound recorder and appearing to be no more complex, used 7-in. reel of

¼-in. plastic tape capable of 5 min. sight-&-sound recording on each side; it was stated, though, that longer playing tape was relatively simple matter. RCA is aiming for mass market primarily -- "make your own picture recordings off your own TV set for playback when you please" -- and this one too looks like it's 2 years away or less. Also promised is "a fully portable system adapted to field pickup use" for news coverage, industrial & military functions, etc. -- method of electronic motion picture photography whose value in TV station operation is palpable.

(3) Vidicon color TV closed-circuit system -- looking to fully portable field pickups and weighing only 20 lb., with 45-lb. monitor & control unit, both powered by only 75 watts. [For further details, see p. 15.]

(4) An all-AM radio stereophonic system, both broadcasting and receiving, with one-station transmissions to a one-unit receiver. [More details, p. 16.]

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Foregoing items were the ones most applicable to broadcasting. Also demonstrated, some still more amazing, especially to the non-technical mind:

(1) Electronic light amplifier, which multiplies brightness of a projected image up to 1000 times, or converts an invisible X-ray or infra-red image into a bright visible picture. Most important for high-brightness radar and X-ray fluoroscopy, its principles might be applied to brightening TV images for large-area display -- possibly even projection sets, though RCA isn't saying so yet.

(2) Electrofax, a high speed electronic printing process for speedy reproductions on paper, metal, wood, cloth, plastics, ceramic or glass.

(3) Megacoder, a sort of personal radio-calling system that can select one coded signal out of millions sent simultaneously from a central transmitter so as to be picked up by a doctor or soldier or even a man out fishing whose wife may want to send him a message -- receiver powered by a tiny dry-cell battery.

(4) Phonetic typewriter that converts spoken words to type, still in rudimentary lab form but already capable of typing up to 10 spoken words.

(5) Electronic music synthesizer, capable of generating any imaginable sound whether voice or instrument -- in effect, creating voices without people, music without musicians. This one is still highly experimental.

Also described briefly was the "Stellarator" project for producing economical power from sea water on the fusion principle, on which RCA is engaged in collaboration with Allis-Chalmers, Princeton U, Atomic Energy Commission. New plant costing \$35,000,000 is now being completed at Princeton, to house apparatus capable of heat up to 100,000,000 degrees. [Story on Stellarator in Vol. 14:24.]

One non-classified item not demonstrated, on which RCA is still working, is the electronic refrigerator and air conditioner, whose revolutionary implications are not too hard to imagine.

LIQUOR ADS—SELF-RESTRAINT & SELF-INTEREST: Nobody of consequence in broadcasting, so far as we know, contemplates any break with industry's sensible tradition that advertising of hard liquors has no place on air. And we don't think that isolated moves by 2 maverick radio stations, in revolt against long-standing custom (p. 6), is going to incite any TV-radio policy revolution to kill that tradition.

It's a good thing for broadcasting -- as it is for any industry which depends on public confidence & support -- when principled practices also happen to be self-serving practices. NAB's voluntary code for keeping whisky plugs off air and out of living rooms serves purposes of both practices, and serves them well.

Case for freedom of press & choice for liquor commercials can be argued. It has some validity. If it's moral -- or at any rate profitable -- for newspapers and magazines to promote whisky sales, why isn't it proper for TV & radio to cut themselves in on that sort of legitimate business, too?

But broadcasting is the home medium -- more than newspapers & magazines ever were. It has become an integral part of American family life -- more than any print

medium can now hope to be. Closeness of broadcasting-family relationship makes it imperative for TV & radio -- for business goodwill reasons if for no other -- to respect & observe American mores, one being that liquor & home don't mix well.

Federal law outlawing all interstate advertising of all alcoholic beverages has been constant threat since Prohibition's end. Legal ban would hit broadcasters where it hurts, taking away big income from beer & wine commercials which have won general public acceptance. Up to now, legislation lobbied by church & dry forces has been snickered at in Congress. But it could be no laughing matter if broadcasters make mistake of breaking their long-self-imposed no-hard-liquor rule.

There was lots of talk in industry circles this week about the 2 rebel radio stations. To our knowledge, however, there was no significant sentiment in favor of break. That goes for TV-radio and liquor industries, trade associations -- and, with one exception, trade press. Notwithstanding the abortive editorial buildup by Broadcasting Magazine for change in broadcasters' policy, notwithstanding occasional instances of local liquor stores getting on air with hard liquor plugs, we are confident that tradition will hold as firmly as it has since the beginnings of the business of broadcasting. It makes business as well as moral sense. [See also p. 6]

SUPREME COURT POSES NEW 'INFLUENCE' QUESTION: Lawyers are still haggling over meaning of Supreme Court's decisions this week, throwing Springfield & Peoria deintermixture cases back to Court of Appeals -- but there's considerable belief that the highest court justices have shown they're aware of headlines kicked up by Harris subcommittee investigation of charges of improper influence exerted on FCC members.

It's no surprise that the high court would be concerned about charges of "ex parte" representations to FCC. What is troubling industry is fact that Supreme Court appears to broaden the area in which commissioners are "untouchables."

Law is explicit about keeping FCC members aloof in comparative TV hearings, but it's silent about discussions affecting rule-making -- such as TV channel shifts involved in deintermixture. Now, Supreme Court seems to have broken new ground by telling Court of Appeals to look into charges of "influence" in deintermixture.

How about FCC approval of uncontested applications & station sales? Lawyers are now wondering whether protestants may successfully challenge such Commission actions by alleging that pre-approval discussions with commissioners took place.

Court of Appeals has been quite brusque with FCC over reports of back-door shenanigans, ramming Miami Ch. 10 & Boston Ch. 5 cases back to Commission for hearings on the charges. Now, in opinion of some, Supreme Court has adopted similar attitude. They believe, along with dissenters Clark & Harlan, that Court of Appeals is fully capable of handing charges of "influence" that arise after its decisions have been rendered; that there was no need for Supreme Court to drive its point home by actually throwing out lower court's decision. [For further details, see below.]

Now—Rule-Making 'Influence': Reversal of interpretation of law is strongly suggested by this week's Supreme Court decision sending Springfield & Peoria deintermixture cases back to Court of Appeals (see above).

Both Court of Appeals and Supreme Court had once rejected assertions that it's improper to discuss channel-shifts with commissioners. After FCC had put Ch. 10 in Albany area, uhf WTRI (Ch. 35) charged that CBS executives had improperly urged the drop-in—along with several other drop-ins throughout country—through personal calls on commissioners. Court of Appeals wouldn't accept that argument, and Supreme Court sustained it by denying writ of certiorari.

The cases which go back to Court of Appeals are those in which FCC shifted Ch. 2 from Springfield, Ill. to St. Louis, Ch. 8 from Peoria to Davenport-Rock Island-Moline. Appeals Court sustained FCC action.

Harris subcommittee testimony was genesis of Supreme Court's action, as it was in Miami Ch. 10 and Boston Ch. 5 cases, both of which were ordered back to FCC by Court of Appeals. In testimony regarding Springfield case, Harry Tenenbaum, pres. of then-uhf KTVI, St. Louis (Ch. 36), had told Harris group he did everything in his power personally to persuade the commissioners to shift Ch. 2 to St. Louis (Vol. 14:24). FCC later did order the change, now permits him to operate on Ch. 2 temporarily. This was called to Supreme Court's attention by U.S. Solicitor General J. Lee Rankin and FCC—but they said Supreme Court didn't need to take over case; that Court of Appeals was free to handle the matter.

Supreme Court disagreed, granted writ of certiorari, vacated the Court of Appeals decisions, remanded cases to the lower court "for such action as it may deem appropriate." Justices Clark & Harlan dissented, agreed with

Justice Dept. & FCC. Appeal had been brought by WTAX, Springfield, which had lost fight for Ch. 2 to WMAY-TV. After FCC took Ch. 2 away, it gave WMAY-TV a CP for Ch. 36.

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Much more unusual was Supreme Court's Peoria decision. It took same action as in Springfield case "in the light of the matter called to this Court's attention on p. 7 of the Solicitor General's brief in [the Springfield case]." But p. 7 does not mention any "influence" allegations regarding Peoria. Matter of fact, Solicitor General's brief in Peoria case specifically notes that Court of Appeals had found charges of impropriety weren't substantiated. Appellant WIRL, which had won the now-departed Ch. 8, alleged that Sen. Kerr (D-Okla.) had used "his influence, power & prestige" to get Ch. 8 out of town, because he controls uhf WEEK-TV (Ch. 43) there, doesn't want vhf competition.

Even Court of Appeals seems confused by Peoria decision. Pondering fact it has 2 more deintermixture appeals before it—affecting Evansville, Ind., Owensboro & Louisville, Ky.—it apparently decided it better find out whether "ex parte" is involved in them, too.

So Court of Appeals instructed its clerk to poll all attorneys involved in Evansville series of cases, asking them "whether or not there exists in these cases circumstances similar to those which caused the Supreme Court . . . to vacate the judgment of this Court in WIRL TV Co. v. U.S. [and] which might affect the disposition by the Court of [Evansville and related] cases." Replies are due by Oct. 31.

In view of fuzziness of Peoria decision, attorneys are wondering what to say. As one put it: "I'm tempted to tell them I don't know what 'caused' the Supreme Court to overrule the Court of Appeals in the Peoria case."

There's some speculation that Supreme Court is interested not only in "ex parte" but in the deintermixture principle—and therefore tied Springfield & Peoria cases together for reconsideration of deintermixture concept. There also is thought that both courts may be confused. For example, Court of Appeals is believed to be most interested in "ex parte" and really meant to call lawyers' attention to Springfield case rather than Peoria.

NBC Affiliates Elections: NBC-TV Board of Delegates at N. Y. convention this week elected Jack Harris, KPRC-TV, Houston (KPRC-TV), chairman to succeed Walter Damm, ex-WTMJ-TV, Milwaukee (WTMJ), now retired and living in Naples, Fla. and Edwin K. Wheeler, WWJ-TV, Detroit (WWJ), vice chairman (basics), succeeding Harris. Harold Essex, WSJS-TV, Winston-Salem (WSJS), continues as vice chairman (optionals); Harold C. Stuart, KVOO-TV, Tulsa (KVOO), as secy.-treas. New members: Harold Grams, KSD-TV, St. Louis (KSD); Lawrence H. Rogers II, WSAZ-TV, Huntington-Charleston, W. Va. (WSAZ); Harold P. See, KRON-TV, San Francisco. They replace Ewing C. Kelly, KCRA-TV, Sacramento (KCRA); Ralph Evans, WOC-TV, Davenport (WOC); John H. DeWitt, WSM-TV, Nashville (WSM). Reelected to TV board: Richard O. Dunning, KHQ-TV, Spokane (KHQ); Robert Ferguson, WTRF-TV, Wheeling, W. Va.; Joseph H. Bryant, KCBD-TV, Lubbock, Tex. (KCBD). NBC Radio Affiliates reelected George W. Harvey, WFLA, Tampa-St. Petersburg (WFLA-TV), as chairman; Douglas Manship, WJBO, Baton Rouge (WBRZ), as secy.-treas. New members of Radio Affiliates exec. committee: Frank Gaither WSB, Atlanta (WSB-TV); Ralph Evans, WOC, Davenport

Upshot of it all, at any rate, is that Court of Appeals will either ask for more briefs from Springfield & Peoria parties or kick the whole business back to FCC for "know thyself" hearings—as it did in Miami & Boston cases.

FCC is not at all sure Supreme Court frowned on "ex parte" in rule-making, though everyone acknowledges that some channel-shift rule-makings are just as vital to specific applicants as regular comparative hearings.

Some lawyers believe FCC will wind up by conducting Miami-type hearings on most cases in which "influence" was alleged during Harris hearings. Good question: "Who'll be the examiners?" Commission picked the eminent Justice Horace Stern for Miami case. He may be available for more, hasn't been asked yet. Commission's regular examiners could hear them; they're controlled by Civil Service Commission, not FCC—though in practice they frequently try to anticipate Commission's desires.

* * * *

Supreme Court's decisions were brief. Springfield case (No. 235) reads: "The petition for writ of certiorari is granted. In view of the representation in the Solicitor General's brief on pages 7 & 8, concerning testimony given before the subcommittee on legislative oversight of the House Committee on Interstate & Foreign Commerce subsequent to the decision by the Court of Appeals in the case, the judgment of the Court of Appeals is vacated and the case is remanded to the Court of Appeals for such action as it may deem appropriate."

The Peoria decision (No. 242): "The petition for writ of certiorari is granted. The judgment of the Court of Appeals is vacated, and the case is remanded to the Court of Appeals for appropriate action in the light of the matter called to this Court's attention on page 7 of the Solicitor General's brief in [Springfield case]."

Dissenters Clark & Harlan stated: "The matters referred to by the Court were not presented in the Court of Appeals and are not presented by these petitions. Agreeing with the Solicitor General that denial of the petitions for writs of certiorari would not foreclose appropriate consideration thereof by the Court of Appeals, we see no reason for vacating the Court of Appeals' judgments and, therefore, dissent from this disposition of the matter by the Court."

(WOC-TV); Wm. E. Goetze, KFSD, San Diego (KFSD-TV). Others are: David H. Baltimore, WBRE, Wilkes-Barre (WBRE-TV); Wm. Grant, KOA, Denver (KOA-TV). The 3 retiring members are: Harold Hough, WBAP, Ft. Worth (WBAP-TV); Willard Schroeder, WOOD, Grand Rapids-Kalamazoo (WOOD-TV); George Wagner, KFI, Los Angeles.

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Preservation of TV channels from inroads by other services is objective of Assn. of Maximum Service Telecasters, whose board this week voted for "full and active participation" in FCC's broad 25-890-mc rule-making proceeding. Board also approved plan of cooperation with TV Allocations Study Organization on experiments with TV directional antennas and reported conclusion of its extensive field-test measurements in these areas: Wilkes-Barre, Pa.; Baton Rouge, La.; Madison, Wis.; Columbia, S. C.; Fresno, Cal.; Buffalo, N. Y.; Philadelphia. MST mobile units have also been used for measurements in central Minn. and Springfield, Mass.—conducted at request of FCC and TASO committees.

Waiver granted: To WCTV, Thomasville, Ga., to identify itself also with Tallahassee, Fla.

Breakthrough for Liquor? Decisions by 2 radio stations to uncork 20-year-old voluntary ban by broadcasters and accept hard liquor commercials this week produced sorrowful protest from NAB, almost-triumphant "I-told-you-so!" cry from dry forces—and no indication that whisky advertising is about to inundate airwaves.

Issue of defiance of NAB code rule against commercials for anything stronger than beer & wine began fizzing at NAB's fall conference last week in Milwaukee. There NAB pres. Harold E. Fellows' attention was called to Nov. 1 rate card of 250-watt WOMT, Manitowoc, Wis. "All alcoholic beverage advertising accepted," it said boldly.

Reaffirming broadcasters' "moral" obligation to observe self-imposed Standards for Good Practice and TV Code, Fellows said: "Anyone who violates this tradition is selling his birthright for a \$20 bill." He added that he knew of no hard-liquor commercials actually on air, that "it would be regrettable if there ever were."

It then was learned that since early Oct. Federal Liquors, Boston, had been sponsoring 2 daily 5-min. newscasts on WCRB, Waltham (5-kw day, 1-kw night), plugging Nuyens cordials & vodka. Hard liquor distributor has 26-week contract with Boston area station.

NAB had nothing more to say officially, and at this week's end there were no reports that liquor dike had been breached on any other radio or TV front. But instantly heard from was National Temperance League, always in forefront of perennial—and so far always hopeless—campaign in Congress to enact law forbidding interstate advertising of all alcoholic drinks (Vol. 14:33)—the Langer bill.

"The demand for such action by the next Congress will undoubtedly be greater than ever before because of

the decision of stations WCRB & WOMT," said League's exec. director Clayton M. Wallace. He pointed out Congress had placed dependence on NAB and Distilled Spirits Institute (which also opposes hard liquor TV & radio commercials) to regulate advertising. But action in Manitowoc & Waltham "completely refutes the claims that self-regulation is adequate," Wallace went on. He said only "sure way to protect the American home from radio & TV advertising of alcoholic beverages" is outright ban.

As for WOMT's new policy on commercials, gen. mgr. Francis M. Kadow said: "If *The Saturday Evening Post* can change its policy and take liquor advertising, we can do so, provided the advertising is handled with good judgment & good taste and at the proper time." He added: "This broadcasting business is solid enough to stand up against the dry organizations. Our skirts are clean."

In Waltham, WCRB gen. mgr. Richard L. Kaye defended its policy switch: "Ours is a concert music station, and our audience is one notch above beer, so why not?" Station's pres. Theodore Jones added: "We have built up our station the long, hard way. We have a loyal, adult audience, which doesn't respond to jarring jingles that drive them crazy, but which does respond to adult level messages. When Nuyens approached us, we saw nothing against accepting their cordials, or even hard liquors, for late newscasts."

Meanwhile Distilled Spirits Institute stood fast with NAB on issue. Washington spokesman said: "There has been no disposition on the part of any of our members to relax the self-imposed regulations regarding airwave advertising, nor has any member suggested that he is contemplating reversal of the voluntary restrictions."

Institute represents all major distillers except Schenley & Publicker, both of which go along with Institute's no-hard-liquor-on-TV-or-radio policy. Schenley broke away briefly several years ago by sponsoring whisky commercials on Alaska radio, but venture stopped there.

\$4,500,000 Sacramento Deal: KBET-TV, Sacramento, Cal. (Ch. 10), CBS basic founded 3½ years ago by local group headed by pres. Wm. P. Wright and v.p.-gen.-mgr. John H. Schacht Jr., is due to be sold shortly for approximately \$4,500,000 to John Hay Whitney's Corinthian Broadcasting Corp., headed by Whitney partner C. Wrede Petersmeyer. It would be Corinthian's 5th TV (4 vhf, 1 uhf). No radio is involved.

Corinthian bid is expected to be accepted against higher offers from Friendly Group (Berkman-Laux-Weber) and Transcontinent (Schoellkopf-Goodyear) because it's cash whereas others propose term payments. McClatchy chain's *Sacramento Bee* revealed negotiations this week, later verified by Petersmeyer.

Operator of a uhf in Fresno, 5 radios, McClatchy had sought Ch. 10 for itself, fought grant unsuccessfully through FCC and courts, now has indicated it may protest sale, alleging it verifies its counsel's claim during bitter hearings that winning group (29 stockholders, mostly local) sought channel only for purpose of selling the property—and to an outsider, though Petersmeyer is a native Californian, graduate of U of Cal. [For KBET-TV ownership, see *TV Factbook No. 27*, p. 83; for Corinthian, Friendly & Transcontinent group, pp. 385-387].

Note: Also due to be sold, though deeply interwoven in parent company's complex financial structure, with estate controlled by banking trustees, is Outlet Co.'s WJAR-TV, Providence (Ch. 10), with radio WJAR (5-kw, 920 kc, NBC), managed by J. S. (Dody) Sinclair, of old-time dept. store family—his aged mother being a daughter of

one of its founders. It's a pre-freeze outlet, carrying both NBC & ABC, reputedly highly profitable. Not so profitable dept. store, however, must be sold, too—asking price: \$14,000,000—and insider sources say none of big store chains thus far is willing to pay that much and that several prospective TV-radio buyers have been scared off by the tax problems involved in buying entire estate and then separating store and station properties.

Spot TV Up, Sales Up: Close correlation between increases & decreases in use of spot TV and increases & decreases in sales of sponsor's products is shown by rep Edward Petry & Co. in special study, "What Spot TV Did for Sales in the Beer & Tobacco Industries." Report discloses that 10 of 12 leading brewers and 8 of 9 leading cigarette-makers who raised spot TV investments in 1957 over 1956 registered sales gains. Conversely, 3 of 7 brewers and 8 of 9 cigarette-makers who cut spot budgets suffered sales losses. Study also notes that filter brands accounted for 77% of all cigarette spot in 1957—and that 41% overall filter sales increase last year exactly matched 41% increase in spot TV promotion of filters.

John Boler's North Dakota Bestg. Co.—owner of KXMC-TV, Minot (Ch. 13); KXJB-TV, Valley City (Ch. 4); KBMB-TV, Bismarck (Ch. 12); upcoming KXAB-TV, Aberdeen, S. D. (Ch. 9); applicant for Ch. 11 in Fargo—is buying radio KFGO, Fargo, for \$150,000. Buyer recently sold KSJB, Jamestown, N. D. and KCJB, Minot, N. D. to James M. Pryor. [For news about other radio station sales & transfers, see *AM-FM Addenda QQ*.]

Trends in TV—Network-Affiliate Stresses and Strains

Changing Patterns, Divergent Interests, Long-Range Stakes, Prompt Plea for Cohesion

Remarks by Robert W. Sarnoff, NBC board chairman, at annual affiliates convention in New York, Oct. 23, 1958

THIS MORNING'S SESSION brings us near the end of our twelfth annual affiliates meeting. I have attended most of these meetings since 1946, first as an observer and then as a participant with you in the occasionally hectic, but always rewarding, deliberations that have charted our joint course through television's turbulent first commercial decade. Casting back over these years, I can only marvel at the profound changes that have taken place in TV, not only in its size, but in its mode of operation, in the new enterprises it has created, and in the new interests it has drawn into the fold.

Of one thing, I am certain. It will keep on changing, probably at an accelerated pace. For TV has become a vast and complex business—far bigger than radio ever was, with higher stakes, greater risks and larger areas of conflict.

Because of the variety of conflicting interests and the size of the stakes, TV has generated fierce and widespread competition, perhaps unparalleled in American enterprise. Its cost level is very high, calling for large-scale resources. Its total profit—combining all elements—is also high, even though spread unevenly across the industry. Some of the highest risk enterprises, such as networking, have relatively low profit margins; others, such as talent agencies and stations, have generally maintained much higher margins.

New Program Sources, Old Movies, Color, Videotape

The constant hunger for programs to fill the schedules of more than 400 stations has brought into being a complex of new program sources, not all of them blessed with financial and creative stability. In the last 5 years, scores of outsiders have plunged into programming waters, threshed about briefly and then submerged, to be followed by others. Some have managed to stay afloat through growth or consolidation; and they, plus others from the motion picture industry, from syndication and from the talent agency field, have become firmly anchored as program originators, providing, at last, a basic stability to this segment of television.

The movie industry has made a direct penetration into TV by exhuming, in volume, the product consigned to its vaults over many years. Only a soothsayer would hazard a forecast on whether the features will soon wane in appeal through play and replay, bringing an end to this chapter in TV's history; or whether they will continue as a TV staple. Their presence has, however, already produced drastic changes in programming patterns and has affected some of TV's basic relationships.

Color is at hand, expanding steadily and as rapidly as the full support of only one network and one manufacturer can make it expand. Soon this solitary effort will have created a market big enough to enlist other manufacturers in a vigorous production and merchandising drive. Then, as color begins to tap the mass market, it will trigger the familiar cycle of circulation growth, advertising support and program expansion. At some point in this process, probably when it appears that profits are more imminent, we expect other networks to support our color programming efforts.

With the advent of videotape, we stand on another frontier opened by new technology. It will revolutionize

many of our operations and many of yours; it will open up new avenues of program production, lead to many new services which we are just beginning to explore. It will also likely bring into TV new forces, again producing change in an industry where change is the only constant.

New Sales Forms, New Schedule Demands

And, like everything about it, the NBC TV network has changed too.

In sales, we have embraced new forms which would have seemed radical—maybe even unthinkable—to the affiliate of 1948. But you, too, have changed by recognizing the need for this flexibility. Through your cooperation we have been able to adjust to the demands of the market for the most efficient use of network TV.

The network's overall schedule has kept changing, too. Some program types have receded in popularity; others have come to the fore. The pace of these adjustments has placed demands on the network undreamed of in the radio era. Like the automobile industry, we retool for each season far in advance. We must begin preparing for the next broadcast year when the current one begins, and we must support our judgment on what will be successful a year hence with tens of millions of dollars. We must also cope with a challenge unknown in the automobile industry: we must be flexible enough to change models drastically in mid-season.

Not only do the programs keep changing; so does the means of their birth, care and feeding. In the contest for competitive supremacy, we must find the best possible shows wherever they can be found. And drawing from a vast range of program sources, we now employ an intricate variety of program arrangements, which cannot be put into the neat, over-simplified compartments of "inside" or "outside" the network.

Building for a 'Strong Tomorrow'

For example, we have programs originally conceived and developed by NBC, which have been farmed out to others for production according to our concept and specifications, and with our financing. Then there are program ideas brought in by others which we jointly fashion into show form. There are cases where we select a program from a pilot and buy outside production; cases where we acquire broadcast rights to complete shows produced by others. In short, there are many different combinations of program interests spread among NBC, performers, independent producers, talent agencies, and others—so many as to reduce to sophistry the concept of everything being "inside" or "outside" the network.

But whatever the origin of the show, it is NBC's creative responsibility to design its overall schedule with balance, taste and competitive impact. This responsibility is always discharged, as it must be, with a careful eye on serving the public interest and on the barometer of demands from our market.

The changes at NBC have deeply involved its organization and its modes of operation. We have streamlined to avoid waste. We have organized to use the full resources of the company in making decisions intelligently, quickly and responsibly.

We have built for a strong tomorrow by bringing

along the young and most able people in our organization, and by attracting other young and gifted people to join us. To achieve strength and stability, particularly in the vital TV network area, we have gone through organizational changes, just as the other networks have done and continue to do. Out of this sustained effort, we have fashioned a network organization that I consider the most competent anywhere. It has depth. It has skilled and energetic executives heading each operating area. It has been welded into a cohesive, purposeful team by a seasoned leader with an unsurpassed knowledge of broadcasting—Bob Kintner. We are geared for the rough competition of today, and for the rougher competition of the future.

In shaping our organization, in selecting our programs, we exercise a certain control over the shape of our own future. But in seeking agreement on what we should or should not do, or be, we are a cat chasing its tail. If you will all join me in a tranquilizer, I will try a hasty count-down of the dilemmas and frustrations of networking.

First, we face recurring charges of network monopoly; yet we are a business whose hallmark is no-quarter competition.

Next, we face the paradox of a public official suggesting that perhaps more network programming would improve the quality of radio stations—at a time when other government officials seem dedicated to reducing the amount of network programming carried by TV stations.

Then, we stand in the dock on the charge of controlling too much of what the public sees; while at the same time we are being accused of abdicating program control to advertisers and agencies.

Some feel we shun controversial programming; yet others are alarmed when our commentators express opinion on issues in the news.

Some feel we exile informational and cultural shows to Sunday afternoon; others are distressed when we preempt regular night-time shows for such programs.

Some of this pull and haul comes from genuine divergence of belief, and this is fine. But some of it comes from misunderstanding of the role of networks as balance wheels in this loosely-knit business of TV.

Only the networks assume the responsibility for offering a varied and balanced schedule with something of appeal to all audience tastes. In doing so, they often go upstream against the program trends of the moment. Too many Westerns, too many situation comedies on the air? This might be true if you count the vast outpouring of such programs from independent sources over whom the networks have not the slightest control. But those who deplore them should realize that without the counter balance of network programming, there would be twice, or three times, or four times as much of prevailing popular show types on the home screens as there is now. The simple fact is the networks alone do not comprise the entire television industry.

The Network-Affiliate Relationship

The ability of the networks to continue as the balancing force, and the creative hub, of TV, depends without question upon the unwavering continuance of one fundamental relationship. That is the network-affiliate relationship. Though I am intimately involved in this relationship, I want to attempt a detached appraisal of its importance in safeguarding TV as a productive service for the public, the stations and the national economy.

It is unique in American business, unlike the relationship of the manufacturer and distributor, wholesaler and

retailer, motion picture producer and theater owner. It rests on the powerful structure of mutual interest, yet this structure is under constant stress from divergent interests that pull a network and its affiliates in opposite directions. The future of networking, the future of your stations, the very future of TV itself will depend on whether, and how well, we jointly withstand these stresses.

Thus far, the forces of cohesion have withstood those of division. I personally feel they always will—if the fundamentals of our relationship continue to be viewed in clear perspective. The danger is that expediencies of the moment may obscure the enduring values of these fundamentals.

These values need little elaboration. On our part, the TV network could not exist without you—you *are* the network, and our programming and sales and facilities would be meaningless without you to carry our programs to the national audience. We can succeed only to the extent that you are successful. Our position nationally is the sum total of your positions locally.

'Joint Asset Could Be Slowly Eroded Away'

On your part, you would surely agree that your NBC affiliation is one of your most valuable assets. Just as we need you, you need us. If this axiom required illustration, it was supplied dramatically last season when so many NBC affiliates surged forward in their markets as a direct result of the strengthened network schedule.

Clearly, an asset of such value is worth protecting. When it was under fire in the Barrow hearings, you took the initiative in going to Washington and effectively supporting the integrity of the network-affiliate relationship. If the issue is ever presented so clearly again, I am sure you will respond in the same steadfast manner.

But in our month-to-month, year-to-year dealings with each other, it is rarely defined so sharply. My concern now is that this joint asset could be slowly eroded away, either through misunderstanding or through failure to recognize the narrow margin between network success and failure. If that happens—however inadvertently, however unintentionally—the affiliates themselves could bring about the very result which they have pleaded so eloquently with the Government to avoid.

Competition, Rising Costs, Lower Profits

In the present atmosphere, it is not difficult to see how this could happen. With 3-network competition, new pressures have emerged, both within the network and spot fields. Program sources have multiplied and diversified. With a buyers' market—plus competitive jockeying—network sales and final programming decisions have been slow in firming up. With rising costs, the rising scale of station profits has levelled off, while total network profit margins have declined. New interests have entered the station field. As businessmen they recognize the essential value of the network to them; but they may be tempted to judge individual transactions on the transient basis of immediate financial effect, without first weighing the ultimate effect on the overall network-affiliate relationship.

Under pressures such as these, it would require neither design nor deliberation to produce a weakening of the obligations of affiliation. The results of such a development could be gravely damaging to the network structure, and thus to the stations' own interests. For the network can give the station the service it needs only to the extent that the station makes it possible.

I propose no action that you would find incompatible with your interests and responsibilities as station opera-

tors. I only suggest that whatever action you take bearing on your network relationship be taken with a considered awareness of its implications for the long as well as the short range.

Perhaps we who are in the communications business need better communications with each other—communications not on the mechanics of our relationship, but on its essentials. These annual meetings give us that opportunity, and I have attempted to use it to communicate in all candor my thoughts on the most important subject facing all of us.

Change is perhaps all we can count on in this dynamic industry. But change always brings fresh opportunities. If we stand staunchly together, I am more convinced than ever that we can insure our common success for many prosperous and constructive years to come and thus serve the best interests of the public and the industry.

Receipt of "Bowles Report" to Senate Commerce Committee, covering allocations and FCC procedures (Vol. 14:39), has been acknowledged by Chairman Magnuson (D-Wash.) who dissolved Bowles Committee and wrote committee chairman Edward Bowles: "I need not emphasize the importance of providing a nationwide, competitive TV system to the people of the U. S. As I have stated before, it is obvious to me that a decent and vigorous regard of the best interests of those who have most at stake, namely the American people, must have the highest priority in our studies and deliberations. The public interest does and will supersede the interests of everyone including those who have been entrusted by the Govt. with the utilization and administration of our greatest of public assets—the public airways. Your report, I am sure, will contribute a great deal to the study of this problem. I personally have found it provocative and want to assure you and the members of your group that the report will be fully considered and in the event any questions arise, you will be notified."

TV-radio income from sale of broadcasting rights to championship tournaments by a tax-exempt sports association isn't taxable as "unrelated business," Internal Revenue Service has decided (Rev. Rul. 58-502). Ruling was issued in case of unnamed association, "formed to promote & conserve the best interests & true spirit of a game," which obtained "relatively insignificant" income from tournament TV-radio rights. IRS held that broadcasts were "substantially related to the carrying out of the purposes for which the organization was granted exemption."

Hearing on program ratings, which was started by Senate Commerce Committee in July (Vol. 14:26), will resume in Jan. rather than in Nov. as originally planned. Chairman Magnuson (D-Wash.) announced that change stemmed from inability to round up committee quorum in Nov. Investigation was initiated by Sen. Monroney (D-Okla.), who heard testimony in defense of ratings from representatives of Nielsen, Trendex, Pulse, ARB & Videodex. Monroney complained that ratings are responsible for "mediocrity" of programs.

Also aiming at Negro market (Vol. 14:39), at same time appealing to all levels of audience, are 5 hours of live Negro programs carried for last 5 years on WJBF, Augusta, Ga., (Ch. 6) Sun. 8 a.m.-1 p.m. Most programs are musical, though recently live drama by local Negro college students on history of Negro race got excellent reception. What's more, reports owner J. B. Fuqua, the time is almost 100% sponsored.

CATV-Microwave Opposition: Small-market TV operators wasted no time challenging efforts of microwave applicants to get "freeze" on CPs lifted by Court of Appeals (Vol. 14:42)—4 of them filing petitions to intervene: KWRB-TV, Riverton, Wyo. (Ch. 10); KLTV, Tyler, Tex. (Ch. 7); KHAD-TV, Laredo, Tex. (Ch. 8) WCTV, Tallahassee (Ch. 6). They assert they're parties in interest because of injury which would result if local community antenna operators were able to improve & augment their services by bringing in signals via new microwaves. KLTV's response, typical of the 4, stated: "Numerous national advertisers, realizing (by purchasing time on the Shreveport & Dallas stations) that their messages will be made available via the CATV system to a substantial number of persons in Tyler, have failed to buy time on KLTV, thus substantially affecting that station's revenues." Three more microwave applicants went to Court of Appeals this week, with complaints similar to those filed last week: New York Penn Microwave Corp., to serve Corning, N. Y.; Idaho Microwave Inc., for Twin Falls; Valley Microwave Inc., for Muscle Shoals, Ala.

Granada TV Network Ltd., ITA program contractor for North of England, has just published *TV: Year One*, profusely illustrated, appropriately dedicated to the men and women of BBC who established world's first TV service in 1936 in Alexandra Palace, London. Besides data on Granada, book carries chapters on history of independent (commercial) TV in England, text of TV Act of 1954, lists of people in TV, list of advertisers. Editor of 117 pp. cloth-bound volume, obviously with tongue in cheek, carries old engraving of P. T. Barnum on last page.

"Scatter" link to Bahamas is sought by AT&T, which has asked FCC to allocate 2110-2200 mc for 5-mc transmissions, asserting that conventional radio circuits are subject to disruption. It would use Florida City, Fla. site now employed for over-the-horizon link with Cuba. No video for the 185-mi. link is proposed initially, because there's been no demand for it. AT&T is disappointed with traffic on Cuba link, NBC boxing being only regular feature.

List of 464 educational TV courses offered during 1957-58 school year is included in *Telecourse for Credit* prepared by Mich. State U Continuing Education Service. On-air courses increased 112% over total from 1951 to 1957, offered by 53 universities, 34 colleges, 20 public school systems, 3 networks, 2 state depts. of public instruction participated in ETV programs.

NTA and officers Oliver Unger & Bert Kleiner, along with producer Mort Abrahams, are defendants in \$3,750,000 libel suit filed in Los Angeles by actor James Mason, charging Abrahams made remarks reflecting on his patriotism, courage & integrity, published in Sept. 29 *London Express*—specifically, that he was disloyal to his native England.

Four new Australian TV stations are in the works— at Brisbane, Adelaide, Perth, Hobart—with letting of \$1,120,000 in equipment contracts, mostly 100-kw ERP, to Marconi.

Hollywood AFL Film Council names John W. Lehnert, IATSE, as pres. to succeed Pat Somerset, Screen Actors Guild; Charles Thomas, IBEW, as v.p. to succeed Lehnert.

Description of stereo broadcasting has been issued by FCC in form of one-page "general information" sheet, Mimeo. 64888.



Television Digest
— THE ELECTRONICS REPORTS —
WYATT BUILDING, WASHINGTON 5, D. C.

MARTIN CODEL, Publisher
ROBERT CADEL, Bus. Mgr.
ALBERT WARREN, Senior Ed.
WILLIAM WIGHT, Managing Ed.

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BERYL D. HINES

Weekly Newsletters Published Saturdays
Television Factbooks Published in March & September
AM-FM Directory Published in January
TV and AM-FM Addenda Published Weekly

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Personal Notes: Gerald Adler, European programming director for NBC's California National Productions, named managing director of NBC Great Britain Ltd., succeeding Romney Wheeler who is returning to take over as TV director of U. S. Information Agency in Washington (Vol. 14:40) . . . J. Elroy McCaw, operator of KTVW, Tacoma (Ch. 13), radio WINS, N. Y. and various other stations, who was seriously injured in an automobile crash Sept. 27 (Vol. 14:40), was due to be released this week from Seattle's Swedish Hospital, after which he will recuperate at home for 6-8 weeks; he suffered multiple fractures of his knees & ankle (requiring surgery), scalp & face cuts, rib fractures, shock, but his improvement is considered good . . . John H. Bone, ex-gen. mgr. of WBRZ, Baton Rouge (Ch. 2) is now national sales mgr. of WOI-TV, Ames, Ia. . . . Jack Reber, ex-NBC, since June exec. coordinator of Cascade Bestg.'s KIMA-TV, Yakima, Wash., with 3 satellites, 4 radio stations, named asst. to v.p.-gen. mgr. Tom Bostic . . . Wm. G. Carreras, ex-WEEQ-TV, La-Salle, Ill., named sales mgr. of WKAN, Kankakee . . . John W. Kiermaier promoted to asst. to pres. Walter Kingsley of Independent TV Corp. . . . Paul Harrison, producer-director (CBS *Shower of Stars*), named exec. producer of Screen Gems . . . Len Levy, ex-Kling Film Productions, named exec. producer of Robert Lawrence Productions new Chicago office . . . Robert L. Friedman, ex-Universal Pictures, named mid-Atlantic div. mgr. of NTA Pictures, headquartering in Washington . . . John L. Beers, ex-Young & Rubicam, named central div. mgr. of Theatre Network TV . . . James Alspaugh promoted to v.p. of rep H-R Television, San Francisco, succeeding Paul R. Weeks, retired . . . Paul R. Fry, ex-pres. KBON, Omaha, named mid-west mgr. of broker R. C. Crisler . . . Wm. P. Pipher, ex-sales mgr. of WTVH, Peoria, named midwest radio mgr. of rep Petry, succeeding John Ashenhurst, now asst. to exec. v.p. Edward E. Voynow . . . Charles E. Reilly Jr., ex-Stuart Pharmaceutical, named *TV Guide* eastern promotion representative, succeeding Arthur Shulman, now mid-Atlantic regional mgr. . . . Edward R. Eadeh, ex-FCC network study, ex-DuMont network, named sales development director of rep George P. Hollingbery . . . Carl E. Lee promoted to exec. v.p. of WKZO-TV & WKZO, Kalamazoo; Donald DeSmit, TV sales mgr., assumes duties also of administrative asst. for TV.

ADVERTISING AGENCIES: George H. Gribbin, senior v.p. of Young & Rubicam since 1956, named pres., succeeding Sigurd S. Larmon, continuing as chairman; exec. v.p. Louis N. Brockway named exec. committee chairman; Frank Fagan, Harry Harding, Harry H. Enders promoted to v.p.'s . . . Charles S. Winston, Foote, Cone & Belding senior v.p., adds duties of Chicago gen. mgr., succeeding v.p. Richard W. Tully, who Jan. 1 becomes operations committee chairman in N. Y. . . . J. S. Chatham promoted to v.p. of R. T. O'Connell, N. Y. . . . David Roe promoted to mgr. of Kenyon & Eckhardt, Montreal.

Radio-TV News Directors Assn. at Chicago convention elected: pres. Ralph Renick, WTVJ, Miami; v.p.-program Sheldon Peterson, WTCN-TV, Minneapolis-St. Paul; v.p.-TV Wm. J. Small, WHAS-TV, Louisville; v.p.-radio Nick Basso, WSAZ-TV & WSAZ, Huntington-Charleston, W. Va.; treas. F. O. Carver Jr., WSJS-TV, Winston-Salem, N. C.; directors Wm. G. Garry, WBBM-TV, Chicago; Wm. Monroe, WDSU-TV, New Orleans; H. Bremmer, CFPL, London, Ont. Top 1958 RTNDA awards went to: WKY-TV, Oklahoma City (Bob Gamble, news director; Norman P. Bagwell, mgr.), for outstanding TV news operation; WTOP, Washington (Edward F. Ryan, news & public affairs director; Lloyd W. Dennis, mgr.), for outstanding news story or informational series; WTVJ, Miami (Ralph Renick, v.p. for news; Lee Ruwitch, mgr.), for outstanding TV news story or informational series; Robert D. Swezey, exec. v.p. & gen. mgr. of WDSU-TV, New Orleans, and chairman of NAB's freedom of information committee, for work in opposition to American Bar Assn.'s Canon 35 ban on TV-radio court coverage.

Restrictions on news film exports from Russia were protested by NBC this week, v.p. Wm. R. McAndrew telling State Dept. that new USSR rulings would "effectively restrict any spot-film coverage of Russia." The new limitations: (1) Photographers must get Soviet approval of every story planned. (2) All exposed film and narration must be submitted for approval, delaying shipment at least 24 hours. (3) A \$1000 fee has been imposed for each 100 meters of film shot—regardless how little eventually is telecast. McAndrew added: "These restrictions come within days of the Soviet expulsion of CBS and AP correspondents, and reduce further the amount of information available to the American people about Soviet Russia."

Due in Moscow Oct. 27 for 3-weeks' study of broadcasting-recording techniques under East-West cultural exchange agreement administered by State Dept.: Ralph Harmon, Westinghouse stations; Ralph Cohn, Screen Gems; Jerry Danzig, NBC; Mike Wallace, ABC. Originally scheduled, but not going, was Richard S. O'Brien, CBS. Dr. Burton Paulu, U of Minn., is now in London, may join group. Russia will send delegation to U. S. in Nov. State Dept. is also considering sending non-broadcast electronics group, plans still indefinite.

NAB fall meeting windup: Maj. Gen. Robert Jefferson Wood, deputy chief of Army research & development, will be banquet speaker Oct. 27 in Statler-Hilton Hotel, Washington, at last of 8 NAB fall conferences. He'll discuss missiles research and military implications of future international laws governing outer space. Meeting ends with Oct. 28 luncheon addressed by Coca-Cola v.p. & marketing director Felix W. Coste.

George G. Kerasotes, Springfield, Ill. theatre operator, elected pres. of Theatre Owners of America, succeeding Ernest G. Stellings, Charlotte operator of 2 N. C. theatre chains, who becomes chairman; Albert M. Pickus, owner of Stratford Theatres, Stratford, Conn., named executive committee chairman.

History of British broadcasting will be written by Asa Briggs, Leeds U modern history professor, under commission by BBC.

MBS moves Washington studios & offices from 1627 K St. NW to Sheraton-Park Hotel Nov. 1.

Obituary

Frank Ewing, 54, chairman of Fensholt Adv., Chicago, died Oct. 11 of a heart attack. Surviving are widow, 5 children.

NBC Treats the Press: Extraordinarily successful promotional coup was NBC's "press tour" this week, in which it brought 73 newspaper TV-radio editors to New York and threw open its whole programming & executive organization for virtually unlimited news access. There for the taking was grist for enough columns to backlog a critic for a month.

It was NBC's second such venture, last year's being conducted in Los Angeles. Feat was brilliantly executed under supervision of press & publicity v.p. Sydney H. Eiges and press dept. director Ellis Moore, who carried off a \$75,000 affair with only about \$25,000 of NBC's money—balance coming in form of parties, transportation, gifts, etc., from sponsors, stars, hotels and the like. Months of intense planning, by big staff, went into it.

Heart of the tour comprised interviews with performers and executives. Interviews were set up in advance, and the reporters quizzed to their hearts' content—4 sessions running concurrently. And, learning from last year's too-frantic pace, NBC wisely gave newsmen breathers to write their stuff.

News "package" was complete—for NBC also scheduled affiliates' annual meeting same time, held joint press-affiliate meetings addressed by executives from chairman Robert W. Sarnoff down (see p. 1). In addition, RCA was brought in via trip to Princeton Labs, where reporters were shown latest technical developments (p. 2).

"Socializing" was tremendous, including: buffet dinner at Essex House by Perry Como; brunch at Sardi's,

Colgate; luau at Lexington Hotel, Steve Allen; dinner at Leone's, Gillette; "learn how to cha cha!" at studios of Arthur Murray, who then was dinner host at Tavern on the Green; dinner at Nassau Tavern, Princeton, RCA; reception for press, affiliates & performers at Plaza Hotel, NBC; dinner for press & stars again at St. Regis Roof, NBC. Windup—for recuperation—was at Concord Hotel, Lake Kiamesha, N. Y.

There were "refreshments at all times" at press headquarters in New York and thousands of photographs of the editors chinning with "names" (one photographer told us he'd shot about 150 first day). Also, each reporter was insured—\$100,000 in air, \$25,000 on ground. And a topper was daily distribution of ABC & CBS publicity releases!

Clue to the editors' collective news sense was their choice of interviewees. Here were top 10, with number of interview requests for each: Marlene Dietrich, 42; Stockton Helffrich, director of continuity acceptance, 30; Cliff Arquette, of *Jack Paar Show*, 30; screening of *Gateways to the Mind*, 30; Dave Garroway, 24; producers of *Continental Classroom*, 22; Charles Van Doren, 20; Betsy Palmer, 18; Alfred Drake, 17; Mildred Freed Alberg, exec. producer, *Hallmark Hall of Fame*, 16.

Britain's new northeastern TV station at Burnhope schedules start on Jan. 15, 1959, with Tyne-Tees Television Ltd. as program contractor under Independent TV Authority. It begins with 100-kw, horizontally polarized, on Ch. 8 (189.75 mc visual carrier, 186.25 mc aural).

UHF's 'Angry Young Man': Most unrepented station operator in the industry, when it comes to criticism of FCC for its allocation policy, is Wm. L. Putnam, pres. of WWLP, Springfield, Mass. (Ch. 22). Addressing Ohio Assn. of Broadcasters in Columbus last week, he asserted: "The American people don't know what is being done to them today, but some day they are going to find out, just as sure as you and I are here, and when they do, they will ultimately demand more and more intensive regulation of this growing monopoly, just as they have demanded and gotten regulation of every other monopoly in these U. S. Broadcasters of this nation have a choice. They can be morally honest, and support what really ought to be done, or they can subject themselves to the other alternative of increasing bureaucratic domination. I am inclined to believe that, at long last, the Commission will very shortly announce a new allocations policy which will go a long way toward alleviating this monopolistic situation. It remains to be seen, however, with what degree of grace we broadcasters will accept such a policy and with what degree of courage the FCC will see it executed."

Stereo combination: educational KQED, San Francisco (Ch. 9) and commercial FM station KPFB, Berkeley. They'll present KPFB's weekly concerts, under waiver of rules granted by FCC—similar to last week's action affecting educational WTTW, Chicago (Ch. 11) and WFMT (Vol. 14:42).

RCA shipped 12-section superturnstile antenna Oct. 23 to upcoming WTOL-TV, Toledo (Ch. 11) due in Dec.; 12-section superturnstile Oct. 17 to WKBW-TV, Buffalo (Ch. 7), also due in Dec.; 6-section superturnstile Oct. 13 to WCSC-TV, Charleston, S. C. (Ch. 5), planning move to 1000-ft. tower at new site.

TV-radio tower fabrication has been discontinued by Truscon Steel div. of Republic Steel, but it continues making towers for Govt.

Rehearing of Norfolk Ch. 10 decision was denied this week by Court of Appeals, sitting *en banc* and voting 7-2 to sustain its recent action upholding FCC's choice of WAVY-TV over Beachview Bestg. Corp. (Vol. 14:38). This week's action was punctuated by dissent from Judge David L. Bazelon, who stated: "I vote to grant the petition for rehearing *en banc* in order to reconsider this court's recent rulings which appear to render us powerless to restrain the Commission from employing shifting emphasis of comparative criteria obliterating any predictable pattern of decision." Other dissenter was Judge Wilbur K. Miller.

Tallest self-supported tower in world before Tokyo's 1092-ft. structure came along (Vol. 14:41) was the 1042-ft. spire of KCMO-TV, Kansas City (Ch. 5)—including antenna. Mgr. E. K. Hartenbower supplies these statistics: 800 cu. yds. of concrete in footings, 600 tons of steel, 25,923 bolts, 5 mi. of wire, sixteen 100-watt obstruction lights, 1360 tower-leg bulbs, five 300mm flashing beacons, five 1000-watt beacon lights, 7 catwalks—and it takes average man hour to climb to top.

Big demand among engineers for 2 technical papers by Dr. G. H. Brown prompted reprints, RCA says—both available from RCA Industrial Electronic Products, Camden: "Design Methods to Improve the Stability of AM Directional Antenna Systems" and "Ground Systems as a Factor in Antenna Efficiency."

CPs granted: Educational Ch. 56, Lakewood Center, Wash., to Clover Park School District 400; Ch. 75, 77 & 83 translators, Spencer & Spirit Lake, Ia., to Spencer Area TV Inc.

Ampex shipments: one color kit each to CBS N. Y. & Hollywood studios; one recorder to WJAR-TV, Providence; 2 recorders to Telesistema de Mexico, Mexico City.

New call letters: WLBR-TV, Lebanon, Pa. changes to WLYH-TV next Jan. 1.

CORNING'S NEW 23-in. PICTURE TUBE: Challenger to 21-in. picture tube, also starting TV industry once again on march toward bigger picture screens, is new 23-in. bulb which Corning Glass Works says it will show to industry next month for first time. We tracked down reports that big Corning, which makes lion's share of bulbs, would sample industry with both a new 18-in. and a 23-in. bulb -- but Corning states it has no plans at this time for the 18-in. type.

The 23-in. bulb is a version of "contoured twin panel" tube Corning announced last May (Vol. 14:20), but without oil-filled space between tube face and panel. Now panel is fixed directly to face of picture tube with special plastic cement. Apparently, idea of oil-filled space has been dropped. There are similarities between new Corning tube and laminated tube face Pittsburgh Plate Glass announced recently (Vol. 14:30). Here are new tube's advantages, according to Corning:

- (1) Face panel gives greater strength -- so new bulb has straighter sides and sharper corners and fits more compactly into cabinet.
- (2) Tube face flattened to a considerable degree.
- (3) More rectangular area permits bigger picture -- approximately 20 sq. in. more than is possible with current design.
- (4) Dust-free -- dust collecting surfaces eliminated, leaving only front which can be washed easily.
- (5) Reflections reduced -- also because there are 2 surfaces, not 4.
- (6) Light output increased about 8% -- attributable to elimination of the reflecting glass surfaces.
- (7) New design concepts possible -- because of the sharper corners and the flatter face. Thus, both depth & width of cabinet can be reduced.

Height & width of new tube are virtually same as standard 21-in. bulb. And, the weight is the same or slightly less.

If set makers cotton to new bulb, they'll probably get them too late for the spring lines shown to distributors in Dec.-Jan. But, they could get them in time for mid-year introduction of new 1960 models.

Transistor Threat from Japan: The production of transistors in Japan has zoomed to more than 2,000,000 units expected this year -- and the "mighty mites" are finding their way in increasing numbers into the U.S. So says communique to the Commerce Dept. from attaches in Tokyo, their report coming hard on information that Japanese transistor radios are invading U.S. market at 50-70,000 monthly rate (Vol. 14:39).

Plea for import restrictions to protect domestic transistor industry is being readied by EIA's Import Committee headed by Motorola chairman Paul V. Galvin, for presentation to Director Leo Hoegh of the Office of Defense & Civilian Mobilization. It's estimated that domestic requirements take about 2/3 of Japanese production, and leave 600,000 or more available for export this year, mostly to U.S. While this is relatively small compared with expected U.S. production of 48,000,000 transistors in 1958, it is regarded as a sufficient threat to justify request for import curbs.

TV-Radio Production: TV output was 124,503 sets in the week ended Oct. 17 vs. 127,125 preceding week and 164,627 same week last year. Year's 41st week brought year's total production to 3,829,028 sets vs. 4,921,396 last year. Radio production was 287,829 (73,754 auto) for week ended Oct. 17 vs. 314,884 (93,088 auto) preceding week and 407,298 (150,075 auto) same week last year. Radio production for 41 weeks was 8,290,661 (2,555,999 auto) vs. 10,566,643 (4,103,822 auto) last year.

RCA-JUSTICE DEPT. PATENT SETTLEMENT DUE: Final agreement on consent decree to settle long-pending govt. patent anti-trust suits against RCA appears imminent. Despite absolute refusal of RCA and Justice officials to discuss matter, we were able to confirm that "breakthrough" had been achieved; that there were intense conferences between RCA & Justice attorneys this week; that only minor problems remain.

There have been approaches to agreement several times in recent months, as attorneys negotiated over civil suit which was started in Nov. 1954 (Vol. 10:37) and criminal suit in which indictment was filed last Feb. 21 (Vol. 14:8) -- but current discussions are said to have achieved final results.

The 1954 civil suit attacked RCA "package licensing agreements" and other "misuse of patents." Named as "co-conspirators," but not as defendants, were AT&T, Western Electric, Bell Labs, GE, Westinghouse. Criminal suit charges RCA with 4 counts of violation of Sherman Anti-Trust Act. No individuals were named, but 20 domestic & foreign companies were -- including GE, Westinghouse, AT&T.

Settlement of foregoing wouldn't clear up all RCA anti-trust litigation -- for there's still: (1) Philco's \$150,000,000 treble-damage suit pending against RCA, GE, AT&T. (2) Govt.'s civil suit against RCA & NBC, charging violation of the Sherman Act in swap of Philadelphia & Cleveland TV-AM-FM stations between NBC & Westinghouse (Vol. 12:49, et seq).

Trade Personals: Robert Adams promoted to Packard-Bell's eastern operations mgr., Washington, succeeding Commodore A. J. Spriggs, now adviser to Commerce Dept. electronic div. director Donald S. Parris (Vol. 14:42) . . . Roger C. Smith, ex-asst. gen. mgr. of Motorola Finance Corp., promoted to credit mgr. of parent corporation . . . Francis A. Bonner, ex-Amphenol, named sales mgr. of Admiral International & Admiral Corp. Interamericana, succeeding Earl L. Nissen, resigned . . . Harry J. Abrams, ex-Trav-Ler Northwest Sales, named Philco field operations mgr.; Horace P. Auston Jr., ex-Certain-Teed Products, named field operations representative, both reporting to Wm. A. Harrison, mgr. of distributor operations . . . Edward Welker promoted to product planning & market development mgr. of RCA Victor record div. . . Kenneth C. Moritz, ex-Philco, named sales mgr. of Raytheon's semiconductor div. . . Edgar Greenebaum Jr., Chicago financial consultant specializing in TV-electronics, having attended International Electronics Conference at Liege, Belgium, Oct. 6-11, went to Russia Oct. 16 to study developments there . . . Dr. Philip N. Hambleton promoted to CBS-Hytron research & development supervisor for tubes . . . Meyer Leifer promoted to Sylvania special tube operations mgr., headquartering at Mountain View, Cal. . . J. D. Houlding promoted to v.p.-gen. mgr. of RCA Victor Ltd., Montreal . . . James McGill promoted to Hot-point TV-appliance sales mgr., N. Y. area . . . Clark Lambert promoted to sales administration mgr. of Siegler's Olympic div. . . Walter L. Brough, ex-Hercules Motors, named ORRadio manufacturing mgr. . . Leonard W. Smith, ex-Norge, named Westinghouse appliance merchandise mgr. . . John Rankin, ex-Chrysler, named engineering director of V-M Corp., Benton Harbor, Mich. . . Wm. F. Kiefer, mgr. of Corning Glass Works refractories plant, will be mgr. of company's new TV tube plant near Sydney, Australia.

"New Concepts for Space Age" is theme of 1959 Electronics Components Conference to be held in Philadelphia May 6-8 under sponsorship of EIA, IRE, AIEE & WCEMA. Abstracts of proposed technical papers should be sent to Brig. Gen. Edwin R. Petzing, AGEP Secretariat, U of Pennsylvania, 200 S. 33rd St., Philadelphia.

ELECTRONICS PERSONALS: Francis H. Lanhan named pres. of new ITT subsidiary, International Electric Corp., formed to produce world-wide electronic control system for Strategic Air Command; also resigns as pres. of Federal Electric Corp., ITT's service organization; ITT exec. v.p. Fred M. Farrell named chairman of International Electric . . . Air Force Col. B. H. Perry named exec. officer for communications-electronics, Joint Chiefs of Staff; Navy Capt. Richard R. Hay heads international liaison group . . . Brig. Gen. Wayne H. Adams (USMC ret.) named Sylvania military requirements analyst, headquartering in Washington . . . Harry Reese Jr., ex-Curtiss-Wright, named atomic energy services mgr. of RCA Service Co. . . Clarence A. Wetherill promoted to chief engineer of Stromberg-Carlson's San Diego operations . . . James J. Kerley promoted to asst. controller of Avco's Crosley div.

DISTRIBUTOR NOTES: Westinghouse appoints Samuel Jacobs, Philadelphia, for consumer products . . . Hoffman appoints A. W. Bolingbroke Co., Milwaukee, for TV, radio, phonos . . . Olympic appoints Coffin & Wimple, Bangor, Me., for TV, radio, hi-fi . . . DuMont appoints Videon Corp., Hialeah, Fla.; Bill Ellis Sound Equipment Co., Austin, Tex., for closed-circuit TV . . . Hallmark appoints Southeast Sales & Mfg., Atlanta, for stereo equipment, records . . . Westbury Electronics (multiple-distribution equipment) adds Graybar to list of regular distributors.

Biggest New England industry within 10 years will be electronics, RCA pres. John L. Burns predicted at dedication of company's new missile electronics and control lab & plant at Burlington, Mass., Oct. 22. He said electronics already employs 65,000 in Mass. alone, trailing only textiles.

Exhibit hall of N. Y. Stock Exchange (Ruddick Lawrence, ex-NBC, public relations v.p.) has Texas Instruments' display of what it calls "world's largest transistor," showing animation of inner workings on a transistor magnified 25,000 times.

Dr. Gordon R. Partridge, senior engineer in Raytheon's communications dept., is author of *Principles of Electronic Instruments* (383pp., \$11), published by Prentice-Hall.

Huge Research Bill: First comprehensive survey of electronic research & development expenditures by U. S. industry, made by Labor Dept.'s Bureau of Labor Statistics for National Science Foundation and released by EIA, shows that investment in science for commercial objectives totaled nearly \$1.4 billion in 1956.

Excluding basic electronic research not directed toward development of specific products (and which brought total r-&d bill to \$6.452 billion), \$669,600,000—biggest item in big bill—was spent by TV, radio and other electronic industry manufacturers for applied science 2 years ago. Aircraft and associated parts firms accounted for \$260,700,000, telecommunications & broadcasting (including networks) for \$182,100,000.

Govt. survey demonstrates again how electronics applications are vital to wide range of manufacturing & non-manufacturing groups beyond leaders in field. It covers 15 industries in all, ranging from instrument-making to construction, from public utilities to food, all of which reported appreciable investments in electronic research.

During 1956 nearly half of industry's applied-&-basic r-&d expenditures—\$3.1 billion—was financed by Govt. Not listed in report are electronic research projects undertaken by Govt. itself, universities, commercial labs, non-profit institutions, which would have raised national total to an astronomical level.

Details of industrial research costs for electronics will be disclosed in subsequent BLS-National Science Foundation report, due soon. Also under way is survey of 1957-58 r-&d expenditures, for which electronic manufacturers are asked to send descriptions (brochures, pamphlets, etc.) of typical activities to Office of Special Studies, National Science Foundation, 1951 Constitution Ave., Washington 25, D. C. Following is table of 1956 applied electronic r-&d expenditures by industries, EIA's electronic & electrical systems & parts category (TV, radio, etc.) embracing Govt.'s Standard Industrial Classification grouping of electrical machinery, equipment & supplies:

Industry	R & D Expenditures (in millions)
Electronic-Electrical Systems, Parts	\$ 669.6
Aircraft & Associated Parts	260.7
Machinery (including computers)	182.1
Telecommunications & Broadcasting	137.0
Professional & Scientific Instruments	64.5
Fabricated Metal Products & Ordnance	36.7
Stone, Clay & Glass Products	4.4
Food & Kindred Products	4.0
Textile Mill Products & Apparel	1.1
Petroleum Products & Extraction8
Primary Metals8
Chemicals & Allied Products4
Transportation & Other Public Utilities3
Construction1
Paper & Allied Products1
All Other Industries	30.3
Total	\$1,392.9

Prospect of excise tax refunds on sums spent by manufacturers under TV-appliance warranties faded as Supreme Court refused to upset 2 U. S. Court of Claims decisions holding that warranty allowances are part of sales price subject to 10% excise levy. Several companies in TV-appliance industry have claims pending similar to those denied in suits filed by General Motors Frigidaire div. and Ford Motor Co. Government is expected to move for dismissal of suits pending in Court of Claims on basis of Supreme Court refusal to consider appeals.

The 5th Age of Electronics: The Age of Industrial Electronics, an era already begun in a modest way, will be 5th Electronic Age and will achieve a peak in 1961-2, according to special study of the electronic industry by Harris, Upham & Co., N. Y. investment firm, titled "The Next Upsurge, Where & When." Study notes that electronics is one of half-dozen really new industries born during last half century, says it's riding crest now of 4th boom, "latest in series which has boosted sales in this field from \$340,000,000 in 1939 to well over \$12,000,000,000 in 1957." Four prior electronic ages: Age of Radio, Age of Radar, Commercial TV Age, Missile Age. Says report:

"In our opinion there will be a 5th great upsurge in electronics sales and profits. We do not refer to the field of color TV although that medium is sure to be successfully developed in time, and yield a potent shot in the arm for the TV segment of the industry. TV may receive an assist in 2 other areas as well—subscription and closed-circuit TV.

"Next real boom will occur in what we call the Age of Industrial Electronics, . . . [and] will represent the real maturity of the electronics industry. Electronics will no longer be considered a specialized miracle worker, but a work saver useable in virtually every industry or business. . . . In the 1962-1972 period, electronics will actually infiltrate virtually every industrial and business operation, with markets of a volume and scope far above those of today. These markets will probably total \$20,000,000,000 by 1962 and should increase substantially in the 10 years to follow."

Report concludes enthusiastic forecast of investment possibilities in electronics by picking present & future leaders in 5 phases of industry:

- (1) Computers: Burroughs Corp., Electronics Associates, IBM, Litton Industries, Sperry Rand.
- (2) Automatic controls: Bendix Aviation, General Precision Equipment, Leeds & Northrup, Minneapolis-Honeywell, Robertshaw-Fulton Controls.
- (3) Radiation Equipment: Baird-Atomic, GE, High Voltage Engineering Corp., Nuclear-Chicago Corp., Tracerlab, Varian Assoc.
- (4) Ultrasonics: Bendix Aviation, Curtiss-Wright.
- (5) Transistors: Baird-Atomic, GE, General Transistor Corp., RCA, Texas Instruments, Thompson Products.

Increase in receiving tube production, despite greater use of transistors and other semiconductors in electronic equipment, was predicted by Sylvania chairman-pres. Don G. Mitchell at opening of company's new \$4,500,000 automated tube plant at Altoona, Pa. Mitchell forecast 450,000,000 receiving tubes will be produced annually in the foreseeable future vs. current 420,000,000 output. He said development of "hybrid-type" equipment, using both tubes & transistors, will give receiving tube business a "big lift."

Slump in tape recorder sales is due to consumer confusion over 3 new developments: (1) stereo disks, (2) slow-speed 4-track stereo tape, (3) new tape cartridge. So says Oct. 24 *Electronics* which also predicts sales exceeding 650,000 units in 1959. "These developments [are] key to a real mass market for tape machines, hitherto purchased largely by audiophiles, hobbyists and music enthusiasts."

New Hi-Fi Show dates: Cow Palace, San Francisco, Feb. 7-10; Biltmore Hotel, Los Angeles, Feb. 16-23. Both are under auspices of Institute of High Fidelity Mfrs.

Financial Reports:

SYLVANIA SALES rose 20% in 3rd quarter over 2nd, achieving record for period, while earnings ran close to 3rd 1957 quarter and also went ahead of April-June. Third quarter sales were \$90,139,178 vs. previous record of \$89,363,200 in 1957 period. Net income was \$3,779,387 (\$1.05 per share) vs. \$3,853,571 year ago and \$1,415,052 in 2nd 1958 quarter.

"Sylvania's operations have returned to more normal levels, and the outlook is very promising for the remainder of the year," said chairman-pres. Don G. Mitchell. He reported Sylvania's TV set sales more than doubled 2nd period. Picture tube market improved; sales to other TV & radio set manufacturers indicated further increases in rest of 1958 to replenish inventories.

For 9 months this year sales were \$237,715,394 vs. record high of \$251,883,741 in first 3 quarters of 1957. Earnings were \$6,362,257 (\$1.72) vs. \$8,642,240 (\$2.37).

Philco earned \$1,774,000 (42¢) on sales of \$95,925,000 in 3rd quarter vs. \$1,477,000 (35¢) on \$90,115,000 year earlier, net income for 1958 quarter more than absorbing first-half loss of \$1,442,000 (Vol. 14:31). For 9 months, earnings were \$332,000 (1¢) on \$245,820,000 vs. \$2,733,000 (61¢) on \$275,071,000 in 1957.

Admiral Corp. reports earnings of \$947,254 (40¢ per share) on sales of \$123,529,953 in 9 months ended Sept. 30 vs. \$665,264 (28¢) on \$129,044,499 year earlier. In first half this year Admiral had \$407,180 net loss after \$400,000 reserve for liquidation of unprofitable molded products div. (Vol. 14:33).

AT&T earned \$189,400,000 (\$2.71 per share on 69,900,000 shares outstanding) in quarter ended Sept. 30 (Sept. figures partly estimated) vs. \$173,242,305 (\$2.69 on 64,497,723) in same 1957 period. For 12 months ended Sept. 30 net income was \$729,210,000 (\$10.96 on 66,536,000) vs. \$370,318,337 (\$10.58 on 63,371,109) year earlier.

RCA earned \$6,254,000 (40¢ per share) on sales of \$292,199,000 in 3rd quarter vs. \$8,009,000 (52¢) on \$288,677,000 in same 1957 period. For 9 months net income was \$19,798,000 (\$1.26) on \$834,753,000 vs. \$28,320,000 (\$1.87) on \$853,667,000 year earlier.

Siegler Corp., whose divs. include Olympic Radio & TV, earned \$533,262 (35¢ per share) on sales of \$19,005,400 in first fiscal quarter ended Sept. 30 vs. \$368,602 (24¢) on \$16,662,835 year earlier.

Universal Pictures lost \$861,247 in 39 weeks ended Aug. 2, after Federal income tax credit of \$1,160,000, vs. net profit of \$1,887,498 (\$1.86 per share) in same period last year.

Gross Telecasting Inc. (WJIM-TV & WJIM, Lansing) earned \$529,246 (\$1.32 per share) in 9 months ended Sept. 30 vs. \$502,003 (\$1.26) year earlier.

Muter Co. earned \$189,801 (25¢ per share) in 9 months ended Sept. 30 vs. \$248,155 (32¢ adjusted for stock dividend) year earlier.

ORRadio Industries lost \$41,000 on sales of \$1,367,000 in 6 months ended Aug. 31 vs. earnings of \$83,968 on \$970,174 (18¢ per share) year earlier.

Dividends: Sylvania, 50¢ payable Dec. 23 to stockholders of record Dec. 2; Electronics Investment, 3¢ Nov. 28 to holders Nov. 3; Walt Disney Productions, 10¢ plus 3¢ stock, both Jan. 1 to holders Dec. 3; Siegler, 10¢ Dec. 1 to holders Nov. 15.

Portable Color Camera: Remarkable job of miniaturization is RCA's color camera, still developmental (see p. 3), which uses three ½-in. vidicon pickup tubes, weighs 20 lbs., is operated with 45-lb. monitor & control unit.

It's entirely transistorized, using 300 transistors—some of them still in developmental stage—and performance is said to be comparable with that achieved with equipment using tubes. Mere 75 watts is needed, so equipment may be driven by automobile-type batteries.

RCA stresses possibilities for field use—"color telecasting, military field reconnaissance, sales promotion." In addition, major potential is seen for closed-circuit use in medicine, industry & research.

System was developed by team under supervision of honorary v.p. Dr. V. K. Zworykin, including L. E. Flory, J. M. Morgan, W. S. Pike, L. A. Boyer. The ½-in. vidicon was developed by A. D. Cope.

RCA also called attention to refinement of its color camera using 1-in. vidicon, reported that it's in commercial production; that installations include huge color system at Army's Walter Reed Medical Center in Washington.

TV production in Italy rose sharply in 1957 to 380,000 sets vs. 250,000 in 1956, only 90,000 in 1955, according to Commerce Dept. It reported 90% of Italy's requirements for TV and radio now being supplied domestically. West Germany supplied 71% of imports, Netherlands 18%, U. S. 5%. Dept. said imports from dollar area are subject to licensing, with the 1958 quota for TV established at 3500 units. "Developing production of electronic components in Italy has lessened somewhat industry's dependence on imported parts. In 1957, West Germany supplied over 43% of such imports, U. S. 18%, Netherlands 16%, Dept. reported.

Latest entry into transistor radio field is Channel Master, big TV antenna maker, which announced agreement with Sanyo Electric Co. in Japan to manufacture 2 six-transistor models under Channel Master name. Model 6506 has 6 matched transistors plus one diode and one thermistor, lists for \$49.95. Model 6501 has 6 transistors, one diode, lists for \$34.95. Company announced move into radio field was first in planned diversification program. Sales will be through present antenna distribution channels.

Standard tests for printed circuit boards will be worked out by joint committee representing EIA, National Electrical Mfrs. Assn. & American Society for Testing Materials. Delaware U research facilities will be used. Dr. James K. Davis, Corning mgr. of electronic component development & research, was named to represent EIA on the committee.

Over-the-horizon range can be increased, or same range can be achieved with reduced power, using new "parametric" amplifier which is still in lab stage, according to ITT. Ten-kw transmitter range can be extended from 250 to 350-mi. or 250-mi. range can be retained with power reduction from 10-kw to 1-kw, states Wm. Sichak, director of ITT radio communication lab.

Transistorized FM radio is now possible with development of new type "drift" transistor, according to Dr. Alan M. Glover, v.p.-gen. mgr. of RCA semiconductor & materials div. Still in developmental stage, new transistor will be ready soon for industry sampling, he said.

Webcor will consolidate operations in new \$6,000,000 Chicago plant to be built next year. Company now has 5 plants and offices in area.

Compatible Stereo Via AM: Unless we miss our guess, whole stereo broadcasting picture is going to be shaken up by RCA's announcement of new stereo AM system, demonstrated to affiliates & newsmen at Princeton Labs this week (p. 2).

Concept itself seems almost too simple. Each AM station now broadcasts 2 "sidebands"—each of which carries all the information a radio receiver needs. RCA feeds a microphone to each sideband, broadcasts the 2 signals simultaneously. Special AM receiver separates the signals, feeds each to a speaker—and that's it. Furthermore, system is compatible—i.e., existing AM receivers will accept and reproduce stereo broadcasts just as if they were ordinary transmissions.

System performed well at Princeton demonstration, though there was momentary difficulty because of wiring problems.

RCA Labs v.p. Dr. James Hillier frankly labeled system "experimental," but said he looks forward to commercial development. His statement was strongly worded:

* * * *

"This is perhaps the longest forward stride in the standard radio broadcast field in nearly 30 years. With the mounting public interest in stereophonic sound reproduction as a means of achieving the highest fidelity, a new system that provides stereo for the first time entirely within the standard AM radio broadcast band is a development of major significance."

Dr. Hillier contrasted system with current methods of broadcasting stereo—FM multiplexing and combination of FM & AM stations: "The combination of FM & AM requires the home listener to use 2 different types of radio which are usually unmatched and difficult to tune to the

proper relationship for full stereo effect. Moreover, it requires the broadcaster to use 2 transmitters and 2 separate broadcast frequencies. The FM system benefits listeners who have appropriate special FM equipment, but many home radios and all automobile radios receive only AM broadcasts.

"A stereo AM system, such as the one demonstrated by RCA, can remove these limitations and place stereophonic sound for the first time on the same basis as standard AM broadcasting. For the listener, it means stereophonic sound in radio with only one receiver and one tuning adjustment, as simple in operation as the tuning of present AM sets. For the broadcaster, it means the ability to transmit live or recorded stereophonic programs with a single transmitter and within present operating AM frequencies."

* * * *

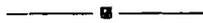
Dr. Hillier didn't speculate about costs, but Washington consulting engineers assume that modification of existing AM transmitters shouldn't prove to be exorbitant. As for FCC—which would have to approve standards—its engineers seemed startled by the announcement, which presumably would have no impact on allocations, interference & service areas.

Among the most interested in development are proponents of FM multiplex systems because of possibility that stereo AM might take some edge off FM stereo. Said Murray Crosby, head of Crosby Labs:

"To me, it helps along the FM situation, because it looks as if RCA wants to get on the bandwagon. FM is coming into its own as a definitely superior medium. It can never be approached in fidelity by AM."

The RCA idea seems so obvious that question arises as to why it hadn't been suggested before. One reason advanced by engineers is that single-sideband techniques and equipment were very complex and costly until certain engineering breakthroughs were achieved during last few years.

RAB Sponsors Radio Set Count: Huge sample of 36,500 homes in 330 areas will be covered in nationwide survey by Census Bureau next month to pinpoint radio receiver ownership—in study financed by Radio Advertising Bureau and planned by Advertising Research Foundation. Last nationwide radio survey was conducted in 1954 by Alfred Politz Research Inc. for RAB (then called Broadcast Advertising Bureau), also under ARF supervision. RAB's most recent estimate of radio sets-in-use (July) put total at 142,600,000. The 1954 survey concluded there were 100,920,000 sets—74,740,000 of them in homes, 26,180,000 auto. New survey will determine not only set total but location in home, number of multiple-set homes, auto receivers—broken down into 14 geographical areas.



Statewide Ohio ETV system costing \$9,000,000, with 2 channels for colleges, one each for high schools and elementary schools, is proposed by chairman Paul L. Walker of State Board of Education's audio-visual committee. He seeks General Assembly approval of 2-year project designed for use by each school & college in Ohio.

FCC technical report, on "An Analysis of Long Term Fading Ranges for TV & FM Service Fields" (TRR 2.1.7) is available from Technical Research Div., Room 7506, New Post Office Bldg., Washington 25.

Roger Williams Straus Memorial Foundation, N. Y., approved \$50,000 grant for sponsorship of 13-film ETV series in field of human relations.

TV commercials are twice as effective as radio commercials—but TV still can take advertising lessons from radio, according to Sept. *Bulletin* of Schwerin Research Corp. Newsletter says TV advertising needs "audio that stands on its own prose," since many viewers don't look at pictures when commercials are aired. "Good radio practices" recommended for TV: (1) Clarity. (2) Repetition. (3) Identification & description of "presenters & characters." But Schwerin concedes it's "probably impossible to design a commercial that is perfect for both TV & radio."

Network TV audiences continue to grow, TvB reported this week on basis of study of Nielsen ratings—with the first 9 months of 1958 showing an 8% increase in average evening program audience, 13% increase in average daytime audience. Average weekday daytime program reaches 372,000 more homes per broadcast in 1958 than 1957, TvB reports, while average increase for weekday evening shows is 653,000.

New reps: WOI-TV, Ames-Des Moines, to H-R Television as of Jan. 1 (from Weed); WLOS-TV, Asheville, N. C., to Peters, Griffin, Woodward (from Venard, Rintoul & McConnell); WUSN-TV, Charleston, S. C., to Bolling for midwest and west coast (from Simmons Assoc., now out of business); WTVY, Dothan, Ala., to Richard O'Connell (from Young).

NBC-TV's coast-to-coast college-credit *Continental Classroom* (Vol. 14:38, 40) added General Foods & Standard Oil of Cal. as sponsors.