

AUG 1 1960

WEEKLY Television Digest

AUGUST 1, 1960

© 1960 TRIANGLE PUBLICATIONS, INC. VOL. 16: No. 31

NAB LIBRARY

The authoritative service for executives engaged in all branches of the television arts & industries

WITH THIS ISSUE:

Special Supplement No. 7, Full Text of FCC's Report and Statement of Policy on its Programming Inquiry

SUMMARY-INDEX OF WEEK'S NEWS

FCC

FCC PROGRAMMING REPORT—no shocker—brings concurrence of all Commissioners except Hyde. Real battle to come over renewal forms & FCC reaction to "narratives" (p. 1).

FOUNDATION-LAYING FOR N.Y. UHF PROJECT starts in joint FCC-industry meeting (p. 3). Dept. (p. 15).

Auxiliary Services

FCC BLESSES ILEGAL BOOSTERS at last, adopting rules. Existing operators must comply by Oct. 31, 1961 (p. 2).

JERROLD ANTI-TRUST RULING by federal court bars acquisition of CATV systems until 1962, bans tie-in sales (p. 8).

Conventions

FCC CHALLENGES CONVENTION COVERAGE by Little Rock TV stations which passed up Republicans (pp. 4 & 5).

POST-CONVENTION SCRAMBLE is developing among networks as they seek pre-election debate appearances of major candidates, line up news & documentary shows, talk paid political deals (p. 6).

Stations

MIAMI CH. 7 SPY STORIES RETOLD by WKCT & 2 other original applicants in protests to FCC against proposals that they be barred for "influence" attempts (p. 4).

BIGGEST RADIO DEAL EVER set up by Storer in option to buy WINS N.Y. for \$10 million from Gotham, which paid \$450,000 for it 7 years ago (p. 9).

Consumer Electronics

NO NEW TUBE SIZES due this year, although revival of 27-in. by Magnavox leads to talk that public is ready for bigger pictures. Industry not backing new tube tooling (p. 17).

EMERSON-GRANCO DEAL: Emerson to merchandise Granco sets, loan Granco \$200,000, get option to buy control of company (p. 18).

\$\$\$ IN REMOTES: Zenith's 1959 remote-control TV sales were \$50 million, or 30% of its TV dollar volume, Truesdell reveals in Admiral patent suit (p. 18).

MOTOROLA POSTS RECORD sales & earnings in first half & 2nd quarter (p. 22). Pres. Robert Galvin & exec. vp Edward Taylor assess home-electronics market (p. 19).

WHERE TV EXPORTS GO: Latin American nations are best U.S. customer, Venezuela buying one-third of 10,000 sets exported at \$1 million in March; other statistics (p. 21).

CANADA'S IMPORT THREAT: Stepped-up imports from Japan, UK, Germany have Canada's electronics industry on the ropes (p. 21).

Film & Tape

MORRIS AGENCY'S RECORD YEAR: Talent firm sells 25 network telefilm series (p. 14). MGM-TV's 1961 plans (p. 12).

Other Departments

EDUCATIONAL TV (p. 6). **ADVERTISING** (p. 7). **TECHNOLOGY** (p. 10). **PROGRAMMING** (p. 10). **NETWORKS** (p. 12). **PERSONALS** (p. 16). **FINANCE** (p. 22).

FCC PROGRAMMING REPORT—NO SHOCKER: There's nothing earth-shaking in FCC's much-anticipated report on its role in station programming. Issued late last week (full text herewith in Special Supplement No. 7), it reiterates Commission's traditional position and does 2 additional things:

(1) Says that sponsored programs may be just as much in public interest as sustainers.

(2) Concludes that renewal forms should be revised to include the much-discussed "narrative" in which applicants show what they've done to search out community needs and how they plan to meet them.

Rest of document is devoted largely to avowal of devotion to Constitutional & legal prohibitions against FCC censorship—coupled with assertion that Commission can't blind itself to what goes over the air.

Real policy decision is yet to come. Here are the 2 true areas of controversy: (1) What will FCC require licensees to do specifically before they submit their narratives? (2) What will Commission do after it reads them? Actually, Question No. 2 is the whole story—and, as always, it will depend on makeup of Commission, who its chairman is, temper of the times and second-guessing by Congress & courts.

Commission gives some clue to what it considers in public interest by reiterating kinds of programs it has plumped for in past. "The major elements usually necessary," it said, "to meet the public interest, needs

and desires of the community in which the station is located, as developed by the industry & recognized by the Commission, have included: (1) Opportunity for local self-expression, (2) the development of use of local talent, (3) programs for children, (4) religious programs, (5) educational programs, (6) public-affairs programs, (7) editorialization by licensees, (8) political broadcasts, (9) agricultural programs, (10) news programs, (11) weather & market reports, (12) sports programs, (13) service to minority groups, (14) entertainment programming." However, Commission says carefully:

"The elements set out above are neither all-embracing nor constant. We re-emphasize that they do not serve and have never been intended as a rigid mold or fixed formula for station operation. The ascertainment of the needed elements of the broadcast matter to be provided by a particular licensee for the audience he is obligated to serve remains primarily the function of the licensee. His honest & prudent judgments will be accorded great weight by the Commission. Indeed, any other course would tend to substitute the judgment of the Commission for that of the licensee."

Here's what Commission says about its "narrative-on-needs" policy: "We do not intend to guide the licensee along the path of programming; on the contrary, the licensee must find his own path with the guidance of those whom his signal is to serve. He will thus steer clear of the bans of censorship without disregarding the public's vital interest. What we propose will not be served by pre-planned program format submissions accompanied by complimentary references from local citizens. What we propose is documented program submissions prepared as the result of assiduous planning & consultation covering 2 main areas: First, a canvass of the listening public who will receive the signal and who constitute a definite public interest figure; second, consultation with leaders in community life—public officials, educators, religious, the entertainment media, agriculture, business, labor, professional and eleemosynary organizations, and others who bespeak the interests which make up the community . . .

"By his narrative development, in his application, of the planning, consulting, shaping, revising, creating, discarding and evaluation of programming thus conceived or discussed, the licensee discharges the public interest facet of his business calling, without govt. dictation or supervision, and permits the Commission to discharge its responsibility to the public without invasion of spheres of freedom properly denied to it."

Punctuating fact that no new restrictions on broadcasters are imposed by the document: Comr. Craven voted for it. Comr. Hyde dissented on grounds that Commission should first have issued its proposals on renewal-form revision. He believes last week's document doesn't mean much, standing alone. New Comr. King didn't participate.

FCC also made public the 368-page staff report on programming, in which attorneys Ashbrook Bryant & James Tierney summarize history of FCC programming actions & testimony in the programming hearing, conclude with recommendations.

Next—let's see what the new renewal forms look like.

FCC BLESSES ILLEGAL BOOSTERS, AT LAST: FCC has finally legalized vhf boosters (translators), adopting rules much as anticipated (Vol. 16:27 p4). New rules go into effect Sept. 6.

Existing operators are given until Oct. 31, 1961 to comply with new rules. By Oct. 31, 1960, they must ask Commission for authority to continue temporarily as is. And by Feb. 1, 1961, they must file with FCC applications for modification of equipment to comply with new rules.

Those seeking to build new translators may apply immediately, using Form 346 (same form used for uhf translators), but they won't get CPs until after Sept. 6.

Text of decision wasn't released last week, so precise working of rules & standards isn't available. However, it's understood that these are the major provisions:

- (1) One-watt ceiling.
- (2) Operators must eliminate interference to regular stations—going off air if necessary.
- (3) Equipment must be "type-accepted" by FCC. This means manufacturers will file description of equipment with Commission. This is less stringent than "type-approval," in which FCC actually tests models.
- (4) No licensed operator required.
- (5) No on-channel operation with parent station.

- (6) On-off control at an accessible place.
- (7) Automatic cutoff when parent station goes off.
- (8) Interference among translators to be resolved by mutual agreement among operators.
- (9) No minimum mileage separations.
- (10) No "duopoly" rule, meaning one licensee can operate several translators covering same area.
- (11) Can't build in uhf-served areas except upon special showing.
- (12) No restriction on who can build, except usual citizenship requirements, etc. Thus, regular vhf station operator can build translators.

(13) Applications to build in cities now served by regular stations will be handled on case-to-case basis—in light of economic impact on local station and advantages of multiple service to public.

Not generally appreciated is fact that new rules also apply to uhf translators, superseding their old rules. Thus, uhf units may now be built much cheaper than before. They still have advantage of 100-watt ceiling vs. vhf's one-watt. Also not generally known is fact that CATV operator's pickup signals are protected against vhf translator interference. Rules provide that translators must avoid interference to any direct pickup of station signals. This includes CATV.

FOUNDATION-LAYING FOR N.Y. UHF PROJECT: Some 50-60 industry representatives sat down with FCC staff last week to help it get started on Commission's \$2-million N.Y. uhf experiment (Vol. 16:30 p9). After chief engineer Edward Allen described general purposes & plans, discussion centered on methods of industry participation. Here's upshot:

Five committees will be formed: One overall "broad brush" group, as Allen described it, and 4 groups to work directly with Commission's staff in 4 areas—transmission, reception, measurements & analysis. The 5 committees will be co-equal. All interested parties may offer men to serve on committee, and it's expected that nucleus of each will comprise representatives of NAB, EIA, IRE, AMST, JTAC, JCET, TASO, AFCCE, CCT. Next meeting, in Allen's office Aug. 9, may result in naming of committees.

Committees will operate much as did TASO—an FCC man setting up agenda & convening meetings, to minimize possibilities of anti-trust violations. Procedure conforms to Attorney General's recommendations.

Representatives of AMST (Ernest Jennes) & NAB (Charles Tower) urged that TASO serve as sort of framework or starting point for the new advisory groups—to reduce the time lag & legal hassling over anti-trust fears. This was strongly opposed by engineers Stuart Bailey, John Creutz, Jules Cohen & Jack Poppele. Poppele made speech urging group not to use TASO framework, saying "you'd be reviving a dead horse" and declaring that it didn't do the job it was intended to do. Bailey said that TASO's job was completed, that a new group is needed now, that he wasn't criticizing TASO. Apparently, there's some opinion that TASO was cool to uhf. On the other hand, project sparkplug Comr. Robert Lee told group of his great faith in TASO exec. dir. George Town and that he'd tried vainly to get Town to head project.



Getting into technical details, Allen said first major problem is to find means of mounting antenna on Empire State Bldg.—no mean chore. As for new receiver possibilities, Allen said "immediate utility" is being emphasized. Therefore, he concluded, parametric amplifiers & tunnel diodes "seem to be out, but crystals sound good." He's hoping for noise figures of 6-8 db, compared with the 10-14 db now achieved in uhf sets. He reported that Airborne Instruments Labs had been commissioned to do a uhf receiver "feasibility study," will report soon. Aim is to have Empire State Bldg. transmitter operating by Sept. 1961. Allen said channel hasn't been selected yet, but he welcomed offer of WNYC spokesman at meeting who said that Ch. 31 is available; station holds CP for it.

Comr. Lee said that N.Y. City govt. & educational institutions can help place receivers, produce some programming. Allen cautioned against expecting much regular program fare—because tests require fiddling with signals. Lee said he hoped station could be turned over to educators after end of experiment.

FCC CHALLENGES CONVENTION COVERAGE: Broadcasters figured they had won big freedom-of-air victory when Congress voted last year to exempt political newscasts from Communications Act's equal-time requirements (Vol. 15:36 p2). Last week FCC provided them with sobering second thoughts.

All 3 Little Rock TV stations were put on spot by Commission for blacking out network coverage of opening session of Republican convention in Chicago (see p. 5). They carried paid primary-even election speeches by Ark. Democratic candidates for state & local offices instead. Stations (KARK-TV, KATV & KTHV) had transmitted full proceedings of Democratic convention in Los Angeles 2 weeks earlier. How come they didn't make "reasonable effort" to give Republicans similar treatment? FCC wanted to know in telegrams demanding "full statement" from each.

Exemption language of amended Sec. 315 seemed explicit. Excluded from application of equal-time rules for TV & radio appearances by candidates was "on-the-spot coverage of bona fide events (including but not limited to political conventions & activities incidental thereto)." Presumably, stations could use their own news judgments in covering—or ignoring—any conventions or any part thereof. On grounds that Ark. election issues were of more immediate local public interest than Republican speeches in Chicago July 25, KARK-TV, KATV & KTHV chose to pass up GOP convention that night.

But Little Rock stations were brought up short by FCC, which pointed to another sentence tacked on to 1959 amendment. This sentence said broadcasters still were obliged "to afford reasonable opportunity for the discussion of conflicting views on issues of public importance." And in rare party-line split, Commission's Republican majority (Democratic members demurring) said Little Rock schedules for Chicago vs. Los Angeles convention coverage "do not comply with this provision."

Nobody's going to lose his FCC license in new battle of Little Rock—and even before Commission got on their necks, KARK-TV, KATV & KTHV were arranging for taped reruns to make up for missed portions of Republican proceedings. But as lawyer for one station put it to us: "You can't win on Sec. 315, no matter how it's amended. Every time the Commission wants to make an issue, it can."

MIAMI CH. 7 SPY STORIES RETOLD: Most parties in hotly contested 1954-56 Miami Ch. 7 case engaged in espionage & counter-espionage to find out who was doing what to win the grant which eventually went to WCKT—but if anybody applied improper pressures on FCC it must have been the other fellow, Commission was told last week.

This was gist of sometimes-impassioned arguments in filings by WCKT (Biscayne TV Corp.) and 2 other original applicants—South Fla. TV Corp. & East Coast TV Corp.—which had been virtually blacklisted by FCC legal counsel in recommendations winding up Ch. 7 "influence" rehearing (Vol. 16:30 p2). Rebuttal filings went over same hearing testimony, drew opposite conclusions.

"Principals & a representative of Biscayne had certain contacts with members of the Commission" while the grant was pending, WCKT said in its "proposed findings of fact & conclusions of law" for special FCC examiner Horace Stern. It conceded that Fla. Light & Power Co.'s Ben H. Fuqua, for one, had made investigations in Biscayne's behalf, but insisted: "On none of these occasions was there any extra-record presentation made with respect to the merits of the case, nor was there any attempt to influence any member of the Commission." On other hand, Biscayne said, "representatives of East Coast and South Florida sought to influence" vote of ex-Comr. Richard A. Mack.

Miami lawyer Thurman A. Whiteside was paid \$5,000 "to obtain information & do investigative work," South Florida conceded. But the only purpose was "to find out whether any pressures were being put on Mack or other Commissioners to vote for Biscayne," South Florida maintained. It insisted that "no principal of South Florida has ever spoken to or contacted any Commissioner concerning the Ch. 7 case while the matter was in an adjudicatory posture."

East Coast said it tried "to arouse public opinion" against newspaper ownership of TV stations inasmuch as Knight & Cox newspapers had interests in Biscayne. Tampa lawyer Miles H. Draper was hired for \$5,000 by Washington counsel for this & other special purposes, but any ex-parte work he did on Commission was without East Coast's knowledge, it argued.

Full support for FCC counsel's recommendations against 3 applicants came from remaining contestant, however. Sunbeam TV Corp., only applicant to escape taint in case, said examiner Stern should call for "absolute disqualification" of Biscayne, South Florida and East Coast when he makes his report.

Conventions

More about

THE LITTLE ROCK STORY: A sample of probable future headaches for broadcasters when they handle 1960 political campaign news was provided last week by FCC in a new interpretation of amended Sec. 315 of the Communications Act.

Little Rock's KARK-TV, KATV & KTHV were called on the carpet by the Commission's Republican majority for substituting state & local Democratic primary election politics for network coverage of the opening July 25 session of the GOP convention in Chicago.

Broadcasters who thought revised Sec. 315 gave them freedom to pick & choose political newscasts without fear of running into equal-time trouble had another think coming (see p. 4). The 3 Little Rock stations were told that inasmuch as they had carried full news coverage of the Democratic convention in Los Angeles, they were obligated to do the same for the Republicans.

"Requirements of local political election are recognized," the 4 Republican members said for the Commission in telegrams to the stations demanding explanations—new Comr. King (Vol. 16:30 p9) casting one of his first votes in favor of the action. "However, it does not appear from the facts available that a reasonable effort has been made to meet the fairness provisions of Sec. 315." The 3 Democrats on FCC didn't see it that way.

As amended by Congress last year, the law exempted *bona fide* political convention coverage from equal-time demands by an opposition party. But it also said that nothing in exemption clauses freed broadcasters "from the obligation imposed upon them under this act to operate in the public interest" in handling public controversies.

Triggered By Republican Complaint

FCC's challenge to KARK-TV, KATV & KTHV was set off by one wired complaint in advance of the July 25 GOP convention session. Mrs. W. Y. Pake, pres. of the Greater Little Rock Women's Republican Club, protested the "inequity" of plans announced by the stations to turn over their facilities that night to Democratic candidates for paid appeals for votes in the primary next day.

By telephone, FCC staffers got confirmation from Little Rock of the stations' plans to black out the Chicago convention session for the local-interest politics. The telegrams from FCC followed promptly—but KARK-TV, KATV & KTHV went ahead anyway, carrying speeches by such candidates as Gov. Orval Faubus, who won handily. The stations' time had been committed to them far in advance of the GOP sessions.

"The winning of the Democratic primary is tantamount to election in the state, and we figured carrying the candidates was more in the public interest than the first session of the convention," said vp Douglas Romine of KARK-TV. Similar defenses of policy were made by the other 2 stations. All 3 carried the Chicago convention the next night but interposed news of Ark. election returns.

One demurrer & 2 dissents to the majority FCC position on the convention-vs.-local election issue were filed by the Democratic members.

Comr. Bartley said he agreed "a full statement of the facts" should be supplied by each station. But he added: "Complications arising from conflict with local campaign & election returns may have presented stations with impossible clearance conflicts."

Comr. Craven said: "I believe that from the stand-

point of reasonableness the Little Rock (Ark.) TV station licensees have made a proper decision in making their facilities available to candidates involved in local & state primary elections in lieu of broadcasting the Republican National Convention on the night of July 25, 1960."

Comr. Cross (Ark.) said: "I consider the licensees in question have done all that can be reasonably expected of them to live up to their licensee responsibilities."

Lawyers for the stations got to work promptly drafting formal replies to FCC, which wasn't expected to go over them until it returns from its Aug. vacation.

Meanwhile, back in Little Rock, Mrs. Pake said she had no further complaints to make against the stations' handling of the GOP sessions. She switched from one station to another the second night of the Chicago convention, told reporters the coverage "went smoothly."

We asked the stations' lawyers what they thought about the legal basis for FCC's interpretation of the "fairness" section of Sec. 315, got such observations as these:

"It seems to me that this is FCC censorship."

"We would have been accused of violating Sec. 315 if we'd refused time to primary candidates before election."

"I don't see any equal-time issues in this at all. There might have been an issue if the stations hadn't done what they did."

"There's an awful lot of misunderstanding of what is involved here."

Note: House Commerce Committee Chmn. Harris (D-Ark.), who helped push the 1959 Sec. 315 amendments through the House, stayed out of the controversy. He had no primary opposition for re-election, saw no need for making speeches on TV, and wasn't involved in the Little Rock pre-emption of network convention time.

* * *

A "staggering" job in terms of time, effort & money has been done by TV & radio in covering Democratic & Republican National Conventions in Los Angeles & Chicago, NAB policy committee Chmn. Clair R. McCollough said last week. Totting up estimates of the costs alone, McCollough said they'd likely run between \$15-\$20 million, that income from sponsors would make up for only about \$2 of each \$3 spent by networks & stations. The industry's investment, he added, "has only one purpose—to keep the public fully informed, minute-by-minute, on each significant development at both conventions."

* * *

Three-network coverage of the GOP was labeled "sharper," "more relaxed," "better paced," and "better organized," than the Democratic variety, by major newspaper TV critics. "The improvement was remarkable," said one columnist, "there was minimum reliance on 'pool' coverage and more emphasis on individual reporting." Critics generally agreed that CBS-TV made a comeback last week "with Mr. Murrow and Walter Cronkite loosening up their commentaries (*a la* Huntley-Brinkley) to provide greater relaxation & humor," as Jack Gould, *N.Y. Times* put it.

NBC, however, retained a substantial rating lead throughout last week and most critics continued to acclaim the NBC anchor team. (For more on ratings, see p. 6.)

Generally, critics were strong in their praise of the total network coverage picture: "We of the TV audience had a better view of the proceedings than most of the delegates," Ben Gross, *N.Y. Daily News*; "TV has put a new life into political conventions," Bob Williams, *N.Y. Post*; "TV may have its problems with quiz scandals & filmed repeats, but it also can render a highly important public service, and this summer it is doing so," Jack Gould, *Times*.

POST-CONVENTION SCRAMBLE: Network political coverage moved out of the convention and into the campaign last week with hardly a pause for breath. The conventions had established a new—and possibly temporary—balance of network news power in NBC-TV's favor. But officials of all 3 networks were already deep in plans for a new round of political TV showcases.

Operating on the assumption that the House will follow the Senate's lead in waiving troublesome Sec. 315 when it re-convenes Aug. 15, top network officials last week were busy lining up the principal political candidates for pre-election TV debates. Telegrams went to Sen. Kennedy and Vice President Nixon from NBC Chmn. Robert W. Sarnoff inviting them to appear on a proposed series of eight 60-min., prime-time telecasts entitled *The Great Debate*. (Kennedy accepted; Nixon indicated he was willing but wanted "to examine the format.") CBS Inc. Pres. Dr. Frank Stanton proposed a similar 8-program series of CBS-TV prime-time appearances between Labor Day & the election. (Kennedy "wholeheartedly" accepted by wire, and designated Leonard Reinsch to meet with CBS to discuss details. Late Friday, Nixon hadn't yet formulated his reply.) AB-PT Pres. Leonard H. Goldenson spoke to the standard-bearers, inviting them to ABC-TV appearances and proposing that the 3 networks alternate in giving the candidates prime-time slots one evening each week for 9 weeks before the election.

Other network political activity: NBC plans political features in the regular Huntley-Brinkley news shows, early-morning *Today* and *Meet the Press*, and is blueprinting several pre-election specials. CBS will have a series of nine 30-min. Westinghouse-sponsored political shows (not debates) starting Sept. 12, *Eyewitness to History*, *Face the Nation*, and political news coverage in *Douglas Edwards & the News*. ABC has scheduled a pre-election 30-min. series, *Campaign Roundup*, to be aired in a Sun.-afternoon slot, is talking of "several pre-election documentaries or specials" (possibly with Bell & Howell as sponsor), and political coverage in news vp John Daly's regular news show.

At the same time, executives of the 3 networks handling the sale of time for paid political telecasts were starting a round of strategy meetings with party officials. Both the Republicans & Democrats are reportedly budgeting "large" amounts for TV-radio. Said one NBC official: "There's little or no problem in 'selling' time; it's a matter of juggling them into the schedule."

On-air ad strategy of the major parties is still in a formative state, but it shapes up something like this: Both parties have experienced the viewer resentment that comes from pre-empting top-rated entertainment & dramatic shows; both parties are now thinking in terms of small, capsuled political telecasts for the bulk of the campaign.

* * *

Spot TV-radio will be used to combat religious bigotry in the coming political campaign by such organizations as the Anti-Defamation League, the National Conference of Christians & Jews and the American Civil Liberties Union. The plan, according to ADL officials, is to film & produce a series of 60-sec. public-service spots denouncing bigotry & prejudice as influences in choosing candidates. NCCJ hopes to give similar spots to TV & radio stations for frequent airing during the coming months.

Congressional disclosures of TV & radio scandals & practices within FCC were ignored by platform-writers at last week's Republican convention in Chicago. In contrast to the Democratic platform which scored "payola & quiz scandals" and promised to "clean up the federal regulatory agencies" (Vol. 16:29 p6), the Republican policy statement gave the subjects once-over-lightly treatment. The GOP plank on "govt. administration" (written by Robert A. Taft Jr.) said only: "Improved conflict-of-interest laws should be enacted for vigilant protection of the public interest and to remove deterrents to govt. service by our most able citizens."

* * *

Advertising Federation of America will not openly protest to electioneering politicians who publicly criticize advertising, Madison Ave., TV, etc. "We're fighting for public & governmental respect and we feel this is the best way we can earn it—by keeping ourselves calm," said AFA. On the same subject, another AFA spokesman said, "The industry has nothing to be ashamed of, and we feel that actually the politicians are the ones whose ethics are showing the most, strictly because they're looking for a whipping boy to stir up the populace."

* * *

NBC's coverage again outrated the other networks, according to Arbitron overnight national reports. Top score came July 27 when Nixon was nominated. NBC had an 18.2 rating against 10.6 for CBS and 5.8 for ABC. On the same night NBC's average homes-per-min. figure was 8.2 million against 4.8 million for CBS and 2.3 million for ABC. Combined ratings & homes reached for the Republican coverage were: NBC 16.2, 7.2 million homes; CBS 10.8, 4.9 million homes; ABC 5.0, 2.0 million homes. Combined ratings for both conventions, according to Arbitron, were NBC 16.4, 7.3 million homes; CBS 11.5, 5.2 million homes; ABC 5.8, 2.2 million homes.

* * *

Swiss-made Eidophor projection TV received its biggest public exposure at the GOP convention. TNT used the system, manufactured by CIBA Ltd., to throw images of the speakers on two 24x32-ft. screens in the Chicago International Amphitheater. GE's Light-Valve system, operating on a similar system, was used by TelePrompTer at the Los Angeles Democratic Convention (Vol. 16:27 p20).

Educational Television

Funds for ETV: The Ford Foundation last week announced major appropriations for ETV on university, secondary and elementary school levels. Grants to colleges included the following: \$86,100 for the activation of university ETV channels; \$23,500 to the Twin City Area ETV Corp. for the development of a regional ETV network for Ia., Ncb., Minn., N.D., S.D. and Wis.; \$500,000 to continue a Ford Foundation-sponsored program releasing faculty members from their regulars duties to teach on TV; \$4,950 for visits by teachers to schools or colleges using ETV.

ETV systems in elementary & secondary schools were given \$930,520 toward: A national program in the use of TV in public schools; a closed-circuit-TV operation in the Wash., D.C.-Md. area; the Fla. West Coast ETV Inc. and Dade Co. (Fla.) board of public instruction; and the Clover Park schools, Tacoma, Wash. for assistance in preparing 6 TV courses.

Advertising

FTC's 7 COMMANDMENTS: Returning from a 3-week vacation in England—his first in a long time—FTC Chmn. Earl W. Kintner was back at his old speaker's stand last week, preaching his gospel of good broadcast commercials vs. bad.

In the first of a new series of lectures on the evils of advertising, he outlined a 7-point good-conduct guide for the St. Louis Ad Club—"common-sense rules of thumb which have received direct support from the courts in litigation over a period of years":

(1) "Advertisements must be considered in their entirety."

(2) "Advertisements are not intended to be carefully dissected with a dictionary at hand, but rather to produce an impression upon the ordinary purchaser."

(3) "Advertisements as a whole may be completely misleading, although every sentence separately considered is literally true."

(4) "Whether or not the advertiser knows the representations to be false, the deception of purchasers & the diversion of trade from competitors is the same."

(5) "A deliberate effort to deceive need not be proven to prohibit the use of advertising which misleads as an unfair method of competition or unfair or deceptive act or practice."

(6) "Laws are made to protect the trusting as well as the suspicious."

(7) "Advertising representations which are ambiguous will be interpreted in such a way as to accomplish the purpose of the Federal Trade Commission Act."

Reporting on stepped-up operations of FTC's TV-radio monitoring unit (Vol. 16:30 p5), Kintner also told the St. Louis admen that his agency's truth-in-advertising drive is making headway. "Although much remains to be done, I believe that the campaign has been effective to a substantial degree," he said.

For media, advertisers & agencies everywhere, Kintner had these words of general advice: "Any media—newspapers, magazines or broadcasters—would be shortsighted indeed to permit misleading advertising in the belief that the Federal Trade Commission can't attack it, or to believe that reputable advertisers like to spend money for the privilege of having their ads devaluated by the misleading company they keep."

Kintner had words of scorn for "the short-cutters [who] can present an awesome selection of circumventions of the law—devious, imaginative & workable." They're wrong, he said, when "they tell each other that the FTC Act holds terror only for the slow & stupid."

Ad People: Richard P. Jones named media dir., J. Walter Thompson . . . Rodney Albright, James Hayes and Frank Reed elected vps in Sullivan, Stauffer, Colwell & Bayles TV-radio dept. . . . William S. Robinson and Carlton Zucker named Leo Burnett vps . . . Oliver H. Barbour, who succeeded Thomas J. McDermott as vp for broadcast programming at Benton & Bowles when McDermott left to join Four Star Productions as a vp, resigned July 29. Barbour announced no immediate plans.

Correction by ARB for Special Supplement No. 6: St. Louis, Mo. figures should read 465,900 total households, 428,100 TV households, 92%.

Net TV Up 7% in May: The national ad volume in May pushed 9% ahead of May 1959. There were solid percentage gains by pace-setting magazines (18%), newspapers & business papers (8%) and network TV (7%). The latest *Printers' Ink* index also shows year-to-date business 10% higher than 1959's Jan.-May investment. With the sole exception of network radio, down 11%, all major media contributed to the cumulative gain: magazines (17%), newspapers (9%), business papers (8%), network TV (7%). Among these, however, only TV failed to gain in May-over-April volume. Newspapers (8%) led the gainers, followed by outdoor (4%), magazines (2%), business papers (1%).

Although network radio was the only media that declined across the board, it did improve strongly over its April-index performance (Vol. 16:26 p14). Radio was down 8% both in May-from-April & May-vs.-May 1959, compared with its 21% deficits in the April index. Cumulative radio business was down 11% in May, but sharply reduced from the 17% loss recorded at the end of April.

Medium	Index		% Change from		% Cumulative Change
	May 1960	May 1959	1 month ago	1 year ago	
General Index	245	224	+ 3	+ 9	+10
Total Magazines	195	165	+ 2	+18	+17
Weekly	226	181	+ 4	+25	+23
Women's	140	122	+ 1	+15	+11
General Monthly	235	209	0	+12	+12
Farm	87	105	-11	-17	+ 3
Newspapers	225	208	+ 8	+ 8	+ 9
Network Television	472	443	0	+ 7	+ 7
Network Radio	23	25	- 8	- 8	-11
Business Papers	258	240	+ 1	+ 8	+ 8
Outdoor	166	171	+ 4	- 3	+ 5
	1st Qtr. '60	1st Qtr. '59	4th Qtr. '59	1 year ago	
Spot TV*	762	672	+ 3	+13	+13

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 1947-1959 except for the TV base, which covers the years 1950-52. Spot TV is not reflected in the general index. *Spot TV data, although shown monthly, report the preceeding quarter's activity.

U.S. Station Rate Increases

Station	Base Hour	Minute	Date
WABC-TV New York	\$4675 to \$4890	\$1400 to \$1800	July 31
KRCA Los Angeles	4300 (no change)	900 to 1000	July 1
WLWD Dayton, O.	1100 to 1200	250 to 285	June 15
WJAC-TV Johnstown, Pa. ..	1000 to 1100	250 to 300	Aug. 1
WFMY-TV Greensboro, N.C.	900 to 1000	200 (no change)	Aug. 1
WROC-TV Rochester, N.Y. ..	800 to 900	220 (no change)	Aug. 1
WTVD Durham-Raleigh	750 to 850	150 to 170	Aug. 15
KELO-TV Sioux Falls, S.D.	600 to 700	162.50 to 175	1
WNEP-TV Scranton-Wilkes-Barre	575 to 625	125 to 135	Aug. 1
WTOK-TV Meridian, Miss. ..	325 to 375	65 to 85	Aug. 1
KOLD-TV Tucson	300 (no change)	60 to 65	1
WAFB-TV Baton Rouge	250 to 450	50 to 100	1

Canadian Station Rate Increases

CKWS-TV Kingston, Ont. ..	280 to 360	56 (no change)	July 1
CJCB-TV Sydney, N.S.	275 to 300	65 to 70	July 1

¹ Not reported.

New AFTRA demands "are intended to guarantee to the spot-commercial performer payments every week for every city in which his commercial is exposed." Although AFTRA was reluctant to divulge details worked out at the annual convention, the talent union indicated that methods of "weighting" city populations would be used to determine how high the minimum commercial rates in each city would be. For instance, cities with metropolitan population of 1 million or less have "one unit." Cities with population of 1 million or more are awarded additional "units" for every additional 500,000 citizens. Performers would be paid on a scale based on the units. In live & tape programming, however, AFTRA fees will jump about 15% under the existing formula.

Lestoil "house agency" concept is being dropped. Jackson Associates, a Holyoke, Mass. ad shop originally created by Adell Chemical Co. to handle Lestoil and Lestare's ad campaigns (95% TV and currently budgeted at \$10 million), is being merged with a small Boston agency, Sackel Co. The combined billings of the newly created Sackel-Jackson Co. will be about \$12 million annually. No basic change in the Lestoil-Lestare TV-oriented ad strategy is planned, however, although Sackel-Jackson will actively seek new accounts. Decision to use an independent operation came from Standard International Corp., which purchased Adell last Mar., and set up Lestoil Products Corp. as an Adell subsidiary. Pres. Daniel E. Hogan Jr. of Lestoil products put it thus: "Less than 2% of America's advertisers use house agencies, because they lack the creative & competitive motivation so vital in today's market." Top executives in the new combined agency will be former Sackel men, with Sol Sackel as pres. and former Sackel vp. Ralph Schiff as exec vp.

The 85 representative magazines [tabulated by Gallagher] carried 2,207 more advertising pages in the first half of 1960 than they carried in the same period last year. That's a 5.5% increase, compared to 1959 . . . Advertising revenues for the first 6 months of 1960 were \$439,392,612. That is a gain of 14.8% over last year's \$382,834,788 . . . Net profit, after taxes, of member publications of the Magazine Publishers Assn. has slid from 8.3% in 1946 to 1.9% in 1959 . . . Magazine advertising cost-per-thousand is actually falling. The average per-thousand cost of a black & white page in leading magazines was \$4.04 in 1958. In 1959 it was \$3.99. Per-thousand cost for a 4-color page dropped from \$5.78 to \$5.72 in the same period . . . Dangerous tendency to rely on cut-rate, short-term subscription offers. Less than 3% of *Reader's Digest* subscriptions are sold at basic prices. With *Life* it's less than 19%. *Time* 22%. *Newsweek* 36%. *Reporter* 42%. *Look* 53%.—*The Gallagher Report*.

Squibb Labs isn't following the general trend toward participation or partial sponsorship of network properties for the fall season. The firm, which is the marketing subsidiary of E. R. Squibb & Sons, has signed for full sponsorship of NBC-TV's *People Are Funny* (Sun. 6:30-7 p.m.) starting Sept. 18, via Donahue & Coe agency. Chief Squibb product to be promoted on the series: Vigran, a multi-vitamin supplement. The show, which stars Art Linkletter, has been on NBC-TV since 1954.

New reps: WJDM Panama City (changing call to WJHG-TV) to Venard, Rintoul & McConnell Aug. 1 from Hollingbery • KHSL-TV Chico, Cal. to Headley-Reed July 15 from Avery-Knodel • WBOY-TV Clarksburg, W. Va. to Avery-Knodel July 1 from Headley-Reed • WHIS-TV Bluefield, W. Va. to Select Station Representatives Aug. 1 from Katz.

"For a lot of oldtimers the retirement of E. H. Little as Colgate's chief executive officer last week this thought might have been evoked: here goes the last of the 3 autocrats that figured prominently in the rise of air media. The other 2: George Washington Hill, pres. of American Tobacco, and Francis Courtway, pres. of Lever Bros. To each you might ascribe this epitaph: he quickly recognized the value of a new advertising tool but made sure that he himself dictated how it best could be used."—*Sponsor*.

Fordham U. is the first university to become an associate member of TvB. It joined last week under a new plan to provide students with TV presentations & information.

Auxiliary Services

JERROLD ANTI-TRUST RULING: Jerrold Electronics Corp. has been enjoined from acquiring community-antenna systems until April 2, 1962. The complex 55-page decision by Philadelphia U.S. District Court Judge Francis L. Van Dusen climaxes the 2½-year civil anti-trust suit filed by the Justice Dept. (Vol. 13:7 p5 et seq.). At week's end, Jerrold and govt. attorneys were still studying the decision. They declined to comment. Nevertheless, it seemed likely that an appeal would be filed by Jerrold, possibly a counter-appeal by Justice.

How the decision would affect Jerrold's plans to sell its 9 CATV systems (Vol. 16:30) wasn't yet known. Best guess is that the community-antenna equipment manufacturer will go ahead with its plans for the sale.

The court decision represented a clear-cut victory for nobody. The ruling came far from satisfying the Justice Dept.'s pleas. The court refused to order Jerrold to divest itself of ownership of CATV systems, deciding instead to bar Jerrold from acquiring any new ones without court approval for 3 years from April 2, 1959.

In the other principal section of the decision, the court enjoined Jerrold from refusing to sell CATV equipment without service & installation contracts and agreements to buy all replacement parts from Jerrold. Jerrold had contended that it had discontinued this tie-in sale practice before the date of the suit. The court agreed that some of these practices may have been justified for a limited period, but contended that Jerrold had continued the practice after it had no longer been necessary.

Permanent closed-circuit network is being sought from AT&T by TelePrompter Corp. to link 8 cities (N.Y., Boston, Philadelphia, Washington, Cleveland, Chicago, Detroit, Pittsburgh). TPT Pres. Irving B. Kahn so informed a luncheon meeting of the Philadelphia chapter of the American Public Relations Assn. last week, adding that the system would be used only for closed-circuitcasts (sales meetings; inter-city conferences, etc.) and would enable TPT "to go to large corporations and to sell them an hour daily or weekly." The network could be made larger or smaller on demand. "Closed-circuit telecasts could be cheaper by the dozen" through leasing lines on a regular basis, said Kahn.

Canadian CATV regulation has been suggested in the annual report of Canada's BBG, which recommended that the Justice Dept. look into the legality of licensing both CATV & pay-TV systems. The report said BBG is also discussing the question of CATV licensing with the Canadian Assn. of Bcstrs. CATV systems currently pay a \$25 annual fee but are free from BBG regulation. BBG said there are about 200 operating in Canada now. The Board's report also stated that a Montreal group wants to establish a broadcast pay-TV system on uhf. It was advised that BBG is willing to consider an application which conforms to all TV regulations.

Translator starts: K81AI Alpine & Marfa, Tex. started July 25 repeating KTSM-TV El Paso • K72BE & K76BC Walker, Minn. have set Sept. 1 target for start with KDAL-TV & WDSM-TV Duluth.

Protest by proposed CATV operator Fla. Cablevision Corp. against modification of CP granted to WTVI (Ch. 9) Ft. Pierce (Vol. 16:27 p20) has been dismissed by FCC.

Stations

BIGGEST RADIO DEAL EVER: Storer Bestg. Co. has signed an option to buy WINS N.Y. from Gotham Bestg. Corp. (J. Elroy McCaw) for \$10 million—the highest price ever set for a radio station.

The \$10-million tag on WINS was more than 20 times higher than the \$450,000 McCaw paid for the station when he bought it in 1953 from Crosley Bestg. Corp. (Vol. 9:52 p14). Highest previous radio price was \$7.5 million for WNEW N.Y. when the old Du Mont Bestg. Corp. took it over in 1957 from Buckley-Wrathner-Loeb (Vol. 13:17 p4).

Negotiated by station broker Howard Stark, the Storer-Gotham option agreement filed with FCC provided for a \$100,000 down payment on WINS for "exclusive & irrevocable option to purchase." Gotham will keep the \$100,000 if Storer doesn't complete the transaction.

The option will run 90 days to Oct. 8, but the agreement itself will stay in force until next Jan. 10 if FCC doesn't approve the deal before then. After that, Storer may extend the option for 3 consecutive periods of 6 months each.

If the deal goes through, Storer must sell one of its present radio holdings to keep it within its 7-station limit. Presumably Storer would dispose of a station in a smaller market—such as WPSD Toledo or WWVA Wheeling. Storer's other holdings now: WJBK-TV & WJBK Detroit, WSPD-TV Toledo, WAGA-TV Atlanta, WJW-TV & WJW Cleveland, WITI-TV Milwaukee and radios WGBS Miami, WIBG Philadelphia and KPOP Los Angeles.

In addition to WINS, Gotham's McCaw owns KTVW Tacoma-Seattle and KTVR Denver, holds 50% of radio KELA Centralia, Wash., and has TV interests in Haiti.

FTC payola complaints, which reached flood stage early this year but have been diminishing since (Vol. 16:1 p7 et seq.), trickled on last week—and more were reported on the way. Latest record firms to be charged with illegal payments to disc jockeys—and bringing FTC's case total to 102 (more than half already settled by consent orders)—were: Jay Kay Distributing Co., 3725 Woodward Ave., Detroit, and officials John S., Marion & Allen Kaplan • Prestige Records Inc., 203 S. Washington Ave., Bergenfield, N.J., and officials Robert, Selig & John Weinstock • Dot Record Inc., 1507 N. Vine St., Hollywood, and officials Randolph C. Wood & Christine Hamilton • Cadet Distributing Co. Inc., 3766 Woodward Ave., Detroit, and officials Harry, Hyme & Isadore Levin • An FTC spokesman told us, meanwhile, that it would be a mistake for anybody in the industry to conclude that the agency's drive was over just because complaints have been tapering off. This source said that the bulk of active cases has been docketed, but he warned that FTC hasn't called off its campaign—and that payola-practicing record manufacturers & distributors who have escaped legal trouble thus far shouldn't start telling themselves: "Okay. The cops have gone home. We can do what we want to now."

Add to our "Background No. 8" on TV-radio organizations (Vol. 16:28 p20): Radio & Television Executives Society Inc. (RTES)—purpose: Provide forums for professionals in broadcasting & allied fields, promote higher standards. Eligible: Individuals, corporations, associations, groups actively engaged in TV & radio and allied fields. Membership: 1,100. Dues: Active, \$35 annually (\$10 initiation); non-resident, \$17.50 annually (\$5 initiation).

NEW & UPCOMING STATIONS: KSOO-TV (Ch. 13) Sioux Falls, S.D., started programming with NBC-TV July 31. It's city's 2nd TV outlet and changes U.S. on-air totals to 570 (89 uhf). KSOO-TV has 25-kw RCA transmitter and traveling-wave antenna on 1000-ft. Stainless tower at site near Flandreau S.D. Owners are Morton H. Henkin, pres.-gen. mgr. & 50.7% stockholder; Tom Barnes, exec. vp & film buyer, 19%; Harold W. Bangert, 10%; Earl C. Reineke, 10% (formerly majority owner of WDAY-TV & WDAY, Fargo, N.D., and present 10% stockholder of KCMT, Alexandria, Minn.); Julius Hetland, engineering vp & 10% (WDAY-TV technical director & 10% stockholder in KCMT). Station staff includes Wade S. Patterson, gen. sales mgr.; Ed Starr, regional & local sales mgr.; Kenneth H. Moore, production dir.; Max Pierce, technical dir.; Robert Wheeler, film dir. Base hour is \$600. Reps: Avery-Knodel, Harry S. Hyett.

* * *

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

KVOG-TV (Ch. 9) Ogden, Utah has 5-kw Gates transmitter scheduled for delivery soon and hopes to start this fall, according to David B. Affleck, asst. mgr. of radio KVOG, also sales mgr. of KVOG-TV. Studio-transmitter building has been completed and 6-bay RCA antenna has been installed on 400-ft. Utility tower. Network affiliation not signed. Base hour will be \$325. Rep: Grant Webb.

WTVI (Ch. 19) Fort Pierce, Fla. has ordered 25-kw GE transmitter for Aug. 30 delivery and plans to begin with CBS-TV programming Oct. 1, reports exec. vp J. Patrick Beacom for Gene T. Dyer, pres. & owner. Studio-transmitter building on Signal Hill, between Fort Pierce & Vero Beach, is 3/4 completed. Foundation work has begun for 290-ft. Stainless tower. Base hourly rate will be \$300. Rep will be Forjoe.

KTPS (Ch. 62) Tacoma, Wash., planned as non-commercial outlet by grantee Tacoma School Dist. No. 10, is keeping to Sept. 1961 target. It has 1-kw RCA transmitter on order. Remodeling to accommodate transmitter-studio at vocational school is about one-quarter done. RCA 12-gain antenna will be on school district's 450-ft. tower.

KEYC-TV (Ch. 12) Mankato, Minn. has 25-kw RCA transmitter scheduled for Aug. delivery and plans programming start Oct. 1, writes exec. vp Herbert R. Ohrt, of Lee Radio Inc., 70% owner. Transmitter house in Lewisville, Minn. is half finished, work on studios in Mankato has just started. Network affiliation hasn't been signed. Base hour will be \$300. Rep will be Branham.

KCSD-TV (Ch. 19) Kansas City, Mo. has changed to Nov. 15 target for operation by School Dist. 19 there as educational outlet, writes J. Glenn Travis, admin. asst. to the school supt. It has 1-kw GE transmitter on order. Studio will be in Bd. of Education Bldg., transmitter in City Hall. It will use helical GE antenna.

WBNB (Ch. 10) Charlotte Amalie, V.I. started construction Aug. 1 and plans to begin programming by next Jan. 1, according to Robert Moss, pres. of grantee Island Bestg. Co. A Gates transmitter has been ordered and 160-ft. Utility tower will be installed on Signal Hill. Moss, exec. producer for Martin Block, plans to move to the islands next fall. Robert E. Noble Jr., co-owner of WBNB, already is a resident there. Base hour hasn't been set. Rep not yet chosen.

Technology

And Now—Rockcasting: An intriguing innovation in radio transmission—a 4½-mile transmission through the earth's substrata 1,000 ft. down, and with a potential of 100-mile radius—was demonstrated last week by Developmental Engineering Corp. (DECO).

There's no broadcast-service potential for the system, said DECO Pres. Lester H. Carr, who is also a veteran Washington TV-radio engineering consultant. "What it is," he said, "is a terrific survival medium—come flood, hurricane, hydrogen bomb or what have you."

The system—dubbed "Lithocom"—was demonstrated at mines near Carlsbad, N.M. It's virtually immune to interference & jamming. Ordinary interference doesn't penetrate from the surface to the depths involved, and a jammer would have to find a suitable mine or bore a hole to the proper depth.

Carr said that most of the U.S. has substrata of the proper material, making widespread use of the system possible. Last week's demonstration employed a layer of salt, but other materials work, including limestone, quartzite & granite. If appropriate mines aren't handy, 8-in. well holes would be drilled.

The test used 150 kc, but frequencies from 30 to 3,000 kc are suitable. Bandwidth depends on the antenna system, Carr said, but typical widths are about 10% of the frequency involved.

Carr sees the system as a highly effective, secure & economical communications medium and as virtually an underground microwave for relaying purposes. He finds no TV-relaying potential at present, because the necessary bandwidth would require transmission of frequencies too high to be efficient. And he says it's no source of new frequencies for radio broadcasting. "Every receiving antenna would need a hole," he said.

There has been mine-to-surface transmissions of a mile or so, Carr said, but he knew of no previous work comparable with DECO's. The system was developed with DECO's own funds.

The first message sent was by teletype, addressed to President Eisenhower and stating in part: "The sending of this message opens a new medium of communication, virtually indestructible and free from disturbances, for peaceful and military uses."

Carr sees no reason to use voice on the system, stating that it's an extremely inefficient use of the spectrum.

Among DECO's military projects are the radiation system for the Navy's vlf 2-million-watt facility for Polar communications, and the Navy moon relay system.

New Zoomar lenses, in both Super Studio and Super Universal models, are now available, especially designed for complete interchangeability, on both 3- & 4½-in. image orthicon cameras. Zoomars designed exclusively for 3-in. cameras will continue to be offered.

Are You Using Your Binder?

Do all your copies of TELEVISION DIGEST eventually find their way into your permanent file? All subscribers to this Newsletter are supplied with a binder to enable them to keep all copies in convenient & chronological order—along with the indexes which we now issue quarterly. Put your binder to use—it will provide you with a permanent record of everything important that happens in this industry.

Programming

BACKSTAGE WITH THE POST-1948s: Film buyers, keeping close tabs on the post-1948 feature situation, last week reported some interesting battle lines. In one camp are the film majors who have taken, or are taking, the plunge into TV distribution of their post-1948 backlogs. In the second camp are other film companies, which are exploring all possible pay-TV deals before they let their post-1948s go into normal syndication.

In the former group are principally Warner Bros. and 20th Century-Fox (Vol. 16:30 p4). They have already begun their moves toward putting their newer features into TV circulation. On the other side of the fence are Paramount, MGM and Universal, all of which are in no hurry to deal with free TV on post-1948s even though the first 2 are active in telefilm-series production.

An unusual waiting game is being played by Columbia Pictures and Screen Gems. On one hand, SG sales executives have been talking to leading film buyers about possible post-1948 packages, although no promises have been made. ("Taking the market's temperature," is how one SG executive described it to us.) At the same time, management-level executives of Columbia Pictures have held conversations with, or have attended demonstrations given by, the more active pay-TV firms. Which way Columbia Pictures' film cat will jump is something that not even executives of the company will guess.

Film buyers are playing a different kind of waiting game. With several post-1948 packages firmed-up for summer or early-fall sales, stations are not anxious to snap up pre-1948 pictures—unless as "local specials" (such as the one-picture sales by UAA in a number of markets of "Yankee Doodle Dandy" and "Mark Twain") or because the price of older films has suddenly been dropped. With few exceptions, stations aren't expected to buy large packages of post-1948s, preferring to buy cautiously and to remain in a fluid financial position for shopping.

Distributors are also realizing that some of the magic is rapidly going from the words "post-1948." With several post-1948 packages moving out on the sales circuit, film buyers will no longer buy lesser-grade movies just because they're new. One indication of this last week came from UAA, which has been planning to release a 26-title package of United Artists features, all post-1948s (Vol. 16:30 p4). Erwin H. Ezzes, who has moved into the post of exec. vp of UAA to replace ex-pres. Eliot Hyman (who quit to form CT&A) and sales vp Robert Rich (who quit UAA to join Hyman's new outfit), canceled the release of the package. Reason: Although the film package contains some strong properties such as "Barefoot Contessa," the bulk of the titles were low-grade action Westerns. The horse operas will be pulled from the package, and it will be reshaped to include better-grade UA feature properties.

Exhibitors say they're not overly worried that the first post-1948 package of Warner Bros.-produced pictures will create havoc in the U.S. theatrical motion picture field. Reason: As we predicted (Vol. 16:28 p1), distributors are planning to release post-1948s to TV in batches that are small compared with the pre-1948 library-dumping tactics that took place in 1956-57. States a current bulletin of the Theater Owners of America: "We have every reason to believe that while the film companies are anxious for the extra revenue from such sales, they will release the films to TV on a limited & controlled basis so as to minimize the effect upon theatrical grosses of current releases."

TV stations of 4 cities—Chicago, Los Angeles, San Francisco and Denver—are now implementing the TIO idea of issuing regularly joint cultural program guides listing the public-service educational and informational programming in their individual station areas. The schedules, in each case the joint efforts of all stations in the city, are mailed regularly to city leaders in education, religion, government, business, labor, civil service, and people in general who take the cliché position that “there’s nothing worth watching on TV.” Stations in Boston & Washington are now planning to issue schedules, and “5 other major cities strongly favor the project,” we are informed by TIO gen. mgr. Carl J. Burkland. “We hope that these bulletins will show critics what is available so that lack of information does not inhibit audience-growth potential for high-quality programs among the very people who mistakenly criticize TV for lack of them.”

Film investment of \$750,000 has been made by ABC-TV flagship & WABC-TV N.Y. in a summertime buying spree. Included in the latest film packages purchased: A 33-title feature package of pre-1948, Paramount-produced action melodramas; 3 first-run syndication series, *Blue Angels* and *The Jim Backus Show* (Cal. National) and *Case of the Dangerous Robin* (Ziv-UA); reruns of the Ann Sothern starrer, *Susie* (Arrow Productions div. of ITC); 135 MGM cartoons and 130 *Courageous Cat* and *Minute Mouse* former theatrical shorts (MGM-TV) and 100 cartoon episodes of the *Q. T. Hush*, private eye series (M&A Alexander). All will be in the station’s fall schedule.

RKO General has bought, for a reported \$250,000, U.S. TV rights to a package of 17 European-produced post-1948s from Premiere Films, headed by Marshall Shacker, an independent producers’ representative who makes his hq in N.Y. All of the films will be English-dubbed prior to TV release, and 4 of them will be released theatrically by RKO General prior to TV distribution. The pictures are not specifically a “group purchase” for WOR-TV N.Y. and the other RKO General-owned TV outlets, but are expected to go into the film libraries of these stations with RKO General syndicating the package to other TV markets. Sample title: “Bread, Love & Dreams,” starring Gina Lollobrigida.

Real-life attorneys will be banned from appearing on TV courtroom shows if the Cal. State Bar Assn. approves a recommendation from the Los Angeles Bar Assn. After hearing testimony from attorneys & TV industry representatives, the Board of Governors of the State Bar Assn. said it would meet in San Francisco next week (Aug. 10-13) to resume discussion. Selig J. Seligman, ABC-TV vp and exec. producer of *Day in Court*, *Traffic Court* and *Accused*, proposed that the Board adopt & administer a rule of professional conduct which would govern TV appearances of its members, using its own ethical standards as a base. He also urged that TV be used to educate viewers in the administration of justice, and that the Board reject the ban.

Bing Crosby is planning to tape one of his next-season ABC-TV specials in Ireland. He will surround himself with a cast recruited entirely in that country. “We’ll have to take a look at the talent there first,” Crosby told us. The show would be telecast for St. Patrick’s Day, of course, said Irishman Crosby. Bing will tape the first of his 2 ABC-TV specials in Aug. (for Oct. 5 airing) and has signed for it Rosemary Clooney, Carol Lawrence, Johnny Mercer, 3 of the Crosby sons working as a trio.

WNEW-TV N.Y. will do another 60-min. “local special” this week (Aug. 2)—a profile of Frederic Chopin.

Charles Van Doren was back in the news last week when he testified before a new N.Y. grand jury weighing charges of perjury in previous TV quiz-show probes. Van Doren won \$129,000 on *Twenty One*. He testified for 2 hours and later told the press he waived immunity. He said his testimony had been “fundamentally no different” from his statements before the House inquiry last fall (when he admitted giving false testimony to a grand jury). Another witness in the probe last week was Hank Bloomgarden (\$98,000 on *Twenty One*) who also testified for 2 hours. What he said was not made public but it was believed that he too waived immunity. Earlier Elfrida von Nardroff, another top money winner (\$220,500) testified for an hour and a half, and declined comment afterward. In pressing the current investigation, D.A. Frank S. Hogan restated: “It is my opinion that some of the 150 witnesses who appeared in an earlier investigation had lied and that perjury charges might be warranted.”

Religious broadcasting will be spotlighted in a 12-day international TV-radio workshop beginning in N.Y. this week (Aug. 1), sponsored by the National Council of Churches. Seminars include: writing for TV-radio; religious programming for children; religious newscasting; devotional programming; general courses in the possibilities & limitations of broadcasting. “Highly important is the fact that graduates of this course, through membership in local broadcasting committees of church groups, will be better able to exert an influence on program upgrading in their areas,” stated workshop dir. Rev. Charles H. Schmitz.

Viewer movie-preference survey, made recently by Alliance Mfg. Co., makers of TV antenna rotators, will interest station film-buyers. Alliance asked 500 TV servicemen to quiz TV homes during service calls on feature-film favorites. From 20,000 home quizzes, these were the results: Best actor—Humphrey Bogart; best actress—June Allyson; best TV movie “of all time”—“Gaslight.”

KTTV Los Angeles newscaster George Putnam has filed a \$2,200,800 damage suit in Los Angeles Superior Court against Teamsters’ Union Pres. James Hoffa and his aides, John Phillipoff & Meyer Singer. Putnam charged they “maliciously” attempted to prosecute him, conspiring to bring a libel suit last Jan. “for me to cease & desist from making . . . telecasts about unlawful labor activities.”

Same L.A. station has arranged a special West Coast network for coverage of the 10-day, 60-nation International Beauty Congress beginning this weekend in Long Beach (Aug. 6). KTVU San Francisco and KOVR Stockton will carry the KTTV feed which will include 6 telecasts totaling more than 13 hours. Sponsors: Lestoil and Lorillard.

Ironically paralleling the unceasing volume of program criticism, program viewing keeps right on moving up. Nielsen reports average hours of TV viewing per day, per home, for May was 4 hours, 28 minutes. This was an increase of one minute over May 1959, which in turn had been an increase of 13 minutes over May 1958.

“Lippmann on Leadership,” the recent widely-praised CBS Reports 60-min. special is due for a repeat-by-request Aug. 11. The decision to repeat the ad-lib discussion between author-critic Lippmann & interviewer Howard K. Smith was prompted by “unusually large public demand for an encore,” said CBS.

“Hallmark Hall of Fame” plans to open its 10th consecutive season on NBC-TV Oct. 24 with a color musical version of James Hilton’s *Lost Horizon*.

Networks

New Home for CBS: "By the spring of 1964" CBS Inc. Pres. Dr. Frank Stanton hopes to see the hq & administrative functions of CBS housed in an Eero Saarinen-designed skyscraper in N.Y. on Ave. of the Americas between 52nd & 53rd streets. The site is 2 blocks north of the RCA Bldg., home of NBC; comprises some 40,000 sq. ft.; and reportedly cost CBS \$7 million in a deal with Webb & Knapp Inc., 1316 Corp., and 51 West 52 Corp. Webb & Knapp Pres. William Zeckendorf (who recently had to scrap plans to build a super-hotel in the same area) assembled the realty package.

No studios are planned for the building. It will be used principally to house the CBS-TV-radio network offices, the corporate offices, o&o station administration, CBS News, CBS International, Columbia Records and Columbia Phonograph div. of CBS Electronics. No height has yet been set for the new hq building, and "we are giving Saarinen a very free hand in planning it," CBS-TV facilities vp Clarence Hopper told us. CBS has been in its 485 Madison Ave. hq since 1929.

* * *

No target date exists for completion of the new hq building at 66th St. & Columbus Ave., N.Y., to house the ABC-TV & radio networks, AB-PT administration, ABC Films, ABC-Paramount Records, etc. A series of architect's visual conceptions of the new ABC building, however, is to be seen in the reception lobby of the network's present hq in the converted riding academy at 7 West 66th St. The ABC building, when built—and which will complete a trio of built-to-order network hqs in N.Y.—(NBC's RCA Bldg. was erected in 1932)—will be the farthest uptown of the 3, but will occupy a choice site opposite New York's new Lincoln Square Center of the Performing Arts.

NETWORK SALES ACTIVITY

ABC-TV

- Hong Kong, Wed. 7:30-8:30 p.m., particips. eff. fall 1960.
Derby Foods (McCann-Erickson)
Brillo (J. Walter Thompson)
- Walt Disney Presents, Sun. 6:30-7:30 p.m. participations eff. fall 1960.
Ludens (J. M. Mathes)
Brillo (J. Walter Thompson)
- Maverick, Sun. 7:30-8:30 p.m., participations eff. fall 1960.
Derby Foods (J. M. Mathes)
Brillo (J. Walter Thompson)
Union Carbide Consumer Products (William Esty)
- Daytime programming, participations eff. fall 1960.
Welch grape juice (Richard K. Manoff)
- American Bandstand, Mon.-Fri. 4-5:30 p.m., participations eff. fall 1960.
Welch grape juice (Richard K. Manoff)

NBC-TV

- Dan Raven, Fri. 7:30-8:30 p.m., participations eff. fall 1960.
Colgate-Palmolive (Ted Bates)
- Outlaws, Thu. 7:30-8:30 p.m., participations eff. fall 1960.
Colgate-Palmolive (D'Arcy)
- People Are Funny, Sun. 6:30-7 p.m., full-sponsorship eff. Sept.
Squibb Laboratories (Donahue & Coe)

Summertime spot bargains are being offered by NBC-TV o&o outlets & affiliates as a result of the network's decision to surrender to the stations unsold time in 6 nighttime shows for co-op sale locally. The shows involved are *Moment of Fear*, *Music on Ice*, *Law of the Plainsman*, *Wichita Town*, *Cimarron City*, and *Overland Trail*. All except the first 2 are film reruns. The highly volatile prime-time spots (they're subject to recapture on short notice if the network can find participation customers) are priced in some cases below usual rates. On o&o WNBC-TV N.Y., for example, the net time cost of the within-program minute is only \$1,500, as against a normal card rate of \$2,300. This produces a cost-per-1,000 viewers of as little as \$1.20 at current rating levels.

Film & Tape

A TV-Cinema Honeymoon Ends: NBC-TV last fall announced with customary fanfare that it had induced movie-makers John Lee Mahin and Martin Rackin into TV to develop, write, and produce. But last week, the pair were quietly released from their contracts in another testimonial to the fact that a good track record in movies doesn't guarantee success in TV.

Mahin and Rackin had produced 3 pilots and were working on a 4th when the network released them. None of the trio had sold—but that was only part of the story.

The team had convinced NBC-TV to give it the green light on a costume series, *The Barbarians*, which, they promised, would be "the Ben Hur of television." With NBC-TV financing, they went to Rome to shoot the pilot, with Jack Palance as the star of the 60-min. series. There they built a lake, a boat, all the accoutrements for a permanent series. Disturbed by the rising expenses, NBC-TV's program vp David Levy went to Rome as trouble-shooter—but it was too late. The team finished its picture at an all-time expenditure for any pilot—\$450,000.

There was talk in the trade that NBC-TV might attempt to recoup by releasing the telefilm abroad as a movie, but network sources told us that no decision had yet been made on what to do with the film. The other Mahin-Rackin pilots are *Postal Inspector* and *Renegade*, and they were preparing *Shield and Glove* at the time of their release. Despite his abortive TV venture, however, Rackin wasted no time landing another post in the movies. He was named supervisory executive of production at Paramount.

MGM-TV's 1961 Plans: Like most Hollywood telefilm companies, MGM-TV is planning earlier than usual on next year's production. A meeting of executives from both coasts at the Culver City studio last week to formulate pilot plans for the 1961-62 season, decided on a list of 5 to 10 pilots in comedy, musical, action and drama formats. (The final number depends on clearance of rights & talent availability.) Vp George Shupert presided.

Definitely on the schedule: *The Adventures of Hercules Poirot*, 60-min. pilot with Jose Ferrer as producer-star, to be filmed next fall. *Andy Hardy*, based on the Mickey Rooney movie series. Three films of *Les Girls*, starring Larry Blyden, to be shot in Paris in August, with Alan Jay Lerner as exec. producer and Ralph Levy producer-director. *Diamond Jim Brady*, which may star Rory Calhoun. Series which may star Dana Andrews. MGM-TV will also submit *Paradise Kid*, withheld last spring because of the saturation of Westerns.

HOLLYWOOD ROUNDUP

Screen Extras Guild resumed negotiations last week with the Alliance of Television Film Producers and the Assn. of Motion Picture Producers. The talks followed an SEG membership vote of 1,579 vs. 188 to authorize its board to call a strike against the Alliance if necessary. SEG had accused the Alliance of refusing to bargain collectively, in charges before the NLRB. The Alliance had contended it wanted joint negotiations, to include AMPP. The NLRB hearing has been postponed until Aug. 4. SEG's contract with the producers expired a year ago this week (Aug. 2, 1959).

Producers Ackerman and Burrows will begin production Sept. 1 on 60-min. *The Corrupters* for ABC-TV. Stephen McNally & Robert Harland star. The network hasn't decided whether it will use several segments as specials next season, or begin the series in the fall of 1961.

Jane Powell, Roger Smith, Warner Anderson, John Doucette, Alan Hale and Marshall Thompson have been elected to the board of Screen Actors Guild . . . MGM-TV vp George Shupert has returned to N.Y. following program conferences dealing with next season and 1961-62.

Four Star Television begins productions in Aug. on the pilot of a comedy starring Gertrude Berg & Sir Cedric Hardwicke who co-starred in *A Majority of One* on Broadway. Producers are Leonard Ackerman and John Burrows.

Bob Braun, associated with the William Morris agency for 17 years, leaves Aug. 1 to form his own personal-management and TV film-production company.

KCOP Los Angeles' new studios will have 2 separate video-tape recording installations—a new mobile unit and 3 special effects systems for its commercial tape dept. Plans call for the station to move to its new Hollywood site within 30 days.

People: Producer Nat Holt signed Clu Gulager to star with Barry Sullivan in the Western, *The Tall Man*, on which production began recently at Revue Studios . . . Desilu Studios signed Herman Hoffman as one of the producers of its *The Untouchables* series starring Robert Stack . . . Warner Bros. has renewed the contract of TV producer Charles Hoffman . . . Herbert Phillips has resigned as head of NBC-TV's design & creative operations dept. . . . Arthur Fellows named exec. vp of QM Productions, which will produce 4 pilots for ABC-TV . . . Robert Pelgram heads a new dept. of Bill Burrud Productions as creator of new properties, will also supervise Burrud's *Wanderlust* series . . . Jack Kruschen signed as a regular in 20th-Fox Television's *Hong Kong* series . . . Jack Weston signed for Screen Gems' *My Sister Eileen*. Shirley Bonne will star in the series, which went into production July 27. Harry Ackerman is exec. producer . . . Judy Atkins named casting director for Don Fedderson Productions; Fred Henry named exec. vp, Charles Spira vp-business mgr. . . . Richard Long has been signed by Warner Bros. to a new contract. The former *Bourbon Street Beat* star will now star in *77 Sunset Strip* . . . Doris Singleton and Don Keefer are signed as regular featured players in *Angel* . . . Gail Patrick Jackson elected pres. of the Los Angeles chapter of the Academy of TV Arts & Sciences . . . Walter Grauman signed by Mirisch to develop new properties.

Four Star TV is proceeding with long-pending plans to float a public stock issue (Vol. 16:9 p12). It has applied to SEC (File 2-16847) for registration of 120,000 common shares to be offered through underwriters headed by Dempsey-Tegeler & Co., price undisclosed. In its application the firm headed by Dick Powell said affiliated Four Star Films Inc. will be merged with it in a reorganization. At the same time, Four Star TV will acquire all outstanding shares of affiliated Dayton Productions Inc., BNP Music Publishing Co. and Trend Music Publishing Co., which will become wholly owned subsidiaries. According to the SEC prospectus, the company has 480,000 shares outstanding, reflecting the merger & reorganization. Net proceeds of the stock issue would be used for working capital. The SEC statement listed Pres. Powell as 42.5% owner of Four Star TV, Others in firm are exec. vp Thomas McDermott (15%), vps Charles Boyer & David Niven (21.25% each).

Screen Gems' *Dan Raven* series went into production this week, with William Sackheim as producer . . . Four Star Television has begun production of *Dante* (starring Howard Duff, with Mike Mesheko as producer) and resumed production on the *Du Pont Show with June Allyson*. This makes a total of 10 series before the Four Star cameras. The same company's *Tom Ewell Show* goes into production later this week.

June movie attendance fell 21% below a year ago, dragging the cumulative first-half business more than 5% behind Jan.-June 1959, reports researcher Sindlinger & Co. The decline continued through the first 2 weeks of July and exhibitors blamed the business lag on the poor quality & quantity of films. To date, they say, producers have released only 134 pictures, 13 less than a year ago.

QM Productions will produce the pilot of a 60-min. crime show and a half-hour series (latter still unselected) for ABC-TV next fall. Exec. producer Quinn Martin's deal with ABC-TV, in which the network finances pilots and they share 50-50 on profits, also calls for production of 2 pilots next year.

Screen Gems will pilot *Tangier*, an adventure melodrama, to be produced by Clarence Green and Russell Rouse . . . MGM-TV has begun production of *National Velvet* with Rudy Abel producing.

Official Films vp Sherlee Barish, in Hollywood looking for new film, has set one series and is in negotiations for 3 more, she informs us. She did say: "I'm not looking for half-hour series, it's tough to sell them right now." But Official is interested in 5-min. & 60-min. series.

Overseas installations of Ampex Videotape recorders now total 182, with the placement of 12 new machines, Ampex International announced last week. These new installations were announced: Rio de Janeiro; Brasilia; CBC, Edmonton; CBC, Ottawa (2); CFCF, Montreal; Finnish Bestg. Corp. (2); RAI, Italy (2); Asagi Hoso Kyokai, Osaka (color); "research facility," UK. The firm also announced shipment of 14 more recorders (not yet installed) to customers in Europe & Canada.

TV Enterprises Corp., TV film distribution firm, was announced last week by ex-NTA vp Harold Goldman. The new company's distribution will not be confined to the U.S., Goldman said. He is currently negotiating "for the acquisition of a number of important properties of a specialty nature to be put into TV distribution shortly." Hq will be in Hollywood.

Morris Agency's Record Year: Selling 12 new network film series and obtaining renewals of 13 others, the William Morris agency is enjoying its best year since it entered TV about a decade ago. The agency's list of 25 shows is all set for next season—with one exception: Four Star's 60-min. *The Corrupters*, which is still dateless but will begin on ABC-TV next season or in the fall of 1961.

Morris people, elated at their success in one of the most fiercely competitive fields of show business, attribute it to (1) the agency's long-standing policy of not owning all or any part of any show it represents, and (2) the policy of some of its clients—notably Four Star—to give percentages of series to the better creators & actors. Unlike its rival, powerful MCA, which runs subsidiary Revue Studios as a production arm, Morris is not in production.

Here is a breakdown of Morris-sold series, leading off with 13 from Four Star Television, which is challenging Revue for volume supremacy in TV-film production:

Four Star: *Wanted—Dead or Alive*, *Dick Powell's Zane Grey Theater*, *The DuPont Show With June Allyson*, *Peter & Mary*, *Stagecoach West*, *The Tom Ewell Show*, *Michael Shayne*, *The Westerner* (formerly *The Lone Westerner*), *The Law & Mr. Jones*, *Robert Taylor's Detectives*, *The Rifleman*, *Willie Dante*, *The Corrupters*.

Other Morris-sold series: *The Real McCoys*, *The Danny Thomas Show*, *The Andy Griffith Show*, *Wyatt Earp*, *You Bet Your Life* (Groucho Marx), *Hennessey*, *Adventures in Paradise*, *Hong Kong*, *The Ann Sothern Show*, *Guestward Ho!*, *Barbara Stanwyck Theater* and *The Loretta Young Show*.

In addition to its first-run telefilm shows, the agency is also selling reruns, having sold *The Danny Thomas Show* reruns to NBC-TV for \$5,450,000 last April. It also has a number of live TV programs, including *The Garry Moore Show*, among its clients.

Membership of Writers Guild of America, for the third time this year, has rebuffed its TV-radio board. This issue: How to implement WGA's agreement with the Alliance of Television Film Producers, the Assn. of Motion Picture Producers and the networks, which ended the recent strike. Part of the agreement was establishment of a fact-finding committee to determine a royalty figure for writers. The TV-radio board had rejected a proposal by the negotiating committee that one of its members, Sam Newman, be named as a fulltime, paid committee representative, recommended instead a voluntary committee of writers. Angered writers petitioned for & got a special membership meeting, overwhelmingly voted to recommend to the board that Newman be placed on the committee as a fulltime, paid member and that the negotiating committee serve on a revolving basis. Whether the board will reverse itself as a result of this membership dictum remains to be seen. During the recent strike, WGA membership twice rejected board recommendations that Alliance offers be accepted.

Newly-formed Television Artists & Producers Corp., owned by Edward Small, plans a wide range of operations, including financing of TV films, co-production deals, production and program development. Bruce Eels, who resigned as exec. vp of United Artists TV to join TAPC as exec. vp, told us the new company intends to tape some shows for syndication, and plans a 60-min. film series with different producers contributing episodes. It is also contemplating a series of specials, among other projects. The firm's hq is at the Sam Goldwyn studios.

NEW YORK ROUNDUP

Program Sales Inc., 15 E. 48th St., has been formed as a new telefilm producer-distributor to service the network & syndication fields. It will have ex-Official Films sales executives Ray Junkin as pres. and Harold Hackett as vp. First program project is *Newsbreak*, a 5-min. feature news strip being developed between PSI and 20th Century-Fox Movietone News. Footage will be culled from the worldwide Movietone theatrical news coverage. Three international co-production telefilm dramatic shows are being discussed—2 for Canadian production, one in London.

Flamingo Films has bought the foreign film package formerly titled Art Theatre of the Air from ex-Flamingo owner Joe Harris, and has renamed it the Imperial Package. Flamingo has added 12 titles, bringing the total to 52 post-1953 features. Titles include "The Sheep has 5 Legs," "Return of Don Camillo," "Marcellino," "Pantaloons," "Back to the Wall" and "Demoniac." Flamingo also distributes the Critics Award Package and the Festival Package, now in 130 markets.

International TV Programs Inc., foreign distributor of Ziv UA programs, scored 150 sales of 30 Ziv shows in 31 countries during June. This was ITP's biggest sales month to date. Series scoring most foreign market sales include *Highway Patrol*, *Men into Space*, *Man & the Challenge*, *Mr. District Attorney* and *Sea Hunt*.

UAA noted last week a "marked increase" in the number of individual feature films being bought by local stations as "specials." Getting a big play were "Yankee Doodle Dandy," "Don Juan," "Robinson Crusoe," "Juarez," "Goald Raiders," "Son of the Sheik," "The Adventures of Mark Twain."

CBS Films scored 3 major regional sales of *The Brothers Branagan* last week. American stores supermarket chain bought the series for 6 Eastern markets including Philadelphia & Baltimore. Standard Oil of Ind. will underwrite the series in 9 Midwest markets and Standard Oil of Tex. in 3 Tex. cities.

Official Films will syndicate *Playboy's Penthouse*, a 60-min. taped variety series produced by the magazine, which has previously distributed the series in several markets. Entertainers featured include Ella Fitzgerald, Dizzy Gillespie, Tony Bennett, Count Basie, Jonah Jones and Sammy Davis Jr.

Screen Gems' *Two Faces West* has been picked up for 5 upstate N.Y. markets by Utica Club beer. Three of the series' 4 other regional sponsors also are breweries, including Labatt's Beer in the East, Coors' in the West and Drewrys in Mich. & Ia.

ITC's Canadian sales for the first 6½ months of 1960 have topped the \$1 million mark, international-sales vp Abe Mandell announced last week. Latest top ITC Canadian sales are *Danger Man*, to the English network, and *Interpol Calling*, to the French network.

"Tape Measures," a newsletter covering trends in the use of videotape for TV commercials, was distributed recently by N.Y. Videotape Productions. First issue of the monthly publication includes items on uses & advantages of the British-made Marconi cameras and examples of up-to-date tape methods.

The FCC

WBAI-FM N.Y., non-profit subscriber-supported station specializing in classical music & offbeat verbal presentations, has run into trouble—and FCC's new Complaints & Compliance Div. has the job of scanning some 2,000 pro & con letters. The station's license renewal & application for transmitter move have been held up. Principal charges are "profanity & obscenity." The station is owned by Pacifica Foundation, which operates 2 similar outlets in San Francisco, another in Los Angeles. It had an application for Washington but withdrew. The Washington application had been attacked at one time, complainants citing West Coast programs. Among the allegations were charges that poems by Lawrence Ferlinghetti—"The Lord's Prayer" and "The Naz"—were profane. Pacifica did acknowledge that they went beyond its standards of good taste, but it submitted a sheaf of commendations, including a unanimous resolution of praise from the Cal. State Legislature and a statement from the Harvard Divinity School that Ferlinghetti has written deeply religious poems. WBAI-FM was given to Pacifica by industrialist (cigarette paper, etc.) Louis Schweitzer, whose firm is now a subsidiary of Kimberly-Clark Corp. FCC has said nothing about the case yet, hasn't written anything to the station.

Sale of KFJZ-TV Fort Worth-Dallas to NAFI Corp. by Texas State Network Inc. in a deal totaling about \$4 million (Vol. 16:21 p10) has been approved by FCC, Comr. Bartley dissenting, Comr. King not participating. Terms of the sale included a 15-year lease ranging from \$6,666 per month for the first 5 years to \$14,583 per month at the end of the period, a termination option to purchase for \$1 million, sale of contracts for \$650,000, and \$250,000 for a 10-year agreement against area competition by Texas State.

Shift of WNHC-TV (Ch. 8) New Haven to a site 13.9 miles from its present location was denied by the FCC as it granted the protest of WWLP (Ch. 22) Springfield, Mass. The Commission overruled examiner Basil P. Cooper (Vol. 14:27 p8). Comrs. Craven & Cross dissented and Comr. King didn't participate. Text of the decision hasn't been released yet, so FCC's reasons for the decision aren't available.

Translator grants: Ch. 75, Leadville, Colo., to People's TV Inc., to repeat KBTV Denver • Ch. 70, Trego, Mont., to Mt. Marston TV Assn., to repeat KHQ-TV Spokane • Ch. 74, Dubuque, to Dubuque Area Translator, to repeat WISC-TV Madison. The translator would be one of the very few in cities with CATV systems.

Radio station sales approved by FCC: KWKW Pasadena to KWKW Inc. (John F. Malloy, pres.) for \$700,000; KOBV San Francisco to Gordon Bcstg. of San Francisco (Sherwood R. Gordon, 100% owner) for \$700,000.

FM stereo comments are due at FCC by Oct. 29, the Commission having extended the deadline from July 29 at the request of EIA which said it needed more time to complete tests (Vol. 16:28 p14).

Approval of sale of WDAN-TV (Ch. 24) Danville, Ill. to Plains TV Corp. has been granted by FCC. Conditions: \$75,000 plus \$1,500 monthly lease for 5 years.

Protest against license renewals of WVET-TV & WHEC-TV (Ch. 10) Rochester, filed with FCC by radio WSAY Rochester, has been dismissed.

Sale of radio WIST Charlotte for \$507,500, by Bcstg. Co. of the South to Carolina Bcstg. Co., has been approved.

Oral argument on 23 of the 31 unbuilt uhf's which replied to FCC's letter of Feb. 17 (Vol. 16:23 p14) has been scheduled for 9:30 a.m. Sept. 23. The other 8 are not yet officially scheduled. Those scheduled: WBMG (Ch. 42) Birmingham; KMYR (Ch. 34) Los Angeles; WELI-TV (Ch. 59) New Haven; WNLC-TV (Ch. 26) New London; WEHS-TV (Ch. 26) Chicago; WBID-TV (Ch. 50) Detroit; WMCN (Ch. 23) Grand Rapids; WHLS-TV (Ch. 34) Port Huron, Mich.; WHCU-TV (Ch. 20) Ithaca; KTRB-TV (Ch. 14) Modesto, Cal.; KFMY-TV (Ch. 27) San Diego; WCBF-TV (Ch. 15) Rochester, N.Y.; WTMV (Ch. 54) Utica; WCIN-TV (Ch. 54) Cincinnati; WERE-TV (Ch. 65) Cleveland; WTOH-TV (Ch. 79) Toledo; KMPT-TV (Ch. 19) Oklahoma City; WQCY (Ch. 39) Allentown; WAZL-TV (Ch. 63) Hazelton, Pa.; WLAN-TV (Ch. 21) Lancaster, Pa.; WRAX-TV (Ch. 36) Williamsport, Pa.; WAMT (Ch. 4) Memphis; WFOX-TV (Ch. 30) Milwaukee.

FCC passed special resolution commending 2 sisters, whose combined service with the Commission & predecessor agencies totaled more than 75 years at their retirement July 31. Mrs. Mary E. Corridon joined the Commerce Dept. on Aug. 11, 1919, and at retirement was administrative asst. in the Field Engineering & Monitoring Bureau in Washington. Miss Anna L. Poloske started in the Boston field office Oct. 16, 1923, retired as secy. to the engineer in charge there. The resolution cited their contributions, concluded: "They have served the public & their govt. well & faithfully. The Commission is, therefore, pleased & honored to give both Mary & Anna this official recognition which they so justly deserve, and to wish them health, happiness, and contentment in the years that lie ahead."

Radio WORL Boston had its renewal & transfer granted last week as FCC broke the ice in its payola investigations. No action was taken on the other 3 Boston stations under study—WMEX, WILD & WHIL. The reason WORL received a decision was that its investigation had been completed. There was discussion of other payola cases but none was ripe for action. The WORL decision isn't necessarily a bellwether because each case will be considered on the basis of facts turned up.

Ch. 9, Alpena, Mich. has been granted to Lake Huron Bcstg. Co. with the condition that FCC may substitute another channel for Ch. 9 if such a change is necessary as a result of pending rule-making proceedings. The FCC upheld examiner Walther W. Guenther's initial decision of June 16 (Vol. 16:26 p9).

Interleaved picture & sound experiment proposed by NBC has been authorized by FCC for Sept. 1-30 (Vol. 16:19 p16). NBC said that interleaving would provide TV networks with emergency sound over video routes when drop-outs occur on the separate audio routes.

Grant of Ch. 9, Baton Rouge, to WAFB-TV (Ch. 23) has been made final by FCC. Competitor radio WIBR had withdrawn after obtaining an option to acquire 20% of the grant (Vol. 16:26 p9).

Shared use of Ch. 3, Corpus Christi, is sought by Tropical Telecasting Corp. (*Caller & Times*), which filed an application this week, and the U. of Corpus Christi, which plans to apply.

Ch. 9, Eugene, Ore. has been granted to Liberty TV Inc. by the FCC, which affirmed examiner Thomas H. Donahue's initial decision (Vol. 15:40 p5).

WOLE-TV Aguadill, P. R. may now identify itself also with Mayaguez under a waiver granted by the FCC.

Suspension of FCC's spot-rep decision, sought by NBC and of 4 of its repped stations, was denied by the Commission as expected (Vol. 16:30 p8). Text of the decision hasn't been released yet, but it's understood that major reasons given for the turndown are that CBS & NBC won't suffer any irreparable injury during the 2 years they have in which to get out of the rep business, even though an element of uncertainty is involved because NBC and the 4 stations have appealed the decision to the courts.

An evidentiary hearing on pay-TV tests would produce nothing but delay, said Hartford Phonevision Co. (RKO-Zenith) in a letter to FCC responding to the request by the Joint Committee Against Toll TV and Conn. Committee Against Pay TV (Vol. 16:29 p3). Counsel for the pay-TV proponents insisted that both FCC & Congress had long ago decided that a test is the only method of gaining the needed information on toll-TV's workability. They reiterated their request for an en banc hearing before FCC.

Educational FM multiplexing, strictly non-commercial, is proposed in a notice of rule-making issued by FCC on the basis of petitions by NAEB & WGBH-FM Boston. The Commission pointed out that the NAEB petition would permit subcarrier services of all kinds and it stated that the proposed rules contemplate "no sponsored or commercial" programs or announcements. Earlier, the NAEB petition was opposed by gen. counsel Douglas Anello as "completely out of keeping" with long-standing FCC policy.

Control of WDAY-TV (Ch. 6) & WDAY Fargo, N.D. has been acquired by Forum Publishing Co., owner of *Fargo Forum* and *Moorhead Daily News*, with FCC's approval of its purchase of 55.56% for \$900,000 (Vol. 16:25 p10). Comr. Bartley dissented, stating: "In light of the local objection and the concentration of media of communication in this area, I would favor a 309(b) letter to determine the question whether the public interest would be served through such concentration in a single area."

Ex-FCC secy. Mary Jane Morris, who resigned in April to return to private law practice (Vol. 16:15 p19), has opened Morris & Morris offices in Grand Rapids at 404 Fountain St., N.E., in partnership with her brother John Chester Morris. (Telephone: GLEndale 8-2862). Specializing in practice before federal & Mich. courts & agencies, the firm also will maintain a Washington office. Miss Morris and her brother, who recently resigned as a Republican member of the Mich. state legislature, are graduates of the U. of Mich. Law School.

Complaint of WKYT Lexington, Ky. against WHAS-TV Louisville—for the latter's refusal to grant it rebroadcast rights to CBS-TV's *Game of the Week*—needs to be explored in a hearing, FCC told the disputants. However, the Commission gave the stations 15 days to try to settle their differences.

FCC logging requirements for political announcements one-min. or less aren't clear, according to Westinghouse Bestg. Co., which has asked the Commission to issue an interpretation of its rules. The rules require the logging of individual "programs" but not of "announcements."

FCC's August meeting will be held Aug. 31 instead of Aug. 1 as previously scheduled, the Commissioners deciding that the later date is more convenient. The Commission is required by law to hold at least one meeting monthly.

Common antenna site has been authorized at Walnut Grove, Cal. for KCRA-TV & KXTV Sacramento and KOVR Stockton. It is 22 miles from Sacramento, 20 miles from Stockton.

Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.

WALTER H. ANNENBERG, *President*

PUBLICATION OFFICE Radnor, Pa., Murray 8-3940, TWX: Radnor 1028

JAMES T. QUIRK,
Business Manager

MERRILL PANITT, *Editorial Director*
HAROLD B. CLEMENKO, *Managing Editor*
DAVID LACHENBRUCH, *Associate Editor*
HAROLD RUSTEN, *Associate Editor*
PAUL STONE

JAMES B. DELEHANTY,
Asst. Business Mgr.

WASHINGTON BUREAU

Wyatt Building
Washington 5, D.C.
Sterling 3-1755
ALBERT WARREN, *Chief*
WILBUR H. BALDINGER
WM. J. McMAHON Jr.

NEW YORK BUREAU

625 Madison Ave.
New York 22, N.Y.
Plaza 2-0195
CHARLES SINCLAIR, *Chief*
DIANE SCHWARTZ

WEST COAST BUREAU

6362 Hollywood Blvd.
Hollywood 28, Cal.
Hollywood 5-5210
DAVID KAUFMAN

MARTIN CODEL
Associate Publisher

TELEVISION DIGEST. Published Mondays. Subscription \$75 annually. Far group rates & other subscription services, write Business Office.

TELEVISION FACTBOOK TV & AM-FM ADDENDA AM-FM DIRECTORY
Published March & Sept. Published Saturdays Published in January
Copyright 1960, by Triangle Publications, Inc.

Personals: Irwin Klein, ex-MCA, rejoins ABC as program mgr., ABC international div. . . . Robert Palmer named NBC-TV Hollywood nighttime program mgr.; Frank Telford named NBC-TV West Coast program development dir. . . . Peter Reinheimer named ABC-TV asst. daytime sales mgr.

J. Howard Wood, pres. of WGN Inc., appointed also pres.-publisher of *Chicago Tribune*, succeeding the late Chesser Campbell (Vol. 16:29 p12) . . . Frank Brill appointed mgr. of the N.Y. office of MCA TV film syndication div. . . . Joseph H. Hallock, engineer in charge of FCC's Portland, Ore. office, retires after more than 50 years of govt. service, having begun in Dept. of Commerce's radio service . . . William C. Rubenstein named Paramount International Telemeter vp for administration of its research and development lab in Los Angeles . . . J. Leonard Reinsch, exec. dir., Cox Stations, appointed communications consultant for Kennedy-Johnson ticket. He was radio dir. for President Roosevelt's 4th term campaign.

Irving Lichtenstein named NTA general exec. in charge of special events, promotions & merchandising, succeeded as gen. mgr. of radio WNTA Newark-N.Y. by Ted Steele, from WNTA-TV . . . Don Redell named dir. of sales, TelePrompTer programs & productions div. . . . Harold Sundberg appointed gen. mgr., WMBD-TV & WMBD Peoria . . . William Hart, ex-radio WPON Pontiac, Mich., succeeds John Pomeroy as station mgr., WILX-TV Jackson, Mich. . . . Dr. John E. Ivey Jr., chief exec. officer of Midwest Program on Airborne TV Instruction, resigns as head of Learning Resources Institute, N.Y., to take post of consultant to the pres. and professor of education & sociology, Michigan State U. He continues to serve in the MCATI post . . . Philip S. Cross, FCC Broadcast Bureau, named legal asst. to Comr. Robert T. Bartley.

Obituary

Nate J. Blumberg, 66, Universal Pictures chmn., died after a long illness, at his home in Van Nuys, Cal. July 24. By 1929 Blumberg had been hired & fired at Universal, and in 1938 he was rehired as pres. He engineered the Universal-International merger in 1946, and became chmn. of the subsidiary in 1952. He is survived by his wife, a son and daughter.

Consumer Electronics . . .

MANUFACTURING, DISTRIBUTION, FINANCE

NO NEW TUBE SIZES DUE THIS YEAR: You can discount those reports of upcoming square-cornered tubes in sizes bigger than 23-in. They're just not in the cards for this year or next, we're told by leaders of the set, tube & glass industries. But this doesn't mean there won't be some revival of the old-shape 24- & 27-in. sizes in new short-short versions.

Talk of a possible 26-in. square-cornered version of old 24-in. reached crescendo couple of weeks ago within industry, but it turned out to be just that—talk. It's understood nobody was willing to put his money where his mouth was, and there is no concrete move in sight to develop new-style giant-screen tubes.

Most of talk probably was started by Magnavox's revival of 27-in. tube in a \$375 console at the recent Music Show in Chicago (Vol. 16:29 p14). So pleased was Magnavox with dealer reaction to this set that this week it announced 2 more 27-in. sets will be forthcoming—horizontal console (\$395), stereo theater (\$850-895.)

Magnavox Pres. Frank Freimann feels time is ripe now for larger sizes. He says the more elaborate TV program production and greater perfection of camera & producing techniques will make public want to see more clearly, get "full thrill of stage presence in the living room." Magnavox had been out of 27-in. set market for 2 years, but never dropped 24-in. sets.

The 24- & 27-in. tubes arrived initially in early 1950s as end of unbroken progression of larger & larger sizes—but public stopped buying at 21-in. From nearly 120,000 in 1953, production of 27-in. tubes declined steadily, dropping to only 12,280 (including replacements) last year. The 24-in. size showed similar pattern, although it was produced in larger quantities.

New tricks in shortening necks of these big tubes will make possible more pleasing furniture proportions, and there could be increasing use of these existing shapes this year & next. Except for Magnavox, to our knowledge, Sears Roebuck is only brand now using 27-in. Several makers are showing 24-in. sets.

If glass makers are reluctant to design new-shaped giant-size tubes it's only because they haven't yet even recovered development costs of the 24- & 27-in. sizes. Most set & tube manufacturers agree it would be "nice" to have new-shape big-screen jobs available to them, but nobody seems to want to underwrite development—either individually or on a joint basis.

Most set makers we talked with agree 23-in. is ideal picture size & shape—at least for now—and have no plans to push for new larger sizes, even though some of them have advance design contingents looking at all possible (and some impossible) sizes & shapes.



With no more new tube shapes & sizes on horizon, a couple of old sizes are dying. There's no doubt now that 17- & 21-in. tubes are vanishing race, and our guess is that 21s will disappear from marketplace this model year, the 17s next year, after inventories are depleted. Motorola consumer-products exec. vp Ed Taylor, for example, says his company is just about through with 17- & 21-in. production, will be out by year's end. In every case, these 2 sizes are now being produced & sold from inventory.

Tube shapes & sizes once again have simmered down to couple of "standards." How much influence have new sizes had on health of TV market? It's hard to say. One acute but hardly impartial observer of the passing TV scene—Corning Glass electrical products vp Jack Hanigan—had this comment:

"All other appliances are flat on their backs, yet TV sales are going to town. It's because TV has 'something new' that it's selling well while the rest of the consumer market is down."

What's next in picture tubes? Corning is pushing its reflection-free cap for bonded tubes—now being used by Sylvania on all its 19-in. sets and on some 23-in. models, and by Zenith on high-end 23-in. sets. The treated-glass tube, which costs manufacturers 50c extra, is still controversial—some like it, some don't. Syl-

vania quite frankly states that it's testing consumer reaction to the reflection-free feature and will use it more extensively on 23-in. sets if it's found to be good selling-feature.

If tube shapes & sizes were this year's "something new"—what's for next year? Too early to say, but our guess at this point is that one feature assuming far more prominence for the 1962 selling season will be remote control. For the dollars-&-cents story of Zenith's remote-control success, see story below.

TV-RADIO PRODUCTION: EIA statistics for week ended July 22 (29th week of 1960):

	July 15-22	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	69,944	48,075	98,447	3,132,700	3,040,648
Total radio	241,005	196,175	240,644	9,135,606	7,744,498
auto radio	93,638	68,608	77,827	3,560,648	3,107,731

EMERSON-GRANCO DEAL: High-flying Granco Products Inc., the small radio maker which found itself on top of the FM heap as a result of its pioneering in low-cost FM sets, last week signed a deal with Emerson which could put it in the big league—and gives Emerson an option to buy control.

Under the terms of the agreement, Emerson takes over the marketing of Granco's sets, loans Granco \$217,500 (repayable in 5 years) and receives an option to purchase 540,986 of 1 million Granco shares at an undisclosed price.

The arrangement will relieve Granco of all activities except engineering & manufacturing. Granco will keep its present distributors, which will be augmented in many areas by Emerson distributors. It will continue to manufacture products under its own trade name and possibly under the Emerson label. The Du Mont-Emerson Corp., Emerson's sales & merchandising subsidiary, will set up a new Granco div., to be headed by Granco sales mgr. Alvin Barshop and merchandising mgr. Ralph Cone, moving to Emerson with their entire sales staff.

Granco's low-cost FM sets are seen as an ideal addition to the Emerson line. At the same time, rapidly-growing Granco—having suffered a fire which destroyed its Astoria, N.Y. plant—is under-capitalized, and the Emerson loan together with the assumption of advertising & merchandising responsibilities should help increase its growth possibilities. Granco, which would continue to operate as an independent company, wants to "get more heavily involved in the manufacture of front-end FM tuners for other manufacturers," Pres. Henry Fogel told us.

For Fogel, the association with Emerson will be in the nature of a homecoming. Before & during World War II, he was employed by Emerson as a project engineer, working after the war for Telechrome and Radio Receptor in engineering capacities before heading Granco. "Under the arrangement with Emerson," says Fogel, "we'll be running our own business, strengthened by the relationship. This gives us the marketing strength we need to continue to expand in this market." Emerson Pres. Benjamin Abrams, noting that "FM is becoming increasingly interesting to us," said it was undecided whether the 2 firms eventually would be consolidated.

Granco's sales for the fiscal year ended last June 30 are estimated to have totaled about \$3.3 million, up from \$3,070,000 in fiscal 1959, although earnings were lower than 1959's \$49,152 (15¢ a share) because of the plant fire. Fogel recently predicted fiscal 1961 sales of \$4-5 million, earnings of 30-40¢ a share.

A special Aug. 10 Granco stockholders meeting will vote on the agreement and on increasing the authorized capital shares from 500,000 to 1 million.

\$\$\$ IN REMOTES: Zenith is the unquestioned leader in wireless remote-control TV tuning. The extent of that leadership was revealed last week in Oklahoma City U.S. District Court at the hearing of Zenith's suit against Admiral charging infringement of its patents on "Space Command" remote & "Fringelock" circuit.

Zenith Sales Corp. Pres. Leonard C. Truesdell testified that the company received \$50 million last year on the sale of 260,000 TV sets equipped with Space Command. He stated that Zenith's TV-set sales in 1959 totaled \$167,500,000—which would indicate that 30% of Zenith's TV dollar sales last year was realized from remote-control sets. Our own survey earlier this year (Vol. 16:16 p15 & 16:17 p16) indicated that, industry-wide, about 10% of the TV-set unit sales were remote-control models. Figures on Zenith's TV dollar sales, remote-control sales and percentages:

1959—Total Zenith sales, \$260 million (as shown by annual report); TV sales, \$167.5 million, or 65% of the company's total sales; remote-control sales, 260,000 units at \$50 million, or 30% of TV dollar sales.

1958—Total Zenith sales, \$195 million; TV sales, \$117 million, or 60% of total sales; remote-control sales, 123,500 units at \$26.3 million, or 22.5% of TV dollar sales.

1957—Total Zenith sales, \$160 million; TV sales \$97 million, or 61% of total; remote-control sales, \$17.7 million or 18.3% of total TV dollar sales.

In 1956, first year of Space Command sonic tuning, remotes represented 19.3% of TV dollar sales, while in 1955 Zenith's Flash-Matic electric-eye remote system sales accounted for only 4.5% of its TV sales.

Most of the week's testimony was devoted to testimony on claims by Zenith that the remote tuning device was a Zenith invention and by Admiral that the principles were previously known and Zenith patents were erroneous.

GE enters home-intercom market with a portable transistorized system to be introduced area by area until national coverage is achieved later this year. Designed specifically for the home, the units (\$79.95 a pair, additional stations \$39.95 each) may be plugged in anywhere, use house wiring to carry voice signals. GE says that, drawing about as much power as an electric clock, they may be left on all the time. Test marketing starts this week in 4 markets. GE, which calls itself the first major manufacturer to enter the home-intercom business, conducted a pre-production survey of housewives' reaction to intercoms. It's understood that the results showed that 30% of housewives questioned said they'd be interested in an intercom—but after intercoms were installed in their homes, 65% didn't want to give them up. The units are now in pilot production at GE's radio-receiver dept. in Utica, N.Y.

MOTOROLA ASSESSES FUTURE: Motorola spent several profitable days in N.Y. last week introducing its latest consumer products to distributors and polishing its image before influential stock brokers. At the Essex House, exec. vp Edward Taylor participated in the first showing of Motorola's 1961 stereo line. On Wall St., Pres. Robert Galvin lunched with the N.Y. Society of Security Analysts and gave them insight into the company's targets (see p. 22).

Claiming stereo sales leadership, Motorola introduced 7 portables & 15 console models and such features in some models as "Vibrasonic" reverb, a new-type ceramic "Golden Duplitrone" cartridge, 3 separate push-pull amplifiers & 3 separate speaker systems, and power output ranging up to 58 watts MPO (116 watts peak).

Not only are Motorola stereo sales 40% ahead of last year, Taylor said, but out in front of all other stereo makers. It claims 30% of more-than-\$300 console business, 25% of \$100-or-more portables. On Wall St., Galvin told the analysts that Motorola has 25-35% of the stereo hi-fi package market. Other Galvin-Taylor views:

Black-&-white TV—Sales are "doing nicely" his year although industry has a "larger set inventory than it should," Galvin noted. "For the year as a whole, TV set sales are up 12%." He forecast total 1960 sales of 6.5 million TVs. Taylor told us that figure is "in the bag" and predicted that Motorola would close the year with the best inventory position in the industry. He said TV sales took a "real upsurge" during June & July, told us Motorola has added another production line to keep pace with demand for its Harbinger series TVs.

Color TV—Galvin said he's "anxious for color to come" but pegged current annual sales at "approximately 100,000 units" and too small to justify the investment. "I don't see anything in sight that suggests a change," he added. "Sets will have to come down to \$300 before it becomes a volume business." Taylor told us that another market-breaking factor could be a 23-in. 110-degree color tube.

Tape cartridge—Forthright Taylor told us Motorola's attitude is one of watchful waiting because too many companies are going off in different directions. He said that Motorola had been interested in the 3M approach but turned it down because "they wouldn't show us what's inside. We won't pay our money without knowing what we're buying," he stated.

Radio—Motorola radio sales have gained 25% this year. Galvin told the analysts that Motorola will have "a new [stereo] radio product" in about 18 months when FCC gives the green light to stereo multiplexing. Taylor echoed Motorola's intent to invade this field, declared that multiplexing "will bring the radio console back."

Future—"A sustained growth" of Motorola consumer products and a steady influx of new ones was forecast by Galvin. He said the company's research budget now approximates \$15 million annually, pointed to major activity in such fields as thin-film, semiconductors, electronic ceramics, others. He described solid-state science as the "greatest single challenge in the past 40 years."

New sets: Philco, having introduced its stereo and portable TV lines last spring, will show its 1961 console TV sets at its national distributors' convention Aug. 1 & 2 in Philadelphia. RCA will show new 1961 drop-in TV & stereo models in Chicago Aug. 24 & 25.

Trade Personals: Leonard F. Cramer, onetime Magnavox vp-gen. mgr. and Crosley vp & TV-radio gen. mgr., who has served as a marketing & management consultant for the last 1½ years, elected pres. of Casco Products Corp., now controlled by Standard Kollsman Industries (Vol. 16:23). . . . Fred M. Farwell, RCA mktg. vp, takes on additional duties as defense electronic products mktg. vp . . . James F. Haley, ex-Eastern regional mgr., named to new post of national field sales mgr., Motorola Consumer Products Inc. . . . Henry K. Kindig appointed gen. mfg. mgr., Sylvania picture tube operations, succeeding Gordon L. Fullerton, now gen. mgr. of the operations.

Henry C. Bonfig, CBS Inc. vp for marketing services, is due to return to his office this week after hospitalization in Evanston, Ill., for a knee injury . . . John P. Kearney, Kimble Glass Co. vp and former gen. mgr. of its electronic products div., named gen. mgr. of new industrial & electronics products div. of the subsidiary of Owens-Illinois Glass Co., in consolidation of 2 divs.; G. Pryor Malloy promoted Kimble vp and product mgr. for all products (including TV tube bulbs) except construction materials.

Donald E. Garrett appointed engineering advanced development mgr., GE's TV receiver dept. . . . Ralph H. G. Mathews, ex-Westinghouse TV-radio div., named mktg. dir., Blonder-Tongue Labs . . . John A. Witherell, ex-Motorola, named Pentron Sales Co. merchandising mgr. . . . J. P. Molnar, pres. of Sandia Corp. and a Western Electric vp, elected a Bell Labs vp, succeeded as Sandia pres. by S. P. Schwartz, who was also elected a Western Electric vp . . . Henry Blackstone, Servo Corp., appointed 1960-61 EIA small business committee chmn.; R. G. Zender, Lenz Electric Mfg. Co., named Midwest vice chmn.; K. F. Julin, Leach Corp., West Coast vice chmn.

George W. Dick named div. vp, commercial systems dept., in a realignment of RCA's electronic data processing div. into 3 integrated depts.—commercial systems, data communications and customs projects, and industrial computer systems. George E. Dashiell named div. vp, commercial systems mktg.; Robert Bruce named sales mgr. for the dept. J. Wesley Leas appointed data communications & custom projects dept. mgr.; Charles M. (Buck) Lewis continues as industrial computer system dept. mgr. John E. Johnson named commercial & industrial mktg. relations div. vp; Pinckney B. Reed, govt. mktg. relations vp.

Obituary

Jay Carver, 40, ad mgr., University Loudspeakers, was killed July 22 in an auto accident near Bear Mountain, N.Y.

Entering electroluminescent light field, RCA has announced that pilot production is under way in its Lancaster, Pa. plant on glowing panels for a variety of purposes—dial lights, instrument panels, highway signs, safety devices, decorative uses, etc. Full-scale manufacture will begin in the fall. The first direct consumer-merchandising of the new lighting material—trademarked "Panel-ray"—will be in a night light designed to operate 24 hours a day at a cost of less than one cent a year. Panels initially offered to equipment makers will be available in a choice of 5 colors, 5 sizes and 3 different AC voltages. RCA credited its work on color-TV phosphors with aiding the development of the electroluminescent panels.

FM converter for auto radios has been announced by Kinematix Inc., Chicago. The unit can be used with AM car radios or, with a special audio amplifier & speaker, as a complete FM radio. The price hasn't been disclosed.

Electronics-Electrical Rankings Among 1959's 100 Largest Foreign Industrials

Reprinted with permission from *Fortune Magazine*

Rank	Company	SALES ¹ (\$000)	ASSETS ² (\$000)	NET PROFITS ³ (\$000)	EMPLOYEES
'59					
6	Philips' Lamp Works (Holland)	1,100,526	1,235,690	92,286	189,000
7	Siemens (Germany)	866,190	692,214†	23,059†	188,000
23	Associated Electrical Industries (Britain)	583,628	611,841	13,093	98,993‡
24	Hitachi (Japan)	579,518	719,371	15,203**	80,712
35	AEG (Germany)	512,619	426,755	8,902**	109,000
37	English Electric (Britain)	487,200	401,889	10,784	80,000
38	Tokyo Shibaura Electric (Japan)	479,614	584,617	17,411**	71,700
44	Brown, Boveri (Switzerland)	444,034	424,570	4,035	66,529
63	British Insulated Callender's Cables (Britain)	358,400	274,800	9,088	36,000
64	Robert Bosch (Germany)	357,143*	122,165**	1,761**	60,000
77	General Electric (Britain)	302,585†	312,229†	5,552†	61,000†
95	ASEA (Sweden)	236,227†	262,315†	5,318†§	30,884
96	Northern Electric (Canada)	236,074	183,688	9,156	15,290

¹ Sales are consolidated third-party sales for fiscal years ending no later than March 31, 1960. ² Assets are consolidated balance-sheet totals. ³ Profits are consolidated net profits after taxes & all deductions. * *Fortune* estimate. ** Unconsolidated. † Partly consolidated. ‡ Preceding fiscal year. § Not comparable with preceding fiscal year.

Electronics' 'Big 20': Growth of the electronics industry is headed for a slowdown, says Charles E. Silberman in "The Coming Shakeout in Electronics" in Aug. *Fortune*. The detailed article explains that the industry can't possibly continue its rate of growth of the past decade—nearly 15% a year, or 3½ times as fast as all industrial production. Silberman points to the expanding industrial electronics market as the future growth area, and says that some companies (and investors) are going to get hurt in the scramble.

The consumer field will remain fairly static, he thinks—and it's a tough way to make a buck. Biggest breakthrough, in his opinion, would be an inexpensive & reliable color set, or acceptance of pay TV. Other possibilities for expansion of consumer-electronics market: "New & exotic products like electronic ovens, garage-door openers, radars & communication devices for pleasure boats, electronic organs, etc."

Particularly interesting is *Fortune's* list of "the big 20" top companies in electronics. The compilation, based in some cases on official company figures and in others on *Fortune's* own estimates, arranges the companies in order of their revenue from electronic products. These companies together corralled more than half of last year's \$9.5-million electronics business:

(1) RCA, \$1.045 billion. (2) GE, \$1 billion. (3) Western Electric, \$700 million. (4) Sperry Rand, \$645 million. (5 & 6) Hughes Aircraft & IBM, \$560 million each. (7) Raytheon, \$495 million. (8) GT&E, \$325 million. (9) ITT, \$305 million. (10) Motorola, \$290 million. (11) Philco, \$285 million. (12) Bendix, \$280 million. (13 & 14) Zenith & Westinghouse, \$260 million each. (15) North American Aviation, \$250 million. (16) Minneapolis-Honeywell, \$190 million. (17) Burroughs, \$175 million. (18) Thompson Ramo Wooldridge, \$165 million. (19) GPE, \$155 million. (20) Texas Instruments, \$145 million.

Dept. store TV-radio-phono departments showed biggest sales gains from 1958 to 1959, the National Retail Merchants Assn. reports in its 1960 edition of *Departmental Merchandising & Operating Results*, based on reports from 503 dept., specialty & branch stores. Of 197 different merchandise-selling departments, TV-radio-phono departments were the largest gainers, 29% ahead of 1958 in branch stores and 13% ahead in downtown stores.

Color-TV sales will range from less than 100,000 to 175,000 sets this year. That's the consensus of 6 industry executives queried by July *Mart*. The prognostications: Admiral electronics div. vp Ross D. Siragusa Jr., 140,000 color TVs; Emerson Radio & Phonograph Pres. Benjamin Abrams, 125,000 sets; Motorola consumer-products exec. vp Edward Taylor, less than 100,000; RCA Sales Corp. Pres. Jack S. Beldon made no industry forecast, but said: "Our color sales will be 40% to 50% ahead of 1959 volume", Westinghouse TV-radio-div. mktg. mgr. C. J. Urban, 175,000; Zenith Sales Pres. L. C. Truesdell, 125-150,000.

Packard Bell Electronics has been cited in an NLRB trial examiner's report for discrimination & retaliation against employes of 3 San Francisco Bay area plants who are members of Radio-TV Service Technicians Local 202, an IBEW affiliate. The report recommended that the company be ordered to give back-pay to 28 workers who were fired or laid off—allegedly because of union activity.

Televideo Corp. of America, Culver City, Cal. firm which trades as Picture Tube Mart, has failed to disclose to its customers that TV picture tubes it manufactures are rebuilt, FTC has charged. The firm's officers Thurman D. Brooms, Kenneth A. Redshaw & Milton Tobias were also cited in FTC's complaint, which said the alleged practice gave "uninformed or unscrupulous dealers the means to deceive the public."

New miniature tube construction—the "Ten Pin"—has been announced by Sylvania for entertainment & industrial applications. The configuration, designed to simplify circuitry & wiring by making possible additional tube functions within a single envelope, is similar to the regular 9-pin arrangement of the conventional T-6½ miniature tube with an additional pin centered in the pin circle.

New plants & expansions: Magnavox will open its new research labs at Torrance, Cal. Aug. 3. ● Sylvania's Argus Cameras div. will erect a 109,000-sq.-ft. plant at Columbus, S.C. to produce motion picture & slide projectors ● Westinghouse will lease 4 floors in N.Y.'s proposed Grand Central City skyscraper for its N.Y. district executive offices, which will be moved from 40 Wall St.

Latest Japanese radio trade name: "Americana." The new Americana line of transistor sets was announced by Sanshin Jitsugyo Co. Ltd., Tokyo, now soliciting agents.

WHERE TV EXPORTS GO: Which countries import U.S. TV sets? The picture is constantly changing—and large quantity imports often show up when a country's TV stations go on the air, or when additional TV stations are started. Generally speaking, our TV export sphere of influence is concentrated mainly in Latin America—not only a traditional U.S. market, but one which has the same TV standards as the U.S.

In March, the latest month for which Census Bureau export statistics are available, 9,926 complete TV sets (valued at \$1,328,286) and 2,913 TV chassis (\$193,481) were exported by the U.S. Venezuela was the biggest customer, taking 3,205 sets (\$470,605), followed by Peru with 1,229 sets, Canada (859), Mexico (737), Panama (735), Iran (700). A total of 30 countries bought at least \$1,000 in TV receivers each from the U.S. in March. Italy was the biggest customer for TV chassis, buying 1,283, with Canada 2nd (976).

Only 9,121 home-type radios at \$326,595 were exported in March, Venezuela taking almost one-third of them (2,561 at \$90,862). Canada was 2nd (2,486 at \$77,150), followed by Mexico, UK, Gibraltar & Liberia.

Canada is Biggest Tube Customer

Some 1.26 million receiving tubes (at \$1,083,600) were exported during the month—Canada being the biggest customer, taking more than one quarter of them. Mexico & Brazil were 2nd & 3rd. In semiconductors (889,054 at \$1.5 million), France was No. 1 importer in March, buying 203,079 (\$270,813), Canada & Italy being the only other countries importing more than 100,000. Interestingly, Japan imported 29,673 American semiconductors at \$214,018.

Export sales of TV transmitting & studio equipment vary widely from month to month. In March, Egypt was America's best customer for TV transmitters & related parts, buying \$106,881 worth out of a total \$421,532 sold. Argentina, Syria, Brazil, Mexico & Canada were next, in that order. Canada was the No. 1 customer for TV studio equipment (including closed-circuit), contributing \$477,256 to the total of \$1,418,776 earned by all U.S. exports in that category in March. Others, in order: Egypt, Syria, Brazil, France, UK, Japan.

Canada was the U.S.'s leading customer for TV camera tubes, buying 25 of the 107 exported. Australia was 2nd (24), Japan 3rd (16)—although Japan is now manufacturing its own TV camera tubes.

* * *

Tabulation of U.S. imports of electronics equipment for Feb. shows Japan leading in radios, tubes & parts; but UK leading in record-players & changers, Germany in radio-phono combinations. Here's the Feb. import lineup.

Transistor radios: From Japan, 211,951 (\$2,456,329); W. Germany, 3,020 (\$62,575); total, 215,073 (\$2,521,236).

Non-transistor portable radios: Japan, 13,392 (\$108,734); W. Germany, 1,740 (\$39,900); total, 15,132 (\$148,634). All other types of radios (total 20,188 at \$309,690) came from Japan, W. Germany, Netherlands & UK.

Radio-phono combinations: W. Germany, 7,792 (\$663,182); Japan, 845 (\$23,119); total, 8,788 (\$698,278).

Record changers, players & parts: UK, \$898,018; W. Germany, \$129,267; Sweden, \$32,670; Japan, \$14,852; Switzerland, \$11,589; total, \$180,377.

Tubes: Japan, 608,641 (\$188,477); Netherlands, 557,523 (\$182,533); UK, 333,013 (\$156,954); W. Germany, 198,187 (\$81,088); total, 1,772,124 (\$681,279).

Canada's Import Threat: Stepped-up imports from Japan, UK and Germany have Canada's young electronics industry reeling on the ropes. So warns the Electronic Industries Assn. of Canada, with support from the *Financial Post* (Toronto), in a recent analysis. Responding to reports that Japan is resuming shipments of transistor radios at a volume about equal to last year, EIA gen. mgr. Fred A. Radcliffe prophesied: "If this keeps up it will put the Canadian radio industry out of business."

EIA is pressing the Canadian govt. to impose quotas and other controls over imports in order to salvage the electronics industry, which has been forced to reduce its production force from 25,000 in 1955 to 19,000 currently (Vol. 16:26 p21). EIA notes that "radio-receiver manufacturers last year lost over 45% of their domestic market to foreign imports," warns that Canadian production of electron tubes will cease within 18 months without govt. control of Japanese imports.

Editorialized the *Financial Post*: "Net profits on the electrical industry's sales dollars fell to a miserable 2.8% last year from 4.1% at the beginning of the 1950s. This compared with a 5.1% return last year in Canadian manufacturing generally—and occurred despite millions & millions of dollars spent on modernization programs. If these trends continue, the very clear prospect is that the Canadian electrical industry will consist largely of glorified distributors (or partial assemblers) of foreign-made products. The very obvious truth is this: Canadian electrical manufacturers simply can't meet foreign competition in many lines in this country, especially competition from the UK, Germany and Japan."

Here's the impact of Japanese competition in Canada, as noted by the newspaper:

Radio imports have climbed 769% since 1957; Japan's share of Canadian market last year: 32.5%.

Electron tube shipments by Japan increased from 212,962 units in 1958 to 2.2 million last year and to a rate of 5-6 million this year. Employment at Canadian tube plants has dropped 24% in one year.

— ■ —

Replacement & repair of TV sets damaged during the recent Hawaiian tidal waves will be partly underwritten by GE and its Honolulu distributor, American Factors Ltd. GE announced that no charge for repair labor will be made to GE set owners for repairs and that TV owners can replace their sets at up to 40% off the usual price. The "relief" applies to both dealer-&-consumer-owned sets.

Updated & expanded manual on CR tube phosphors, *Optical Characteristics of Cathode Ray Tube Screens* (106 pp., \$5), has been published by the Joint Electron Device Engineering Council of EIA & NEMA. Identified as JEDEC publication No. 16, it's available from EIA engineering dept., room 2260, 11 W. 42 St., N.Y. 36.

No vacation shutdown is planned in GE's new phono plant at Decatur, Ill., where employment is scheduled to reach 400-450 this week. As previously announced, GE's TV & radio facilities will be closed Aug. 1-14. (For shutdown dates of other manufacturers, see Vol. 16:28 p16).

Magnetic tape sales are expected to reach \$150 million yearly by 1965, up from the current annual rate of about \$35 million, reports *The Wall Street Journal*. Breakdown: 65% for audio tape recorders; 30% computers & instruments; 5% TV broadcasting.

Finance

MOTOROLA'S RECORD PACE: Despite a hampering decline in the military portion (15-20%) of its over-all electronics business, Motorola racked up the best 2nd quarter & first half in its 33-year history (see financial table). Addressing the N.Y. Society of Security Analysts last week, Pres. Robert W. Galvin painted a bright picture of profit, progress and growth.

In its record first-half performance, Motorola registered a 10% profit gain to \$6.5 million on an 11% sales rise to \$143.5 million. Second-quarter earnings rose to a high of \$3.5 million from \$3.3 million a year ago, as sales increased to a record \$73 million from \$65 million. The balance of the year, Galvin noted, should show the "traditional improvement" in sales & earnings over the first half, "particularly in TV, stereo and radio products." For the total year, he forecast sales of more than \$310 million (vs. 1959's \$289.5 million) and an improvement over last year's \$14-million earnings.

Sales Growing at \$100-Million Pace

Galvin noted that consumer products account for just under 50% of total sales; that TV is Motorola's biggest-volume product; and that first-half consumer-product sales were up 12%. Over-all, Motorola sales are growing at the rate of \$100 million annually. "In 1950 we had 14 principal product businesses," Galvin emphasized. "Today we have 48, including 7 kinds of consumer-electronic products, 3 principal products for automotive manufacturers, 14 distinct product lines or systems for industrial communications, 13 major areas of military electronic activity and 12 major solid state & semiconductor product businesses." Among major growth items cited by Galvin:

Stereo hi-fi—Motorola claims 25-35% of market. "We continue to do the largest volume, and I'm sure we're earning the best profit of anyone in the industry."

Radios—sales up 25%.

Mobile radio—Motorola has "constantly enjoyed 60% of the land mobile-radio business," which grows at a steady rate of 10% annually.

Semiconductors—producing a "good-sized volume of business with nice profit" and with expectations of "many tens of millions of dollars from growth in this area."

For Motorola consumer-electronics highlights, turn to p. 19.

* * *

Other companies in consumer electronics showed mixed results in midyear financial statements (see table). Sylvania's parent GT&E reported improved sales & earnings for both the quarter & half, but offered no breakdown or comment on consumer business. Packard Bell, reporting a loss for the quarter and a sharp decline for the fiscal 9-month period, said plywood inventory losses of its Bellwood div. (doors)—as a result of Japanese imports—were responsible. Pres. Robert S. Bell said sales by the home-products div. were up 20% and profits 49% higher than during the first 3 quarters of fiscal 1959. He predicted increasing color-TV profits this year & next. Hoffman's 2nd-quarter profits were down, despite a 34% sales increase, but Pres. H. Leslie Hoffman forecast record profits & sales for 1960. He said the company's 1961 home-entertainment instruments have "met with wider acceptance than for a number of years," reversing the unsatisfactory trend of the division's first-half profits.

Broker's Recommendations: Electronics, now America's 5th largest industry, "seems destined to become the No. 1 industry of the nation." So said John Ferguson Jr., of the N.Y. investment dealer Clark, Dodge & Co., in a talk delivered to various investment groups in the last few weeks.

He warned, however, that all of the 4,000-plus electronics companies won't share in the continuing boom, and that another "severe market correction" in the electronics industry could be in the making now. As to an electronics portfolio, here are Ferguson's recommendations:

"Basically our philosophy toward this [electronics] group would be to accumulate top-quality issues on a dollar-averaging long-term basis in amounts & numbers of issues depending upon account requirements. The nucleus of such a group would be Litton Industries (diversified), Texas Instruments (semiconductors), Varian Associates (microwave) and Hewlett-Packard (instrumentation).

"As 2nd-tier back-up issues, we would include Beckman Instruments, Transitron (semiconductors), Magnavox (quality TV & good military electronics) and Eitel-McCullough (microwave). Beyond this, we would prefer to use the package approach for the many medium-to-smaller companies which appear to offer excellent long-range growth potential in their respective fields, but which carry a higher degree of risk.

"A sample of such a package would be FXR (microwave), Giannini (instruments & controls), International Rectifier (semiconductors), Taylor Instruments (process control), Loral Electronics (various) and Itek (information storage & retrieval). Others which could be used in this manner include Microwave Associates, Baird Atomic (various, including optical scanner), Barnes Engineering (infrared), Electronic Specialty (miscellaneous components & systems) and Laboratory for Electronics (communication & navigation)."

Reports & comments available: Sprague Electric, report, R. W. Pressprich & Co., 48 Wall St., N.Y. 5 • Westinghouse, discussion, Reynolds & Co., 120 Broadway, N.Y. 5 • Faradyne Electronics, study, Ross & Hirsch, 120 Broadway, N.Y. 5 • RCA, review, Fahnestock & Co., 65 Broadway, N.Y. 6 • Precision Transformer, analysis, John R. Boland & Co., 30 Broad St., N.Y. 4 • Victoreen Instruments, study, Cruttenden, Podesta & Co., 37 Wall St., N.Y. 5 • Control Data Corp., prospectus, Dean Witter & Co., 14 Wall St., N.Y. 5 • E S C Electronics Corp., offering circular, Laird, Bissell & Meeds, 120 Broadway, N.Y. 5 • Reeves Bcstg. & Development Corp., prospectus, Laird & Co., 61 Broadway, N.Y. 6.

Skiatron Electronics & Television reports a net loss of \$38,721 on sales of \$47,902 in the 6 months ended June 30. Comparative figures for the year-ago period not available.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
American Bosch Arma .	Stk.	1%	Oct. 14	Sep. 15
Bell & Howell	Q	\$0.10	Sep. 1	Aug. 19
GE Ltd.	Final	7%	Sep. 19	Aug. 11
P. R. Mallory	Q	.35	Sep. 10	Aug. 10
Oak Mfg.	Q	.25	Sep. 15	Sep. 1
Standard Radio	—	.20	Oct. 11	Sep. 21
Stanley Warner	Q	.30	Aug. 25	Aug. 10
Stewart-Warner	Q	.35	Sep. 10	Aug. 19
Tung-Sol	Q	.35	Sep. 2	Aug. 12
Westinghouse	Q	.30	Sep. 1	Aug. 8
Wurlitzer	Q	.20	Sep. 1	Aug. 12

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
America Corp. Story p. 24	1960—6 mo. to Jun. 30	\$ 15,640,499	—	\$ 673,711	\$0.16 ¹	3,183,229
	1959—6 mo. to Jun. 30	13,742,185	—	(203,843)	—	3,183,229
Arvin Industries	1960—6 mo. to Jun. 30	32,476,234	—	593,333	.52	1,132,534 ³
	1959—6 mo. to Jun. 30	32,115,771	—	1,095,084	.97 ²	1,132,534 ³
	1960—qtr. to Jun. 30	15,181,445	—	47,441	.04	1,132,534 ³
	1959—qtr. to Jun. 30	16,177,346	—	582,851	.51 ²	1,132,534 ³
Capital Cities Bcstg.	1960—6 mo. to Jun. 30	3,725,486	—	455,870	.40	—
	1959—6 mo. to Jun. 30	2,102,254	—	221,049	.19	—
	1960—qtr. to Jun. 30	1,927,323	—	249,954	.22	—
	1959—qtr. to Jun. 30	1,287,906	—	144,109	.13 ¹	—
Daystrom	1960—qtr. to Jun. 30	22,457,000	\$ 717,528	344,528	.38	915,813
	1959—qtr. to Jun. 30	21,239,000	753,661	361,661	.40	913,223
Electro-Voice	1960—qtr. to Jun. 30	—	—	49,586	.10	—
	1959—qtr. to Jun. 30	—	—	41,681	.09	—
Fairchild Camera & Instrument	1960—6 mo. to Jun. 30	30,285,000 ⁴	—	1,682,000 ⁴	1.62 ⁶	1,039,140
	1959—6 mo. to Jun. 30	18,741,000	—	795,000	.77 ⁵	986,526 ⁷
	1960—qtr. to Jun. 30	16,447,000 ⁴	—	832,000 ⁴	.85 ⁵	1,039,140
	1959—qtr. to Jun. 30	9,006,000	—	410,000	.40 ⁵	986,526 ⁷
Gen. Telephone & Electronics	1960—12 mo. to Jun. 30	1,122,641,000	—	74,120,000	1.10 ¹⁴	66,496,000 ¹⁴
	1959—12 mo. to Jun. 30	986,100,000	—	67,149,000	1.11 ¹⁴	59,684,000 ¹⁴
	1960—6 mo. to Jun. 30	552,484,000	—	35,069,000	.51 ¹⁴	—
	1959—6 mo. to Jun. 30	511,161,000	—	33,307,000	.54 ¹⁴	—
Hoffman Electronics	1960—qtr. to Jun. 30	13,719,653	248,524	120,524	.08	1,524,221
	1959—qtr. to Jun. 30	10,912,712	1,232,383	585,432	.38	1,506,022
Indiana General Corp.	1960—6 mo. to Jun. 30	10,410,082	1,487,593	733,313	.65	1,124,522
	1959—6 mo. to Jun. 30 ¹⁵	9,772,311	1,512,673	795,243	.71	1,124,522
Ling-Temco Electronics	1960—6 mo. to Jun. 30	76,120,306	—	1,437,076	.59	—
	1959— ⁹	—	—	—	—	—
	1960—qtr. to Jun. 30	42,480,837	—	1,124,372	.46	—
	1959— ⁹	—	—	—	—	—
Motorola Story p. 22	1960—6 mo. to Jun. 30	143,501,269 ¹⁰	13,552,962	6,506,218 ¹⁰	3.23 ¹¹	2,015,131
	1959—6 mo. to Jun. 30	128,867,246	12,104,204	5,886,371	3.04	1,935,131
	1960—qtr. to Jun. 30	73,204,227 ¹⁰	7,174,495	3,469,743 ¹⁰	1.72 ¹¹	2,015,131
	1959—qtr. to Jun. 30	65,214,062	6,633,881	3,269,944	1.69	1,935,131
Minn. Mining & Mfg.	1960—6 mo. to Jun. 30	263,013,173 ¹⁰	64,366,002	32,366,002 ¹⁰	.63	50,989,037
	1959—6 mo. to Jun. 30	237,358,645	58,197,074	29,597,074	.58	50,931,579
	1960—qtr. to Jun. 30	134,343,955 ¹⁰	32,048,091	16,148,091 ¹⁰	.32	50,989,037
	1959—qtr. to Jun. 30	122,186,325	30,640,554	15,640,554	.31	50,931,579
Muter	1960—6 mo. to Jun. 30	5,887,254	143,526	70,238	.08	839,523
	1959—6 mo. to Jun. 30	6,230,075	325,995	157,824	.19	800,313
Packard Bell Story p. 22	1960—9 mo. to Jun. 30	34,740,353	989,752	494,752	.61	811,880
	1959—9 mo. to Jun. 30	34,808,470	2,105,780	1,035,780	1.31	792,100
	1960—qtr. to Jun. 30	11,028,264	(81,349) ¹²	3,651	—	811,880
	1959—qtr. to Jun. 30	10,682,508	588,057	318,057	.40	792,100
Stewart-Warner	1960—6 mo. to Jun. 30	57,749,015	—	3,461,149	1.05	—
	1959—6 mo. to Jun. 30	57,230,619	—	3,769,864	1.15	—
	1960—qtr. to Jun. 30	27,423,884	—	1,521,130	.46	—
	1959—qtr. to Jun. 30	30,244,774	—	2,028,993	.62	—
Storer Bcstg. Story p. 24	1960—6 mo. to Jun. 30	—	—	2,820,939	1.14	2,474,750
	1959—6 mo. to Jun. 30	—	—	2,714,549 ¹³	1.10 ¹³	2,474,750
	1960—qtr. to Jun. 30	—	—	1,397,860 ¹⁰	.56	2,474,750
	1959—qtr. to Jun. 30	—	—	1,690,367 ¹³	.68 ¹³	2,474,750
Thompson Ramo Wooldridge	1960—6 mo. to Jun. 30	219,145,159	10,423,961	5,033,861	1.55 ¹	3,145,687
	1959—6 mo. to Jun. 30	199,537,238	9,980,109	4,926,209	1.53 ¹	3,116,103
	1960—qtr. to Jun. 30	107,509,667	5,438,282	2,671,582	.82 ¹	3,145,687
	1959—qtr. to Jun. 30	107,317,591	5,623,118	2,641,818	.82 ¹	3,116,103
Time Inc.	1960—6 mo. to Jun. 30	142,951,500	—	6,814,400	3.48	—
	1959—6 mo. to Jun. 30	131,802,400	—	6,043,800	3.09	—
Tung-Sol Electric	1960—26 wks. to Jul. 2	35,559,800	2,005,057	962,057	.92 ¹	924,521
	1959—26 wks. to Jul. 2	35,048,196	3,014,610	1,406,610	1.40 ¹	922,088

Notes: ¹ After pfd. dividends. ² Adjusted to shares now outstanding. ³ Outstanding Jun. 30, 1960. ⁴ Exclusive of recently acquired Du Mont Labs. ⁵ Based on 1,039,140 shares outstanding Jun. 30, 1960. ⁶ Adjusted to reflect stock split. ⁷ After \$137,367 tax credit. ⁸ After \$174,996 tax credit. ⁹ No comparisons available. ¹⁰ Record. ¹¹ Does not reflect 2-for-1 split July 15, 1960. ¹² Before tax credit of \$85,000. ¹³ Includes capital gains of \$582,417 (24c) on sale of radio WAGA Atlanta. ¹⁴ Based on average shares outstanding during period. ¹⁵ Includes pre-merger figures of General Ceramics.

Top Foreign Electronics Firms: Thirteen companies of the electrical-electronics field are represented in *Fortune's* tally of the 100 biggest foreign firms, only one (Compagnie General d'Electricité, of France, 88th) having dropped from the list since 1958.

In the aggregate, the top 100 foreign firms reported a sales increase of 8% & a profit increase of 19.3% over 1958—short of the 11.6% & 25.1% rises reported by the top 500 American industrial firms (Vol. 16:28 p18).

Most impressive increases were scored by 2 Japanese electronics firms—Hitachi and Tokyo Shibaura Electric (Toshiba), rising from 46th to 24th and from 87th to 38th, respectively. Both were newcomers to the top 100 list in 1958. *Fortune* notes that the 5 Japanese firms on its 1959 list (3 iron & steel, 2 electrical) aggregated a 52.1% sales increase—on paper—“but Japanese accounting & reporting methods differ from European,” says *Fortune*, “and there is good reason to believe that the actual gain was far less, perhaps 30%.” (For *Fortune* rankings, see table on p. 20.)

Daystrom Inc., reporting an 88% increase in profit on 18% greater sales in the fiscal year ended March 31 (see financial table), predicts “another successful year” for fiscal 1961 in its annual report. Breaking down its sales by products 33% (\$30,062,000) vs. 35%. Daystrom's consumer-sent 37% (or \$33,648,000) in fiscal 1960 vs. 30% in fiscal 1959, industrial sales 30% (\$26,586,000) vs. 35%, consumer products 33% (\$30,062,000) vs. 35%. Daystrom's consumer product sales were divided as follows: leisure-time products (radio-hi-fi-marine-photographic) 18%, household products (steel, plastic & aluminum furniture) 10%, commercial test equipment 5%. Among Daystrom divisions & subsidiaries are Transicoil, the Heath Co. and Western Instruments.

Raytheon is closing in on its goal of net earnings equal to 3% of sales (vs. 1959's profit margin of about 2%), reports Pres. Richard E. Krafve. However, the full effect of the company's cost-reduction program won't be measurable until later this year, making it impossible to estimate first-half & 2nd-quarter profits. Krafve said shipments are up, backlog approximates first-quarter's \$300 million.

Corning Glass should set sales & earnings records in 1960, according to Pres. William C. Decker, but the 2nd quarter's gains in profits are being held down by production difficulties in the manufacture of glass envelopes for bonded tubes, and other temporary problems. The picture-tube problem is being solved, he added, although 2nd-quarter earnings will show “only a slight increase” over the 1959 period when the figure was \$6 million (89¢ a share).

Avionics Investment Corp., Washington firm licensed under the Small Business Investment Act to provide equity capital & long-term loans in the general field of aviation & missiles, has applied to SEC (File 2-16799) for registration of 400,000 capital stock shares for public sale at \$10 per share. S. D. Fuller & Co. heads an underwriting group.

Storer Bcstg. racked up near-record earnings of \$2.8 million on a 13% spurt in broadcast revenues during 1960's first half (see financial chart). The net income was equal to \$1.14 a share, surpassed only by the \$1.15 recorded in first-half 1956. Record profits of \$1.7 million were posted in the 2nd quarter on a revenue gain of 11%.

Columbia Pictures has asked SEC (File 2-16817) to register 69,353 common-stock shares for use in the company's employes' stock-purchase plan.

Rollins Bcstg. Co., whose most recent acquisitions are WCHS-TV & WCHS Charleston, W. Va. (Vol. 16:29 p10), plans public sale of 110,000 common-stock shares—75,000 by the company, 35,000 by dir. John W. Rollins. Seeking SEC registration of the shares (File 2-16829), the company said proceeds from its sale of the 75,000 would be “used for corporate purposes, including the acquisition of additional businesses & properties which may become available.” F. Eberstadt & Co. heads underwriters for the offering, whose price was to be supplied in an amended SEC statement. In its application, the company reported it is paying Pres. O. Wayne Rollins \$265,000 for 4 tracts of land contiguous to 8,069 acres in Okeechobee County, Fla. which it bought from him in 1958 for \$1.2 million, of which notes to Rollins for \$777,778 are outstanding. As part of this deal, the notes will be reduced to \$774,409 and the debt will be canceled by issuance to Rollins of 100,000 Class B common shares and payment by Rollins to the company of \$25,591 cash.

America Corp. (formerly Chesapeake Industries) rebounded from 1959's first-half loss of \$203,843 with a profit of \$673,711 in the 6 months to June 30 (see financial chart). Pres. Gordon K. Greenfield said the diversified holding company has “disposed of the 2 operations which accounted for the bulk of last year's losses.” (These were color-film processing Pathecolor and card-maker Stanley Greetings.) America now embraces Pathé Labs (motion picture & TV-film processing), Virginia Metal Products and Portsmouth (O.) Gas Co. Greenfield also reported that America has extended to Aug. 15 its tenders to buy up to 10,000 shares of its \$4 pfd. stock (\$45) and up to 5,000 of \$6 pfd. (\$55).

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, July 28, 1960

Electronics TV-Radio-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked	Stock	Bid	Asked
Acoustica Associates	29½	32½	Magnetics, Inc.	11¼	12½
Aerovox	10	11¼	Maxson (W.L.)	8¾	9¾
Allied Radio	20¾	22½	Meredith Pub.	40½	44½
Astron Corp.	2	2½	Metropolitan Bcstg.	15½	16¾
Baird Atomic	33	35½	Milgo Electronics	21½	24½
British Industres	14	15¼	MPO Videonics	6½	7¾
CGS Labs	11	13%	Nardo Microwave	6½	7¾
Control Data Corp.	38¾	41%	Nardo Ultrasonic	4¾	5½
Cook Elec.	15¾	17	National Co.	22¼	24¾
Craig Systems	14¾	16¼	Nuclear of Chicago	34	36¾
Dictaphone	38¾	41%	Official Films	1-7/10	1-11/16
Digitronics	22½	24%	Pacific Automation	8¾	9¾
Eastern Ind.	11¾	13	Pacific Mercury	8¾	9½
Eitel-McCullough	24¾	26¼	Perkin-Elmer	38	40¾
Elco Corp.	17¼	19%	Phillips Lamp	159	164¾
Electro Instruments	42½	46½	Pyramid Electric	3¾	2¾
Electro Voice	11¾	13%	Radiation Inc.	22	24¾
Electronic Associates	24½	26%	Howard W. Sams	40¼	44¾
Erie Resistor	8¾	9¾	Sanders Associates	45½	49¼
Executone	26	29%	Silicon Transistor	7	8¼
Farrington Mfg.	31¾	34%	Soroban Engineering	26½	29%
Fischer & Porter	14¼	15¾	Soundsciber	12½	14¼
FXR	44½	48¼	Speer Carbon	18	19¾
General Devices	17¾	19%	Sprague Electric	54	58
G-L Electronics	9½	10¼	Taft Bcstg.	13	14¾
Granco Products	6	6¾	Taylor Instrument	74	79¾
Gross Telecasting	19¼	21¼	Technology Inst.	9¾	11¼
Haydu	½	¼	Tele-Broadcasters	1½	1¾
Hewlett-Packard	77	81¾	TeleChrome	24	26¾
High Voltage Eng.	125	137	Telecomputing	8¾	9¾
Infrared Industries	19	22½	Telemeter	15	16¾
International Rect.	22¾	24¾	Time Inc.	57½	61
Interstate Engineering	26	28	Tracerlab	12¾	14½
Itek	57½	62	United Artists	7¾	8¾
Jerrold	9	9¾	United Control	27	29¾
Lab for Electronics	46	49¾	Universal Trans.	1¾	2½
Lel, Inc.	4¾	5¾	Vitro	12¾	13¾
LFE Inc.	10	12¾	Vocaline	3½	4
Ling Altec Electr.	22	23¾	Wells-Gardner	15¼	16½
Magna Theater	2¾	3-1/16	Wometco Ent.	12½	13¾
Magnetic Amp.	9	—			

WEEKLY **Television Digest**

AUGUST 1, 1960

© 1960 TRIANGLE PUBLICATIONS, INC.

SPECIAL SUPPLEMENT No. 7

Full text of FCC's

NAB LIBRARY

Report & Statement of Policy on Programming Inquiry

Public Notice 60-970

July 29, 1960

This "Report and Statement of Policy Re: Commission En Banc Programming Inquiry" was adopted July 27 by the Commission en banc—Ford (chairman), Bartley, Lee, Craven and Cross, with Comr. Hyde dissenting and Comr. King not participating.

WITH SEPARATE STATEMENT OF COMMISSIONER HYDE

ON OCT. 3, 1957 the Commission's network study staff submitted its report on network broadcasting. While the scope and breadth of the network study as set forth in order No. 1 issued Nov. 21, 1955 encompassed a comprehensive study of programming, it soon became apparent that due to factors not within the control of the staff or the committee, consideration of programming would be subject to substantial delay making it impracticable that the target dates for the over-all report could be met in the program area. The principal reasons were: (a) the refusal of certain program distributors and producers to provide the committee's staff with certain information which necessitated protracted negotiations and ultimately legal action (FCC vs. Ralph Cohn, et al, 154 F. Supp. 899); and (b) the fact that a coincidental and collateral investigation into certain practices was instituted by the Department of Justice. Accordingly the network study staff report recommended that the study of programming be continued and completed. The director of the network study in his memorandum of transmittal of the network study report stated:

The staff regrets that it was unable to include in the report its finding and conclusions in its study of programming. It is estimated that more than one-fourth of the time of the staff was expended in this area. However, the extended negotiations and litigation with some non-network program producers relative to supplying financial data necessary to this aspect of the study made it impossible to obtain this information from a sufficient number of these program producers to draw definitive conclusions on all the programming issues. Now that the Commission's right to obtain this information has been sustained, it is the hope of the staff that this aspect of the study will be completed and the results included in a supplement to the report. Unless the study of programming is completed, the benefit of much labor on this subject will have been substantially lost."

As a result, on Feb. 26, 1959, the Commission issued its "Order for Investigatory Proceeding," Docket No. 12782. That order stated that during the course of the network study and otherwise, the Commission had obtained information and data regarding the acquisition, production, ownership, distribution, sale, licensing and exhibition of programs for television broadcasting. Also that that information and data had been augmented from other sources including hearings before committees of Congress and from the Dept. of Justice, and that the Commission had determined that an over-all inquiry should be made to determine the facts with respect to the television network program selection process. On Nov. 9, 1959, the proceeding instituted by the Commission's order of Feb. 26, 1959 was amended and enlarged to include a general inquiry with respect to programming to determine, among other things, whether the general standards heretofore laid down by the

Commission for the guidance of broadcast licensees in the selection of programs and other material intended for broadcast are currently adequate; whether the Commission should, by the exercise of its rule-making power, set out more detailed and precise standards for such broadcasters; whether the Commission's present review and consideration in the field of programming and advertising are adequate, under present conditions in the broadcast industry; and whether the Commission's authority under the Communications Act of 1934, as amended, is adequate, or whether legislation should be recommended to Congress.

This inquiry was heard by the Commission *en banc* between Dec. 7, 1959 and Feb. 1, 1960, and consumed 19 days in actual hearings. Over 90 witnesses testified relative to the problems involved, made suggestions and otherwise contributed from their background and experience to the solution of these problems. Several additional statements were submitted. The record in the *en banc* portion of the inquiry consisted of 3,775 pages of transcript plus 1,000 pages of exhibits. The interim report of the staff of the Office of Network Study was submitted to the Commission for consideration on June 15, 1960.

The Commission will make every effort to expedite its consideration of the entire docket proceeding and will take such definitive action as the Commission determines to be warranted. However, the Commission feels that a general statement of policy responsive to the issues in the *en banc* inquiry is warranted at this time.

Prior to the *en banc* hearing, the Commission had made its position clear that, in fulfilling its obligation to operate in the public interest, a broadcast station is expected to exercise reasonable care and prudence with respect to its broadcast material in order to assure that no matter is broadcast which will deceive or mislead the public. In view of the extent of the problem existing with respect to a number of licensees involving such practices as deceptive quiz shows and payola which had become apparent, the Commission concluded that certain proposed amendments to our rules and as well as proposed legislation would provide a basis for substantial improvements. Accordingly, on Feb. 5, 1960, we adopted a Notice of Proposed Rule Making to deal with fixed quiz and other non-*bona fide* contest programs involving intellectual skill. These rules would prohibit the broadcasting of such programming unless accompanied by an announcement which would in all cases describe the nature of the program in a manner to sufficiently apprise the audience that the events in question are not in fact spontaneous or actual measures of knowledge or intellectual skill. Announcements would be made at the beginning and end of each program. Moreover, the proposed rules would require a station, if it obtained such a program from networks, to be assured similarly that the network program has an accompanying announcement of this nature. This, we believe, would go a

long way toward preventing any recurrence of problems such as those encountered in the recent quiz show programs.

We have also felt that this sort of conduct should be prohibited by statute. Accordingly, we suggested legislation designed to make it a crime for anyone to wilfully and knowingly participate or cause another to participate in or cause to be broadcast a program of intellectual skill or knowledge where the outcome thereof is prearranged or predetermined. Without the above-described amendment, the Commission's regulatory authority is limited to its licensing function. The Commission cannot reach networks directly or advertisers, producers, sponsors, and others who, in one capacity or another, are associated with the presentation of radio and television programs which may deceive the listening or viewing public. It is our view that this proposed legislation will help to assure that every contest of intellectual skill or knowledge that is broadcast will be in fact a *bona fide* contest. Under this proposal, all those persons responsible in any way for the broadcast of a deceptive program of this type would be penalized. Because of the far-reaching effects of radio and television, we believe such sanctions to be desirable.

The Commission proposed on Feb. 5, 1960 that a new section be added to the Commission's rules which would require the licensee of radio broadcast stations to adopt appropriate procedures to prevent the practice of payola amongst his employees. Here again the standard of due diligence would have to be met by the licensee. We have also approved on Feb. 11 the language of proposed legislation which would impose criminal penalties for failure to announce sponsored programs, such as payola and others, involving hidden payments or other considerations. This proposal looks toward amending the United States Code to provide fines up to \$5,000 or imprisonment up to one year, or both, for violators.

It would prohibit the payment to any person or the receipt of payment by any person for the purpose of having as a part of the broadcast program any material on either a radio or television show unless an announcement is made as part of the program that such material has been paid for or furnished. The Commission now has no direct jurisdiction over the employes of a broadcast station with respect to this type of activity. The imposition of a criminal penalty appears to us to be an effective manner for dealing with this practice. In addition, the Commission has made related legislative proposals with respect to fines, temporary suspension of licenses, and temporary restraining orders.

In view of our mutual interest with the Federal Trade Commission and in order to avoid duplication of effort, we have arrived at an arrangement whereby any information obtained by the FCC which might be of interest to FTC will be called to that Commission's attention by our staff. Similarly, FTC will advise our Commission of any information or data which it acquires in the course of its investigations which might be pertinent to matters under jurisdiction of the FCC. This is an understanding supplemental to earlier liaison arrangements between FCC and FTC.

Certain legislative proposals recently made by the Commission as related to the instant inquiry have been mentioned. It is appropriate now to consider whether the statutory authority of the Commission with respect to programming and program practices is, in other respects, adequate.

In considering the extent of the Commission's authority in the area of programming it is essential first to examine the limitations imposed upon it by the First Amendment to the Constitution and Sec. 326 of the Communications Act.

The First Amendment to the United State Constitution reads as follows:

Congress shall make no law respecting an establishment of religion or prohibit in the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the government for a redress of grievances.

Sec. 326 of the Communications Act of 1934, as amended, provides that:

Nothing in this chapter shall be understood or con-

strued to give the Commission the power of censorship over the radio communications or signals transmitted by any radio station, and no regulation or condition shall be promulgated or fixed by the Commission which shall interfere with the right of free speech by means of radio communication.

The communication of ideas by means of radio and television is a form of expression entitled to protection against abridgement by the First Amendment to the Constitution. In *United States vs. Paramount Pictures*, 334 U.S. 131, 166 (1948) the Supreme Court stated:

We have no doubt that moving pictures, like newspapers and radio, are included in the press whose freedom is guaranteed by the First Amendment.

As recently as 1954 in *Superior Films vs. Dept. of Education*, 346 U.S. 587, Justice Douglas in a concurring opinion stated:

Motion pictures are, of course, a different medium of expression than the radio, the stage, the novel or the magazine. But the First Amendment draws no distinction between the various methods of communicating ideas.

Moreover, the free speech protection of the First Amendment is not confined solely to the exposition of ideas nor is it required that the subject matter of the communication be possessed of some value to society. In *Winters vs. New York*, 333 U.S. 507, 510 (1948), the Supreme Court reversed a conviction based upon a violation of an ordinance of the City of New York which made it punishable to distribute printed matter devoted to the publication of accounts of criminal deeds and pictures of bloodshed, lust or crime. In this connection the court said:

We do not accede to appellee's suggestion that the Constitutional protection for a free press applies only to the exposition of ideas. The line between the informing and the entertaining is too elusive for the protection of that basic right . . . Though we can see nothing of any possible value to society in these magazines, they are as much entitled to the protection of free speech as the best of literature.

Notwithstanding the foregoing authorities, the right to the use of the airwaves is conditioned upon the issuance of a license under a statutory scheme established by Congress in the Communications Act in the proper exercise of its power over commerce.¹ The question therefore arises as to whether, because of the characteristics peculiar to broadcasting which justifies the government in regulating its operation through a licensing system, there exists the basis for a distinction as regards other media of mass communication with respect to application of the free speech provisions of the First Amendment. In other words, does it follow that because one may not engage in broadcasting without first obtaining a license, the terms thereof may be so framed as to unreasonably abridge the free speech protection of the First Amendment?

We recognize that the broadcasting medium presents problems peculiar to itself which are not necessarily subject to the same rules governing other media or communication. As we stated in our petition in *Grove Press Inc. and Readers Subscription Inc. vs. Robert K. Christenberry* (Case No. 25,861) filed in the U.S. Court of Appeals for the Second Circuit, "radio and TV programs enter the home and are readily available not only to the average normal adult but also to children and to the emotionally immature. . . Thus, for example, while a nudist magazine may be within the protection of the First Amendment . . . the televising of nudes might well raise a serious question of programming contrary to 18 U.S.C. 1464. . . Similarly, regardless of whether the 'four-letter words' and sexual description, set forth in *Lady Chatterley's Lover* (when considered in the context of the whole book) make the book obscene for mailability purposes, the utterance of such words or the depiction of such sexual activity on radio or TV would raise similar public interest and Sec. 1464 questions." Nevertheless, it is essential to keep in mind that "the basic principles of freedom of speech and the press like the First Amendment's command do not vary."²

¹*NBC vs. United States*, 319 U.S. 190 (1943).

²*Burstyn vs. Wilson*, 343 U.S. 495, 503 (1952).

Although the Commission must determine whether the total program service of broadcasters is reasonably responsive to the interests and needs of the public they serve, it may not condition the grant, denial or revocation of a broadcast license upon its own subjective determination of what is or is not a good program. To do so would "lay a forbidden burden upon the exercise of liberty protected by the Constitution."³ The chairman of the Commission during the course of his testimony recently given before the Independent Offices Subcommittee of the Senate Committee on Appropriations expressed the point as follows:

Mr. Ford. When it comes to questions of taste, unless it is downright profanity or obscenity, I do not think that the Commission has any part in it.

I don't see how we could possibly go out and say this program is good and that program is bad. That would be a direct violation of the law.⁴

In a similar vein, Mr. Whitney North Seymour, president-elect of the American Bar Association, stated during the course of this proceeding that while the Commission may inquire of licensees what they have done to determine the needs of the community they propose to serve, the Commission may not impose upon them its private notions of what the public ought to hear.⁵

Nevertheless, several witnesses in this proceeding have advanced persuasive arguments urging us to require licensees to present specific types of programs on the theory that such action would enhance freedom of expression rather than tend to abridge it. With respect to this proposition, we are constrained to point out that the First Amendment forbids governmental interference asserted in aid of free speech, as well as governmental action repressive of it. The protection against abridgement of freedom of speech and press flatly forbids governmental interference, benign or otherwise. The First Amendment, "while regarding freedom in religion, in speech and printing and in assembling and petitioning the government for redress of grievances as fundamental and precious to all, seeks only to forbid that Congress should meddle therein." (Powe vs. United States, 109 F 2nd 147).

As recently as 1959 in *Farmers Educational & Cooperative Union of America vs WDAY Inc.* 360 U.S. 525, the Supreme Court succinctly stated:

... Expressly applying this country's tradition of free expression to the field of radio broadcasting, Congress has from the first emphatically forbidden the Commission to exercise any power of censorship over radio communication.

An examination of the foregoing authorities serves to explain why the day-to-day operation of a broadcast station is primarily the responsibility of the individual station licensee. Indeed, Congress provided in Sec. 3(h) of the Communications Act that a person engaged in radio broadcasting shall not be deemed a common carrier. Hence, the Commission in administering the Act and the courts in interpreting it have consistently maintained that responsibility for the selection and presentation of broadcast material ultimately devolves upon the individual station licensee, and that the fulfillment of the public interest requires the free exercise of his independent judgement. Accordingly, the Communications Act "does not essay to regulate the business of the licensee. The Commission is given no supervisory control over programs, of business management or of policy . . . The Congress intended to leave competition in the business of broadcasting where it . . ."⁶ The regulatory responsibility of the Commission in the broadcast field essentially involves the maintenance of a balance between the preservation of a free competitive broadcast system, on the one hand, and the reasonable restriction of that freedom inherent in the public interest standard provided in the Communications Act on the other.

In addition, there appears a second problem quite unrelated to the question of censorship that would enter into the Commission's assumption of supervision over program content. The Commission's role as a practical matter, let alone a legal matter, cannot be one of program dictation

or program supervision. In this connection we think the words of Justice Douglas are particularly appropriate:

The music selected by one bureaucrat may be as offensive to some as it is soothing to others. The news commentator chosen to report on the events of the day may give overtones to the news that pleases the bureaucrat but which rile the . . . audience. The political philosophy which one radio sponsor exudes may be thought by the official who makes up the programs as the best for the welfare of the people. But the man who listens to it . . . may think it marks the destruction of the republic . . . Today it is a business enterprise working out a radio program under the auspices of government. Tomorrow it may be a dominant political or religious group. . . . Once a man is forced to submit to one type of program, he can be forced to submit to another.

It may be but a short step from a cultural program to a political program. . . . The strength of our system is in the dignity, resourcefulness and the intelligence of our people. Our confidence is in their ability to make the wisest choice. That system cannot flourish if regimentation takes hold.⁷

Having discussed the limitations upon the Commission in the consideration of programming, there remains for discussion the exceptions to those limitations and the area of affirmative responsibility which the Commission may appropriately exercise under its statutory obligation to find that the public interest, convenience and necessity will be served by the granting of a license to broadcast.

In view of the fact that a broadcaster is required to program his station in the public interest, convenience and necessity, it follows despite the limitations of the First Amendment and Sec. 326 of the Act, that his freedom to program is not absolute. The Commission does not conceive that it is barred by the Constitution or by statute from exercising any responsibility with respect to programming. It does conceive that the manner or extent of the exercise of such responsibility can introduce Constitutional or statutory questions. It readily concedes that it is precluded from examining a program for taste or content, unless the recognized exceptions to censorship apply: For example, obscenity, profanity, indecency, programs inciting to riots, programs designed or inducing toward the commission of crime, lotteries, etc. These exceptions, in part, are written into the United States Code and, in part, are recognized in judicial decision. See Sections 1304, 1343 and 1464 of Title 18 of the United States Code (lotteries; fraud by radio; utterance of obscene, indecent or profane language by radio). It must be added that such traditional or legislative exceptions to a strict application of the freedom of speech requirements of the United States Constitution may very well also convey wider scope in judicial interpretation as applied to licensed radio than they have had or would have as applied to other communications media. The Commission's petition in the *Grove Case*, *supra*, urged the court not unnecessarily to refer to broadcasting, in its opinion, as had the District Court. Such reference subsequently was not made though it must be pointed out there is no evidence that the motion made by the FCC was a contributing factor. It must nonetheless be observed that this Commission conscientiously believes that it should make no policy or take any action which would violate the letter or the spirit of the censorship prohibitions of Sec. 326 of the Communications Act.

As stated by the Supreme Court of the United States in *Joseph Burstyne Inc. vs. Wilson*, *supra*:

... Nor does it follow that motion pictures are necessarily subject to the precise rule governing any other particular method of expression. Each method tends to present its own peculiar problem. But the basic principles of freedom of speech and the press, like the First Amendment's command, do not vary. Those principles, as they have frequently been enunciated by this court, make freedom of expression the rule.

A review of the Communications Act as a whole clearly reveals that the foundation of the Commission's authority rests upon the public interest, convenience and necessity.⁸

³Cantwell vs. Connecticut, 310 U.S. 926, 307.

⁴Hearings before Subcommittee of the Committee on Appropriations, U.S. Senate, 86th Congress, 2nd Session on H.R. 11776 at page 775.

⁵Memorandum of Mr. Whitney North Seymour, special counsel to the National Association of Broadcasters at page 7.

⁶FCC vs. Sanders Bros., 309 U.S. 470 (1940).

⁷Public Utilities Commission vs. Pollak, 343 U.S. 451, 468, Dissenting Opinion.

⁸Sec. 307(d), 308, 309, *inter alia*.

The Commission may not grant, modify or renew a broadcast station license without finding that the operation of such station is in the public interest. Thus, faithful discharge of its statutory responsibilities is absolutely necessary in connection with the implacable requirement that the Commission approve no such application for license unless it finds that "public interest, convenience and necessity would be served." While the public interest standard does not provide a blueprint of all of the situations to which it may apply, it does contain a sufficiently precise definition of authority so as to enable the Commission to properly deal with the many and varied occasions which may give rise to its application. A significant element of the public interest is the broadcaster's service to the community. In the case of *NBC vs. United States*, 319 U. S. 190, the Supreme Court describes this aspect of the public interest as follows:

"An important element of public interest and convenience affecting the issue of a license is the ability of the licensee to render the best practicable service to the community reached by broadcasts . . . The Commission's licensing function cannot be discharged, therefore, merely by findings that there are no technological objections to the granting of a license. If the criterion of 'public interest' were limited to such matters how could the Commission choose between two applicants for the same facilities, each of whom is financially and technically qualified to operate a station? Since the very inception of federal regulation of radio, comparative considerations as to the services to be rendered have governed the application of the standard of "public interest, convenience or necessity."

Moreover, apart from this broad standard which we will further discuss in a moment, there are certain other statutory indications.

It is generally recognized that programming is of the essence of radio service. Sec. 307(b) of the Communications Act requires the Commission to "make such distribution of licenses . . . among the several states and communities as to provide a fair, efficient, and equitable distribution of radio service to each of same." Under this section, the Commission has consistently licensed stations with the end objective of either providing new or additional programming service to a community, area or state, or of providing a new or additional "outlet" for broadcasts from a community, area or state. Implicit in the former alternative is increased radio reception; implicit in the latter alternative is increased radio transmission and, in this connection, appropriate attention to local live programming is required.

Formerly, by reason of administrative policy, and since September 14, 1959, by necessary implication from the amended language of Sec. 315 of the Communications Act, the Commission has had the responsibility for determining whether licensees "afford reasonable opportunity for the discussion of conflicting views on issues of public importance." This responsibility usually is of the generic kind and thus, in the absence of unusual circumstances, is not exercised with regard to particular situations but rather in terms of operating policies of stations as viewed over a reasonable period of time. This, in the past has meant a review, usually in terms of filed complaints, in connection with the applications made each 3-year period for renewal of station licenses. However, that has been a practice largely traceable to workload necessities, and, therefore, not so limited by law. Indeed, the Commission recently has expressed its views to the Congress that it would be desirable to exercise a greater discretion with respect to the length of licensing periods within the maximum 3-year license period provided by Section 307(d). It has also initiated rulemaking to this end.

The foundation of the American system of broadcasting was laid in the Radio Act of 1927 when Congress placed the basic responsibility for all matter broadcast to the public at the grass-roots level in the hands of the station licensee. That obligation was carried forward into the Communications Act of 1934 and remains unaltered and undivided. The licensee, is, in effect, a "trustee" in the sense that his license to operate his station imposes upon him a non-delegable duty to serve the public interest in the community he had chosen to represent as a broadcaster.

Great confidence and trust are placed in the citizens who have qualified as broadcasters. The primary duty and

privilege to select the material to be broadcast to his audience and the operation of his component of this powerful medium of communication is left in his hands. As was stated by the Chairman in behalf of this Commission in recent testimony before a Congressional committee:

"Thus far Congress has not imposed by law an affirmative programming requirement on broadcast licensees. Rather, it has heretofore given licensees a broad discretion in the selection of programs. In recognition of this principle, Congress provided in section 3(h) of the Communication Act that a person engaged in radio broadcasting shall not be deemed a common carrier. To this end the Commission in administering the Act and the courts in interpreting it have consistently maintained that responsibility for the selection and presentation of broadcast material ultimately devolves upon the individual station licensee, and that the fulfillment of such responsibility requires the free exercise of his independent judgment."

As indicated by former President Hoover, then Secretary of Commerce, in the Radio Conference of 1922-1925:

"The dominant element for consideration in the radio field is, and always will be, the great body of the listening public, millions in number, country-wide in distribution. There is no proper line of conflict between the broadcaster and listener nor would I attempt to array one against the other. Their interests are mutual, for without the one the other could not exist.

"There have been few developments in industrial history to equal the speed and efficiency with which genius and capital have joined to meet radio needs. The great majority of station owners today recognize the burden of service and gladly assume it. Whatever other motive may exist for broadcasting, the pleasing of the listener is always a primary purpose . . .

"The greatest public interest must be the deciding factor. I presume that few will dissent as to the correctness of this principle, for all will agree that public good must ever balance private desire; but its acceptance leads to important and far-reaching practical effects, as to which there may not be the same unanimity, but from which, nevertheless there is no logical escape."

The confines of the licensee's duty are set by the general standards "the public interest, convenience or necessity."⁶ The initial and principle execution of that standard, in terms of the area he is licensed to serve, is the obligation of the licensee. The principle ingredient of such obligation consists of a diligent, positive and continuing effort by the licensee to discover and fulfill the tastes, needs and desires of his service area. If he has accomplished this, he has met his public responsibility. It is the duty of the Commission, in the first instance, to select persons as licensees who meet the qualifications laid down in the Act, and on a continuing basis to review the operations of such licensees from time to time to provide reasonable assurance to the public that the broadcast service it receives is such as its direct and justifiable interest requires.

Historically it is interesting to note that in its review of station performance the Federal Radio Commission sought to extract the general principles of broadcast service which should (1) guide the licensee in his determination of the public interest and (2) be employed by the Commission as an "index" or general frame of reference in evaluating the licensee's discharge of his public duty.

The Commission attempted no precise definition of the components of the public interest but left the discernment of its limit to the practical operation of broadcast regulation. It required existing stations to report the types of service which had been provided and called on the public to express its views and preferences as to programs and other broadcast services. It sought information from as many sources as were available in its quest of a fair and equitable basis for the selection of those who might wish to become licensees and the supervision of those who already engage in broadcasting.

The spirit in which the Radio Commission approached its unprecedented task was to seek to chart a course

⁶Testimony of Frederick W. Ford May 16, 1960, before Subcommittee on Communications of the Committee on Interstate & Foreign Commerce, U.S. Senate.

¹⁰CF, Communications Act of 1934, as amended, *inter alia*, Sec. 307, 309.

between the need of arriving at a workable concept of the public interest in station operation, on the one hand, and the prohibition laid on it by the First Amendment to the Constitution of the United States and by Congress in Section 29 of the Federal Radio Act against censorship and interference with free speech, on the other. The standards or guidelines which evolved from that process, in their essentials, were adopted by the Federal Communications Commission and have remained as the basis for evaluation of broadcast service. They have in the main, been incorporated into various codes and manuals of network and station operation.

It is emphasized that these standards or guidelines should in no sense constitute a rigid mold for station performance, nor should they be considered as a Commission formula for broadcast service in the public interest. Rather, they should be considered as indicia of the types and areas of service which, on the basis of experience, have usually been accepted by the broadcasters as more or less included in the practical definition of community needs and interests.

Broadcasting licensees must assume responsibility for all material which is broadcast through their facilities. This includes all programs and advertising material which they present to the public. With respect to advertising material, the licensee has the additional responsibility to take all reasonable measures to eliminate any false, misleading or deceptive matter and to avoid abuses with respect to the total amount of time devoted to advertising continuity as well as the frequency with which regular programs are interrupted for advertising messages. This duty is personal to the licensee and may not be delegated. He is obligated to bring his positive responsibility affirmatively to bear upon all who have a hand in providing broadcast matter for transmission through his facilities so as to assure the discharge of his duty to provide acceptable program schedules consonant with operating in the public interest in his community. The broadcaster is obligated to make a positive, diligent and continuing effort, in good faith, to determine the tastes, needs and desires of the public in his community and to provide programming to meet those needs and interests. This again is a duty personal to the licensee and may not be avoided by delegation of the responsibility to others.

Although the individual station licensee continues to bear legal responsibility for all matter broadcast over his facilities, the structure of broadcasting, as developed in practical operation, is such—especially in television—that, in reality, the station licensee has little part in the creation, production, selection and control of network program offerings. Licensees place “practical reliance” on networks for the selection and supervision of network programs which, of course, are the principal broadcast fare of the vast majority of television stations throughout the country.¹¹

In the fulfillment of his obligation the broadcaster should consider the tastes, needs and desires of the public he is licensed to serve in developing his programming and should exercise conscientious efforts not only to ascertain them but also to carry them out as well as he reasonably can. He should reasonably attempt to meet all such needs and interests on an equitable basis. Particular areas of interest and types of appropriate service may, of course, differ from community to community, and from time to time. However, the Commission does expect its broadcast licensees to take the necessary steps to inform themselves on the real needs and interests of the areas they serve and to provide programming which in fact constitutes a diligent effort, in good faith, to provide for those needs and interests.

The major elements usually necessary to meet the public interest, needs and desires of the community in which the station is located as developed by the industry, and recognized by the Commission have included: (1) Opportunity for Local Self-Expression, (2) The Development and Use of Local Talent, (3) Programs for Children, (4) Religious Programs, (5) Educational Programs, (6) Public Affairs Programs, (7) Editorialization by Licensees, (8) Political Broadcasts, (9) Agricultural Programs, (10) News Programs, (11) Weather and Market Reports, (12)

Sports Programs, (13) Service to Minority Groups, (14) Entertainment Programming.

The elements set out above are neither all-embracing nor constant. We re-emphasize that they do not serve and have never been intended as a rigid mold or fixed formula for station operation. The ascertainment of the needed elements of the broadcast matter to be provided by a particular licensee for the audience he is obligated to serve remains primarily the function of the licensee. His honest and prudent judgments will be accorded great weight by the Commission. Indeed, any other course would tend to substitute the judgment of the Commission for that of the licensee.

The programs provided first by “chains” of stations and then by networks has always been recognized by this Commission as of great value to the station licensee in providing a well-rounded community service. The importance of network programs need not be re-emphasized as they have constituted an integral part of the well-rounded program service provided by the broadcast business in most communities.

Our own observations and the testimony in this inquiry have persuaded us that there is no public interest basis for distinguishing between sustaining and commercially sponsored programs in evaluating station performance. However, this does not relieve the station from responsibility for retaining the flexibility to accommodate public needs.

Sponsorship of public affairs, and other similar programs, may very well encourage broadcasters to greater efforts in these vital areas. This is borne out by statements made in this proceeding in which it was pointed out that under modern conditions sponsorship fosters rather than diminishes the availability of important public affairs and “cultural” broadcast programming. There is some convincing evidence, for instance, that at the network level there is a direct relation between commercial sponsorship and “clearance” of public affairs and other “cultural” programs. Agency executives have testified that there is unused advertising support for public affairs type programming. The networks and some stations have scheduled these types of programs during “prime time.”

The Communications Act¹² provides that the Commission may grant construction permits and station licenses, or modifications or renewals thereof, “only upon written application” setting forth the information required by the Act and the Commission’s Rules and Regulations. If, upon examination of any such application, the Commission shall find the public interest, convenience and necessity would be served by the granting thereof, it shall grant said application. If it does not so find, it shall so advise the applicant and other known parties in interest of all objections to the application, and the applicant shall then be given an opportunity to supply additional information. If the Commission cannot then make the necessary finding, the application is designated for hearing and the applicant bears the burden of providing proof of the public interest.

During our hearings there seemed to be some misunderstanding as to the nature and use of the “statistical” data regarding programming and advertising required by our application forms. We wish to stress that no one may be summarily judged as to the service he has performed on the basis of the information contained in his application. As we said long ago:

“It should be emphasized that the statistical data before the Commission constitute an index only of the manner of operation of the stations and are not considered by the Commission as conclusive of the over-all operations of the stations in question.

“Licensees will have an opportunity to show the nature of their program service and to introduce other relevant evidence which would demonstrate that in actual operation the program service of the station is, in fact, a well-rounded program service and is in conformity with the promises and representations previously made in prior applications to the Commission.”¹³

¹¹The Commission, in recognition of this problem as it affects the licensees, has recently recommended to the Congress enactment of legislation providing for direct regulation of networks in certain respects.

¹²Sec. 308(a).

¹³Public Notice (98501), Sept. 20, 1946, “Status of Standard Broadcast Applications.”

As we have said above, the principal ingredient of the licensee's obligation to operate his station in the public interest is the diligent, positive and continuing effort by the licensee to discover and fulfill the tastes, needs and desires of his community or service area, for broadcast service.

To enable the Commission in its licensing function to make the necessary public interest finding, we intend to revise Part IV of our application forms to require a statement by the applicant, whether for new facilities, renewal or modification, as to: (1) the measures he has taken and the efforts he has made to determine the tastes, needs and desires of his community or service area, and (2) the manner in which he proposes to meet those needs and desires.

Thus we do not intend to guide the licensee along the path of programming; on the contrary the licensee must find his own path with the guidance of those whom his signal is to serve. We will thus steer clear of the bans of censorship without disregarding the public's vital interest. What we propose will not be served by pre-planned program format submissions accompanied by complimentary references from local citizens. What we propose is documented program submissions prepared as the result of assiduous planning and consultation covering two main areas: first, a canvass of the listening public who will receive the signal and who constitute a definite public interest figure; second, consultation with leaders in community life—public officials, educators, religious, the entertainment media, agriculture, business, labor—professional and eleemosynary organizations, and others who bespeak the interests which make up the community.

By the care spent in obtaining and reflecting the views thus obtained, which clearly cannot be accepted without attention to the business judgment of the licensee if his station is to be an operating success, will the standard of programming in the public interest be best fulfilled. This would not ordinarily be the case if program formats have been decided upon by the licensee before he undertakes his planning and consultation, for the result would show little stimulation on the part of the two local groups above referenced. And it is the composite of their contributive planning, led and sifted by the expert judgment of the licensee, which will assure to the station the appropriate attention to the public interest which will permit the Commission to find that a license may issue. By his narrative development, in his application, of the planning, consulting, shaping, revising, creating, discarding and evaluation of programming thus conceived or discussed, the licensee discharges the public interest facet of his business calling without government dictation or supervision and permits the Commission to discharge its responsibility to the public without invasion of spheres of freedom properly denied to it. By the practicality and specificity of his narrative, the licensee facilitates the application of expert judgment by the Commission. Thus, if a particular kind of educational program could not be feasibly assisted (by funds or service) by educators for more than a few time periods, it would be idle for program composition to place it in weekly focus. Private ingenuity and educational interest should look further, toward implemental suggestions of practical yet constructive value. The broadcaster's license is not intended to convert his business into "an instrumentality of the federal government;"¹⁴ neither, on the other hand, may he ignore the public interest which his application for a license should thus define and his operations thereafter reasonably observe.

¹⁴"The defendant is not an instrumentality of the federal government but a privately owned corporation." McIntire vs. Wm. Penn Broadcasting Co., 151 F. 2d 597, 600.

Numbers of suggestions were made during the *en banc* hearings concerning possible uses by the Commission of codes of broadcast practices adopted by segments of the industry as part of a process of self-regulation. While the Commission has not endorsed any specific code of broadcast practices, we consider the efforts of the industry to maintain high standards of conduct to be highly commendable and urge that the industry persevere in these efforts.

The Commission recognizes that submissions, by applicants, concerning their past and future programming policies and performance provide one important basis for deciding whether—insofar as broadcast services are concerned—we may properly make the public interest finding requisite to the grant of an application for a standard, FM or television broadcast station. The particular manner in which applicants are required to depict their proposed or past broadcast policies and services (including the broadcasting of commercial announcements) may, therefore, have significant bearing upon the Commission's ability to discharge its statutory duties in the matter. Conscious of the importance of reporting requirements, the Commission on Nov. 24, 1958 initiated proceedings (Docket No. 12673) to consider revisions to the rules prescribing the form in content of reports on broadcast programming.

Aided by numerous helpful suggestions offered by witnesses in the recent *en banc* hearings on broadcast programming, the Commission is at present engaged in a thorough study of this subject. Upon completion of that study we will announce, for comment by all interested parties, such further revisions to the present reporting requirements as we think will best conduce to an awareness by broadcasters of their responsibilities to the public and to effective, efficient processing by the Commission, of applications for broadcast licenses and renewals.

To this end, we will initiate further rule making on the subject at the earliest practicable date.
Adopted: July 27, 1960

SEPARATE STATEMENT OF COMR. HYDE

I believe that the Commission's "Interim Report and Statement of Policy" in Docket No. 12782 misses the central point of the hearing conducted by the Commission *en banc*, Dec. 7, 1959, to Feb. 1, 1960.

It reiterates the legal position which was taken by the Federal Radio Commission in 1927, and which has been adhered to by the Federal Communications Commission since it was organized in 1934. This viewpoint was accepted by the executives of the leading networks and by most other units of the broadcasting industry as well as the National Association of Broadcasters. The main concern requiring a fresh approach is what to do in the light of the law in the matters presented by many witnesses in the hearings. This, I understand, is to be the subject of a rule-making proceeding still to be initiated. I urged the preparation of an appropriate rule-making notice prior to the preparation of the instant statement.

I also disagree with the decision of the Commission to release the document captioned "Interim Report by the Office of Network Study, Responsibility for Broadcast Matter, Docket No. 12782." Since it deals in part with a hearing in which the Commission itself sat *en banc*, I feel that it does not have the character of a separate staff-study type of document, and that its release with the Commission policy statement will create confusion. Moreover, a substantial portion of the document is concerned with matter still under investigation process in Docket No. 12782. I think issuance of comment on these matters under the circumstances is premature and inappropriate.

A Service of Television Digest

This special supplement is sent to all TELEVISION DIGEST subscribers.
Additional reprints available at 50c each; 10 copies \$3.00; 25 copies \$5.00.

WEEKLY **Television Digest**

AUGUST 8, 1960

NAB LIBRARY © 1960 TRIANGLE PUBLICATIONS, INC.

AUG 8 1960

VOL. 16: No. 32

The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Stations

1960 REVENUE OUTLOOK—up 9-10%, according to top researchers. Revision of 1959 breakdown expected, spot expenditures showing greatest rise (p. 1).

Programming

PRE-ELECTION TV DEBATES causing network soul-searching on whether they should be sponsored. NBC and ABC are still lining up election-night advertisers (p. 2).

Congress

FCC VS. NAB in Congressional windup will pit Ford against Wasilewski for Senate hearings on TV-radio control bill. Equal-time suspension probable (p. 2).

Film & Tape

EARLIEST PILOT PUSH: Minimum of 74 pilots planned for fall production; action-adventure & comedy dominate (pp. 3 & 4).

Auxiliary Services

CATV AUDIENCE POTENTIALS for one-station pickups, shown in new Television Factbook, range to 56 systems & 92,087 subscribers in area of WDAU-TV Scranton (p. 3).

Networks

FIRST-HALF GROSS TIME BILLINGS gained 8.9% to \$336 million from \$309 million in first-half 1959; June billings jumped 10% to \$52.9 million from June 1959's \$48 million (p. 9).

Consumer Electronics

PHILCO STREAMLINING distribution & "image" with shortest TV line in history, "convertible" remote control, new policies toward distributors (pp. 12 & 14).

MIDYEAR SALES FIGURES show TV 17% ahead of last year, radio 23% ahead at the retail counter. Full resume of 1960's first half (p. 13).

AS OTHERS SEE US: British retailer takes a long look at U.S. TV-radio dealer and comes up with pros & cons (p. 14).

Advertising

BARGAINS BEING OFFERED by the networks to clear unsold time in new fall shows. Some deals involve little or no first-run program profit for the networks—and diplomatic headaches (p. 6).

ADA CREST ENDORSEMENT is likely to spell increased TV network & spot billings via Benton & Bowles that may jump gross billings for P&G toothpaste brand to \$15 million in next year (p. 6).

FCC

JACKSONVILLE CASE REOPENED by FCC, which orders new proceedings to see if Ch. 12 grant to WFGA-TV in 1956 should be voided for "misconduct or improprieties" (p. 8).

Other Departments

FOREIGN (p. 7). **STATIONS** (p. 10). **PROGRAMMING** (p. 11). **PERSONALS** (p. 11). **FINANCE** (p. 15).

1960 REVENUE OUTLOOK—UP 9-10%: This year shapes up about 9-10% better than last, in terms of total advertiser expenditures for telecasting, according to top industry researchers. We've checked with several, find fair agreement on total but divergence on breakdown of network, spot & local.

David Blank, CBS dir. of economic analysis, sees total running \$1.665 billion, up 9% from 1959's \$1.525 billion, as estimated by McCann-Erickson's Robert Coen (see p. 20, TV Factbook No. 30). Blank's breakdown: Network, \$810 million, up 8%; spot, \$535 million, up 10%; local, \$320 million, up 10%.

Leon Arons, TvB research vp, made his estimate last spring, plans to update it shortly. His forecast then was \$1.6855 billion, up 10% from 1959. And his breakdown: Network, \$850 million; spot, \$513.5 million; local, \$322 million.

Hugh M. Beville Jr., NBC planning & research vp, offered this estimate: \$1.63 billion, with breakdown of network, \$815 million; spot, \$515 million; local, \$300 million.

Everyone seems to take McCann-Erickson's figures as the most authoritative. We'd like to give its estimates, but it is committed to supply them first to Printers' Ink magazine—Aug. 12 issue.

NAB confines itself to estimates of "typical station" revenues, expects figure to run 6.8% over 1959.

There's disagreement over 1959 breakdown. McCann-Erickson's estimate was: Network, \$787 million; spot, \$458.5 million; local, \$280 million. Blank thinks that mix was off. His figures: Network, \$750 million, up 6% from 1958; spot, \$485 million, up 22%; local, \$290 million, up 17%.

On basis of industry reports and our own checking over the months, we're inclined to Blank's figures for 1959—except for local, which we think didn't rise 17%. More like 10-12%, we'd say.

We should know precisely in a few weeks, when FCC's final 1959 figures are out. These will also show industry profits, and all indications are that they'll be hefty increase over 1958's \$171.9 million. We judge that networks showed a fair profit rise in 1959, but that lion's share of increase went to stations—possibly as much as 50% higher than 1958.

POLITICS IN THE PROGRAM DEPT.: Planned Nixon-Kennedy debates have triggered new soul-searching among the 3 networks. In the wake of acceptances from both major candidates to appear in debate showcases offered by top network officials (Vol. 16:31 p6), another problem has arisen: Should programs of this sort be offered for sponsorship or televised purely as public service?

There's no unanimity of decision among networks. Late last week, the lineup went like this: (1) ABC-TV was quietly scouting agency reaction to the idea of such debates being sponsored by low-pressure, image-seeking clients. (2) CBS-TV "will not accept commercial sponsorship for these special programs," stated CBS Inc. Pres. Frank Stanton. (3) NBC-TV was undecided.

Other voices were heard on debate and Sec. 315 question, including those of American Civil Liberties Union (against suspension) and National ETV & Radio Center (for it). Editorialized Wall St. Journal Aug. 1: "They must be debates . . . and not just a reading of another political speech with all the tired old promises of a new world for all of us."

On another pre-election front, AB-PT Pres. Leonard H. Goldenson wired Vice President Richard M. Nixon and Senators Lyndon B. Johnson & Everett M. Dirksen offering to report "the sessions of the U.S. Senate on [ABC] radio & TV networks." Goldenson assured the Senatorial leaders that the session, scheduled to start Aug. 8, would be handled with "dignity" and that a "comprehensive review" of each day's session would be presented in prime time "when total family audience is available." There has been occasional TV-radio coverage of Senate committee & subcommittee sessions, but Congressional rules currently bar the direct broadcast of Senate & House sessions.

There's a scramble for election-night sponsors. CBS-TV is the sole network with a full-program sponsor (Westinghouse, which also sponsored the conventions and will put on 9 pre-election shows). NBC-TV is dividing sponsorships into sixths and twelfths, has sold out 7/12 to Brown & Williamson, B. F. Goodrich, Lipton Tea, Field Enterprises (publications), and Sandran, and is quoting a price of \$300,000 for 1/6 (7 commercial minutes) between 9 p.m. & 4 a.m. ABC-TV didn't package the election with its convention, preferring to hold it as a sort of super-one-shot special for fall, and is looking for backers at a full-sponsorship price tag of \$600,000 and partial sponsorships (6 commercial minutes) for \$100,000.

FCC VS. NAB IN CONGRESSIONAL WINDUP: House-passed broadcasting-control bill (revised S-1898), to set up unprecedented suspension-& fine penalties for wayward stations, reaches next-to-last point of Senate decision this week, with FCC pitted against NAB.

Main witnesses in climactic hearings starting Aug. 10 before Commerce Communications Subcommittee will be FCC Chmn. Ford, who interrupts his vacation to testify for the punitive provisions, and NAB govt. affairs vp Vincent T. Wasilewski, who will marshal broadcasters' opposition to them.

Commission wants added enforcement weapons of 10-day license suspensions & \$1,000-daily forfeitures for licensees who defy it. Commission's position on controversial legislation was pointed up again in "Report & Statement of Policy on Programming Inquiry" (Vol. 16:31 p1 & Special Supplement). NAB wants no part of proposed penalties, arguing they open up "whole new concept of govt. regulation" (Vol. 16:29 p10).

Outcome of legislative fight was anybody's guess last week. But you could get bet at NAB hq that Subcommittee under Sen. Pastore (D-R.I.) will wipe out license-suspension clause, reduce forfeiture provision. One thing seemed sure: Relatively non-controversial anti-payola-& quiz-rigging prohibitions and other provisions of omnibus House measure will get once-over-lightly treatment on Senate side.

Ford is scheduled to be lead-off witness Aug. 10—and hearings may last no more than one day, although Pastore kept calendar open. In addition to Wasilewski, only other witnesses lined up definitely at last week's end were NAB's Joseph (Dody) Sinclair of WJAR-TV Providence, from Pastore's home state, and Cecil Woodland of radio WEJL Scranton, from home state of Subcommittee member Scott (R-Pa.). Ex-FCC gen. coun-

sel Warren Baker, representing Federal Communications Bar Assn., also may testify, and statements for the record were expected from many state broadcasters' groups.

Quick Senate floor acceptance of whatever Pastore's Subcommittee recommends can be expected in short weeks of tail-end post-convention Congressional session. And House can be counted on to go along if measure is sent back there for last-minute concurrence on Senate changes. Principal architect of bill was House Commerce Committee Chmn. Harris (D-Ark.), and he wants S-1898 on law books no matter if it is stripped down by Senate.

Suspension of equal-time requirements for Presidential tickets (see p. 2)—only other piece of major broadcasting legislation still pending in this Congress—also is expected to get action after House returns for business next week. Harris scheduled an executive session of his Committee for Aug. 16 to take up Senate-approved measure (S. J. Res. 207) which would permit networks to put candidates for President & Vice President on air (Vol. 16:31 p6). Harris's aim is to get resolution on House floor for concurring vote within week.

Sticky questions could be raised on House side as to whether networks should be given such equal-time freedom from Communications Act's Sec. 315. For one, Rep. Bennett (R-Mich.)—ranking minority member of Harris Committee and persistent network critic—may oppose blanket suspension of rule. He is still smarting under licking he took on S-1898 on House floor, where he failed in fight to get network-regulation by FCC inserted in omnibus measure (Vol. 16:27 p1). But with Presidential campaign already under way, it's likely that bi-partisan pressures for fast House agreement on suspension will prevail.

EARLIEST PILOT PUSH: Hollywood telefilm producers are preparing unprecedented total of 74 pilots for production this fall, according to our check of leading companies. Motivated by belief that 1961 will see an early selling season, producers are taking no chances of coming in late with their merchandise. Some projects are pilots which had been planned for last spring but were delayed by the 22-week writers' strike.

Another 100-150 pilots will be produced in normal pilot season after Jan., but some producers are moving in early for the further reason that they anticipate a number of soft spots in the programming schedules of the season that begins next month.

Westerns, for a change, are almost non-existent on the early list. (For more information about the early pilots, turn to p. 4.)

CATV AUDIENCE POTENTIALS: Total extra viewership represented by subscribers to CATV systems is becoming substantial for individual stations. Audience potentials for CATV relays from single stations are shown in the expanded CATV section of our new Television Factbook No. 31, due off presses next month. Besides listing all systems in U.S. & Canada under the stations they relay, the index for the first time indicates number of subscribers each claims.

Single CATV systems picking up signals from single stations aren't uncommon, with increase in viewers estimated only in hundreds. But potential added audiences run into many thousands where one station's programs are carried by a multiplicity of CATV setups.

Most striking illustration of CATV's enlargement of station's coverage area is WDAU-TV (Ch. 22) Scranton. No fewer than 56 CATV systems, including Horseheads, N.Y. (500 subscribers) & Picture Rocks, Pa. (195) are crowded under WDAU-TV's radius umbrella. Total subscribers to 56 systems: 92,087. This CATV potential helps make it possible for station to claim 1.5 million viewers in 20 Pa. and 8 N.Y. counties. One reason for WDAU-TV-CATV success is employment of full-time "CATV liaison" staff member, attractive young Dorothy Mugford.

Auxiliary Services

Eidophor Inc., Swiss-owned closed-circuit TV projector firm, opened new demonstration facilities in Woodside, N.Y. last week. They will be used to demonstrate color and b&w TV projectors and will contain a studio, control room and viewing theater.

Trek to Northwest vhf booster country, to explain new translator rules to operators (Vol. 16:31 p2), is planned for the near future for FCC staff members. Two will probably go—names not yet selected.

Use of translator stations for origination of programs by ETV stations has been proposed by Ling-Altec Electronics Inc. subsidiary Electron Corp. In a proposal to amend the rules, Electron said translators would be much cheaper than closed-circuit systems and would allow wider latitude in programming. It suggested: Minimum power of 10 watts, several translators in each area, elimination of vestigial sideband filter, elimination of frequency & modulation monitors, use of omni-directional & directional, horizontally or vertically polarized antennas, elimination of requirement for a licensed first-class operator.

Film & Tape

More about

EARLIEST PILOT PUSH: Trying to crystal-ball TV a year in advance isn't easy, but Hollywood producers are doing it anyway—relying mainly on action-adventure & comedy formats in their pilots for next year. While the scales may change when the preponderance of pilot production gets underway after Jan. 1, it's significant that in our checkup of the 74 pilots going into production this fall, Westerns were hardly mentioned. The airwaves are sated with cow sagas and there are still pilots of that genre, produced last spring, which haven't even been submitted (see p. 3).

Chances are the early trends will hold up. Action-adventure formats are safe & commercial. Comedies, in resurgence this fall, are always in demand—if well done. There are no private-eyes among the fall pilots, but there is a scattering of melodrama, drama, mystery-suspense.

Several companies haven't yet made their decisions. Desilu Productions is mulling a list of 14, will film 7 or more, but hasn't decided which ones. The same is true at Screen Gems where 6 half-hour series and three 60-min. shows are planned for Oct. production.

Here's our exclusive list of the 74 for fall, as of now: CBS Films: *Too Many Cooks*, comedy. Tentative production date, Sept. 1. Three other pilots planned.

Jack Chertok Productions: *The Brown Horse*, comedy starring Jan Clayton; an untitled 60-min. adventure; an untitled melodrama.

Desilu Productions: Exec. vp. Martin Leeds says 7-8, perhaps more, will go into production in Nov.

Don Feddersen Productions: *Oh, Johnny*, comedy starring Johnny Carson.

Four Star Television: An untitled comedy, starring Gertrude Berg and Cedric Hardwicke, August production.

Arthur Gardner-Jules Levy-Arnold Laven: *Miss Penny*, comedy-drama; *Attorney General*, action; an untitled drama; *Simon Battle*, Western, not definite.

Jaguar Productions: *Hong Kong Express*, adventure. Peter Kortner: *Hotel Splendide*, comedy, in production in Nov. or Dec.

Jerry Lewis Productions: *Permanent Waves*, comedy. Quinn Martin Productions: Half-hour series now being selected and 60-min. crime show.

MGM-TV: *Diamond Jim Brady*, adventure; *The Adventures of Hercule Poirot*, 60-min. detective produced by & starring Jose Ferrer; *Andy Hardy*, comedy; *Les Girls*, musical comedy; action-adventure series, tentative.

Irving Pincus: Half-hour comedy & 60-min. melodrama, both untitled.

Hubbell Robinson Productions: *The Family*, 60-min. dramatic anthology.

Revue Studios: A number of properties now being considered. Revue policy is for year-round piloting. It doesn't believe there's any such thing as a "pilot season."

RonCom Productions: *Jingles*, comedy; *Crusoe's Island*, comedy; *Main Street, U.S.A.*, drama; *The Hot Corner*, comedy; *Now Is Tomorrow*, drama.

Screen Gems: Vp William Dozier plans 9 series for Oct.-Nov.-Dec. production. Probable starters include 60-min. mystery series, *The Baron*, and *Tangier*, adventure.

Wilbur Stark Productions: *Further Adventures of the Connecticut Yankee*, comedy-drama; *King's Kingdom*, action-adventure; *Man in the White Hat*, 60-min. action-adventure, all going into production in Sept.-Oct.

Twentieth Century-Fox TV: *Silent Investigators*, action; *Monte Carlo*, adventure; *The Ginger Rogers Show*, comedy; *Rocky Point*, drama.

Vortex Productions: *M.R.*, 60-min. adventure; *Christopher Blake*, melodrama; an untitled comedy.

Warner Bros.: *Room for One More*, comedy starring Andrew Duggan & Peggy McCay; *Las Vegas File*; *Solitaire*, 60-min. mystery-suspense.

Ziv-United Artists: An untitled action series.

Todon Productions (with Screen Gems): *Macao*, adventure, starring David Janssen, into production late Aug.

Arlington Productions Inc.: *The Protectors*, action, starring George Raft, goes into production in Aug.

Gomalco Enterprises: Untitled situation comedy, starring George Gobel, begins production in Dec.

Cal. National Productions: Untitled outdoor action series produced by Allan Miner; untitled action-adventure series, co-production with Al Simon; untitled comedy series; untitled suspense-adventure series with foreign locale. All are 30-min. pilots.

Goodson-Todman Productions: *Las Vegas Beat*, suspense adventure; a 60-min. pilot of *The Web*, suspense anthology which may be done either on film in Hollywood or on tape in N.Y. depending on the wishes of NBC-TV; possibly 3 more pilots. (Pilots of *The Yank* and *One Happy Family* have been completed, but won't be shown until the mid-season replacement period.)

New Phoenix TV Studio: Phoenix Film Studios has launched a \$2-million construction program for a TV-film & movie studio on a 40-acre lot 8 miles north of Phoenix. Pres. Kenneth Altose said most of the construction, including a sound stage for movies, will be completed by December, and a 2nd stage, for TV film, will be built in January. The company plans its own production and will also rent to independent TV & movie companies. Jules Schwartz is exec. dir. & gen. mgr. in charge of the Hollywood office, and Altose is exec. producer as well as pres. The company's stockholders are 450 Phoenix residents.

Deal for Disney backlog of some 33 feature-length titles ("20,000 Leagues Under the Sea," "Lady & the Tramp," "Treasure Island," etc.) as network specials is reportedly being discussed by Walt Disney and NBC-TV. Disney's extensive library of shorts & cartoon subjects is included. Disney was in N.Y. last week, according to his distribution firm, Buena Vista. NBC admitted that "discussions are being held" with Disney, but would not divulge their nature. There's been a decided coolness lately between Disney and ABC-TV, which at one point seemed certain to flare up into a full-fledged court battle (Vol. 16:2 p11).

NBC-TV's \$450,000 pilot of *The Barbarians* (Vol. 16:31 p12) has finally found a TV home. The network will use it this fall as a 60-min. special to launch its Tue. 10-11 p.m. series of specials. The Mahin-Rackin-produced telefilm is currently being offered to agencies at a premium price that, NBC told us, "is less than the cost of the film because we hope to recoup the difference in overseas theatrical showings." The fall kickoff date for *The Barbarians* has not been chosen but it's expected to be in late September or early October.

Obituary

Benjamin D. Bender, 52, controller for Four Star Television, died July 31 in Los Angeles of brain cancer. He is survived by his wife and 2 sons

SEG, Producers Reach Peace: Hollywood's latest labor dispute was resolved Aug. 5 when the Screen Extras Guild and the Alliance of Television Film Producers and the Assn. of Motion Picture Producers reached agreement on a new contract. SEG's previous contract had expired April 1959 and the Guild had gone to the NLRB with charges that the Alliance had refused to negotiate.

Highlights of the new 4-year deal which ends June 30, 1964: SEG, which never had one, gets a health & welfare fund, with the TV-film & movie industries to make a \$50,000 contribution which will be pro-rated among all producers. Subsequent employer contributions will be on the same basis as the terms with the Screen Actors Guild, still being formulated.

Producers rejected SEG's demands for a pension fund. Minimums will be raised 10% the first 2 years and 5% the 2nd two years. General extras now receive \$22.05, will get \$24.25 under terms of the new contract; dress extras and riders now get \$29.04 daily, will be upped to \$31.94.

SEG had demanded retroactivity dating from the April-1959 contract expiration to the present, had to settle for 6-month retroactivity from April 1959 to Oct. 1959.

New contract is subject to ratification of the SEG membership and producer organizations.

* * *

WGA's internal feuding, this time over the method of implementation of its agreement with TV producers, was marked with confusion last week, and it was uncertain who would represent Writers Guild of America on the industry-fact-finding committee which will set up a royalty plan. Despite a membership vote recommending a full-time, paid Guild member on this committee, WGA's TV-radio board threw the ball to the council, which appointed the full negotiating committee to serve on the committee for 45 days, and to make recommendation after that. The negotiating committee then told the council it had already recommended one of its members, Sam Newman, to serve as a full-time, paid member. Alliance of Television Film Producers Pres. Richard Jencks, meanwhile, was named to serve as the producer representative. In a move resulting from WGA's political infighting, Guild exec. secy. Michael Franklin submitted his resignation. The council urged him to reconsider, and took no action on it.

* * *

IATSE has notified major movie producers it is demanding twice the residuals that are paid to talent on post-1960 movies which will be sold to TV, Pres. Richard F. Walsh said last week at the union's Chicago convention. "Proper notice has been served on the major producers," he said. IATSE's contract with the Assn. of Motion Picture Producers expires Jan. 31, and negotiations for a new contract will begin next fall. Double residuals would be a hefty bite, because Screen Actors Guild will get 6% of post-1960 sales, after 40% for distribution (10% if it's an outright sale); and Writers Guild of America and Directors Guild of America each will get 2% of the gross on such sales, after 40% off for distribution.

Musicians at Hollywood's major movie studios will vote next month (Sept. 7-8) in an NLRB election to determine whether the American Federation of Musicians or Musicians Guild of America will be their collective-bargaining agent. MGA now holds jurisdiction at the majors.

UPA Pictures has initiated a profit-sharing plan for its 250 employees.

NEW YORK ROUNDUP

CBS Films has sold a 15-program package to 4 Australian stations (TCN Sidney, HSV Melbourne, BTQ Brisbane and ADS Adelaide). The shows include *Angel*, *Hotel de Paree*, *Rawhide*, *Wanted—Dead or Alive*, *Perry Mason*, *Have Gun, Will Travel*, and *Gunsmoke*. Also reruns of *Whirlybirds*, *The Honeyymooners*, *Our Miss Brooks*, *Annie Oakley*, *I Love Lucy*, *Buffalo Bill Jr.*, and *San Francisco Beat*. CBS Films' library of *Terrytoons* cartoons was also renewed by the 4 stations.

Official Films will distribute a new package of 150 color and b&w cartoons titled *Spunky & Tadpole*. Also in Official's stable of new product is a one-min. sports series called *Sportfolio*—260 feature films of great sports events.

People: Henry J. Zittau promoted to UAA senior vp; Frederick Hyman, UAA vp & secy. resigned to form his own company, American Corp. . . . Lawrence B. Hilford appointed Screen Gems assistant vp for international operations . . . Sid Weiner has been named Screen Gems asst. syndication sales mgr. . . . Martin J. Robinson named vp & exec. dir., TV Industries Inc.

HOLLYWOOD ROUNDUP

Universal Pictures may reactivate its dormant TV-program-production operation. Universal Pres. Milton Rackmil has signed ex-Elliot, Unger & Elliot production executive Norman Gluck to join Universal's N.Y. executive staff. Gluck admitted to us that he expects "to be involved in TV," but added that any talk of production of TV pilots would be "premature." He was with Universal a few years ago, and is thus re-joining an old employer; has no specific title in his new connection. Universal is the only Hollywood movie major not in TV.

People: Stan Schwimmer is named asst. production supervisor for Screen Gems, also production coordinator on its *Dan Raven* series . . . Warner Bros. has picked up the option of Edward (77 *Sunset Strip*) Byrnes . . . Four Star Television has signed Gary Clarke to a regular role in its *Michael Shayne* series . . . Bea Benaderet has signed as a regular in the Peter Lind Hayes-Mary Healy series, *Peter Loves Mary*, at Four Star . . . Paramount Television Productions has signed Carl Jampel as producer-writer for KTLA . . . Four Star Television has signed Marilyn Erskine, Mabel Albertson, Cindy Robbins, Sherry Alberoni and Eileen Chesis as regulars for *Tom Ewell Show*, produced by Hy Averbach . . . Ralph Nelson will direct a 60-min. special and a 30-min. show—both film—for the 1960 *March of Dimes* . . . Frank Moss has been named associate producer of the *Wyatt Earp* series . . . Bernie Widin is asst. controller of Desilu Productions . . . Earl Jonas has been made production mgr. of UPA Pictures. He will supervise *Mister Magoo* . . . Warner Bros. has signed 8-year-old Ronnie Dapo to a term contract. He's in its pilot of *Room for One More* . . . Irving Friedman, who heads the Primrose Co., which has been servicing Screen Gems with music, sound effects and sound supervision, has been signed by SG to a non-exclusive term contract . . . MGM-TV has signed Gene Wang, ex-*Philip Marlowe* producer, to develop new projects as creator, producer, director, writer.

Advertising

NETWORK CLOSE-OUT BARGAINS: Nearly 90% of the nighttime network fall TV budgets of major advertisers is now firmly committed, network sales executives estimated last week. Latecomers & advertiser holdouts found the pickings slim in terms of time periods, but there were some choice program bargains to be had. A few:

On ABC-TV: Unsold participations in the new 60-min. Warner-produced *The Roaring Twenties*, which debuts Oct. 15, are being offered, according to N.Y. agency sources, at a price only a few dollars higher than the straight ABC rate-card time.

On CBS-TV: A few unsold participations in 60-min. *Aquanuts* have been marked down from an original price of about \$35,000 to approximately \$20,000, CBS told us. This is virtually identical to straight network time cost.

On NBC-TV: Unsold availabilities in *Riverboat* and *Outlaws*, also 60-min. film vehicles, have been cut-priced from an original \$37,500 to \$22,000 for 1/6th sponsorships (1-min. participations).

Such price cuts don't mean that producers (Warner Bros., Revue Productions, et al.) will be paid less for their shows. Most cuts are coming out of the network profit margins which were made up by marking-up the properties in piecemeal sales. And the bargains represent no long-term loss to networks inasmuch as they participate in the eventual residuals and/or overseas distribution of nearly every new 60-min. show this fall, and will thus recoup any minor first-run losses.

On film shows, budget-trimming is virtually impossible, since most are deep in fall production. Budgets have usually been established between supplying producers & network purchasers in firm contracts. But for shows just starting fall production, the situation is different. Example: Shirley Temple's series of juvenile-angled 60-min shows due to start this fall on NBC-TV. The Temple series began production only 2 weeks ago, although it has been offered to sponsors by NBC for nearly 6 months. During this time, the per-program production budgets (although not the network time charges) have fallen nearly 50% from the original level of over \$100,000. Other as-yet-unsold & -unproduced shows, particularly specials, face similar budget cutbacks, we're told by N.Y. production sources.

Networks will thus escape any major financial difficulties from unsold entertainment shows. But most will face some delicate problems in the area of agency-client diplomacy. (As one N.Y. network sales executive told us wryly last week, "I'm looking for a good way to convince a client who was nice enough to be first to buy into a new film show that the last guy who just came in is entitled to pay one-third to one-half less in program charges.") One answer being considered by the networks: Careful study of minute-by-minute Nielsen rating profiles of new shows early in the fall season, so that earlier, full-price advertisers may be shifted into "preferred positions" of peak audience in shows, bargain buyers taking the low-end positions.

Ad People: Maximilian B. Bryer named to new post of West Coast commercial production supervisor, Benton & Bowles Hollywood office . . . Paul E. Funk, appointed vp, McCann-Erickson . . . Richard B. Neff, ex-J. Walter Thompson, named a Compton vp.

REALLY, MA, NO CAVITIES! In a season during which TV commercials have drawn considerable FTC fire (Vol. 16:2 pp. 7 & 15 et. seq.), Procter & Gamble won an important moral victory last week. For the first time in its history, the American Dental Assn. officially endorsed a toothpaste and permitted the manufacturer to use the endorsement in future ads. The product: P&G's Crest, named "an effective anti-cavities dentifrice" by ADA, which also commended Crest's "will-iness" so far to keep ad claims within the bounds of proven research.

Although P&G and Benton & Bowles promptly refused to tip their client-agency hand with "any information of any kind" on future Crest ad plans, network officials and spot TV reps quickly made some informed guesses. The most obvious was that a reshuffle of P&G TV budgets to favor Crest with heavy network & spot backing was due. So far, Crest has been playing 2nd media fiddle to P&G's other toothpaste, Gleem.

In 1959, Crest accounted for \$3.3 million in gross P&G network TV billings & only \$139,680 in spot, plus \$400,000 in gross space billings. Gleem, on the other hand, got 1959 gross network TV spending of \$5.4 million, nearly \$2 million in spot TV & another \$2 million in print space—a Gleem total twice Crest's. Spending for Crest may jump to a new gross peak of \$12-\$15 million, N.Y. sources speculated, with much of it in TV.

Conservative Copy Slant Predicted

Nobody, however, predicted a tremendous blare of new copy for Crest, which has done well so far with commercials & print ads themed to its slogan of "Look, Ma, no cavities!" The ADA, with professional caution, has circumscribed the use P&G may make of the endorsement (commercials may refer to ADA's clinical studies but may not lord it over non-endorsed dentifrices, etc.). P&G, with a running head start over the rest of the toothpaste field, is likely to play it very much ADA's way, since the endorsement itself has obvious commercial value.

It was too soon last week to attempt a measure of the effect on Crest sales of the ADA move, although 2 large midtown drugstores we checked in N.Y. reported "a sizable increase" in sales of Crest. Wall St., however, provided an interesting barometer. On July 29 (Fri.), P&G common was selling at 118. On Aug. 1 (Mon.), when the ADA news broke, the demand was so heavy the stock couldn't open. On Aug. 2, it moved up to 136, dropping back to close at 122¾ at week's end.

Happiest group of all was the executive TV echelon at Benton & Bowles. At the moment, the agency is billing upward of \$100 million in TV network & spot, and the outlook—thanks to Crest—is even better. Said a Benton & Bowles timebuyer we talked to last week, "We all feel like we just hit the jackpot."

* * *

Colgate-Palmolive Co. has been ordered in an initial decision by FTC hearing examiner Leon R. Gross to stop claiming, in TV & other advertising, that its dental cream "with Gardol" provides complete protection against tooth decay. Following an FTC hearing in Feb. (Vol. 16:6 p14), Gross ruled that Colgate's "invisible shield" commercials for the dentifrice were "false, misleading & deceptive." Colgate argued at the hearing that it had voluntarily eliminated the shield theme from its advertising at a cost of more than \$100,000, that the FTC case should be dropped. But Gross rejected this argument, contending: "The evi-

dence in this record does not support a finding that respondent will not, in the future, unless restrained by this Commission, misrepresent the true properties, and carries-inhibiting value, if any, of Colgate dental cream with Gardol." In announcing the examiner's order, FTC stressed that it was not a final decision by FTC itself.

* * *

Arthur Murray Inc. and its officials Arthur & Kathryn Murray and David A. Teichman have signed an FTC consent order prohibiting the dance studio licensing firm from using TV-radio-newspaper "bait" advertising. The agreement settled a complaint in which FTC charged the company with deceptive promotional schemes—such as too-simple telephone quizzes, zodiac puzzles, "dizzy dance" & "Lucky Buck" contests—to lure customers (Vol. 16:14 p8). The cease-&-desist order was approved by FTC despite rejection of its terms by hearing examiner Loren Laughlin, who said "the charges against respondents are serious in character, and indicate a planned course of fraudulent acts & practices." FTC held, however, that "everything is accomplished [by the order] that would be achieved by entry of a cease-&-desist order after trial."

* * *

Freedom-of-TV-radio-speech plea, made by arthritis-cure promoters who were accused of making false claims in broadcasts, has been rejected by FTC. That agency, issuing a cease-&-desist order against Witkower Press Inc., Hartford publisher of *Arthritis & Common Sense*, and its Pres. Dan Dale Alexander, and secy.-treas. Bernard Witkower, said the book's dietary cures weren't "worthy of consideration or belief." Also cited in FTC's complaint was promotion of the book by Alexander in guest appearances on discussion-type TV & radio shows sponsored by others. Witkower Press argued that the Constitution gave him right to say what he said on the air. Ruled FTC: "Full enjoyment of First Amendment rights does not contemplate a license to engage in false & deceptive advertising."

Long-range threat to tobacco advertising is seen by some industry observers in the outcome of the latest "cancer trial" which concluded Aug. 2 in Miami, Fla. The estate of a local contractor, Edwin P. Green, had brought a \$1.5 million suit against the American Tobacco Co., charging that (1) Green's death in 1958 was caused by lung cancer, (2) the cause was American Tobacco's Lucky Strike, which Green had smoked at the rate of 3 packs a day, and (3) American Tobacco should be held responsible. The federal court jury ruled that the first 2 charges were true, but that the cigaret manufacturer was not responsible. Chief reason: The medical links between cigarets & lung cancer hadn't been established sufficiently in 1956, when Green's condition was discovered. Stated American Tobacco Co. vp Alfred F. Dowden: "It is gratifying that the first jury to decide a lung cancer case has returned a verdict in favor of our company." Not discussed by Dowden: The precedent set *now* in legalistically linking cigarets with cancer for use in future suits regarding company "responsibility."

Spot TV handbook, titled *Selective Pressure on Target—The Basis of Spot TV*, has been published by Edward Petry & Co., station rep. The primer, pointing up the essential differences between network & spot TV, is illustrated by charts showing the variations in product usage & brand acceptancy by regions & markets for coffee, cigarets & cake mixes.

New Look at Nielsen: Revised formats are evident in the July 1 Nielsen TV index (national audience measurement) pocket-piece, reflecting TV's current sponsorship & programming tactics. Principal changes:

1. Program audience data is now given in 2 separate weeks of rating figures, rather than 2-week averages. With full-sponsorship dwindling in TV in favor of co-sponsorship or multiple sponsorship, agencies & clients had complained that the averages were too general, and that more data was needed on one-time pre-emption shows.

2. Programs are now rated by individual 15-min. segments, as well as overall ratings. Now, admen can judge the factor of audience "build-up" or "drop-off" in 60-min. shows on what Nielsen calls "a more precise basis."

3. Program ratings are now expressed on "a total U.S. TV homes basis rather than in percent of TV homes falling within the coverage area of each program." Thus percentage figures are directly comparable from show to show to give admen a measure of how well specific shows do in reaching the total U.S. audience.

4. As an optional feature, a 51-market series of ratings is available, covering all principal U.S. markets that have 3-network competition. The service will give clients, Nielsen says, a better measure of competitive program popularity. Nielsen will continue to provide the fast (6 days after report week, vs. 3 weeks for fully-national pocket-piece) 24-market report.

Foreign

Bargain Hunters Irk Japanese: TV-film production companies in Japan are presently lukewarm toward deals with American companies after unhappy & unsuccessful experiences in the making of more than a dozen pilots in Nippon. So we're told by producer Warren Lewis, just back from Tokyo, where he discussed co-production deals on movies with Shochiki Ltd. and the Toho Co.

Lewis, partnered with Don Sharpe and Blake Edwards in *Peter Gunn* and *Mr. Lucky*, reported that Japanese executives told him that most American companies came to Japan because of costs rather than for the added entertainment quality which could be obtained from filming there. Being bargain hunters, interested in low budgets rather than quality, they made imitations of successful private-eye & police shows, none of which found buyers. That has left the Japanese skeptical.

Nevertheless, Lewis is close to a movie co-production deal with Shochiki, although details remain to be settled. One point is to be agreement on subject matter of global interest. Lewis said the Japanese are "very aware" of U.S. TV and they like American telefilms. But, "because of government restrictions, they are getting too big a bargain on U.S. product. They pay a maximum of \$450 for a half-hour show if it's seen on 5 stations or less, and \$500 if it's on more than 5 stations or their network. There is no definite price on 60-min. shows, except that each hour show is considered worth less than two 30-min. shows."

\$62-million jump in British TV-ad spending this year "is not too much to expect," in the opinion of Geoffrey Irwin, managing dir. of Britain's Television Press Agency. He forecasts that program contractors' 1960 gross revenue will climb to \$224 million from the \$162 million of 1959. Irwin's semi-annual review of TV advertising shows that Jan.-June spending ran 35% ahead of first-half 1959's volume—\$105 million vs. \$78 million.

The FCC

JACKSONVILLE CASE REOPENED: The record of another TV-grant "influence" case exposed by House investigators has been reopened by FCC to see whether the license should be voided. This one involves the award of Jacksonville Ch. 12 to Florida-Georgia TV Co. Inc. (WFGA-TV) in 1956.

The Commission directed—in action voted July 29 but not announced until 4 days later—that a rehearing before a trial examiner be set up "on a date to be determined later" to explore circumstances of the Jacksonville case.

Ch. 12 winner Florida-Georgia and 2 losers—City of Jacksonville (WJAX) and Jacksonville Bcstg. Corp. (WPDQ)—were notified they "may participate if they so request." (Florida-Georgia is 45.5% owned by Mitchell Wolfson's Wometco Enterprises Inc., which operates WTVJ Miami and holds 90% of WLOS-TV Asheville, N.C.)

In ordering the rehearing, the Commission cited its own staff inquiry into the circumstances of the Jacksonville grant as well as testimony by the late investigator Stephen J. Angland at a House Commerce Legislative Oversight Subcommittee hearing in June 1958. Angland listed the Ch. 12 grant among 9 awards which he said showed "a pattern" of backstage influence on FCC.

FCC said the new Jacksonville proceedings would center on answers to questions to determine whether: (1) "Any of the members of the Commission who participated should have disqualified himself." (2) "Any person or persons influenced or attempted to influence any member of the Commission." (3) "[Any party] directly or indirectly secured, aided, confirmed, ratified, or knew of any misconduct or improprieties." (4) WFGA-TV's "grant is voidable & action should be taken to set it aside."

At the 1958 House hearing, Angland produced records to show that the Commission first voted tentatively in June 1956 to give Ch. 2 to Jacksonville Bcstg. Corp.'s WPDQ, then reversed itself in August and decided 4-2 to make Florida-Georgia the winner—ex-Comr. Richard A. Mack voting with the majority. Angland testified that "extra-record representations" had not only been made to Mack to swing the grant to Florida-Georgia but that "Mr. Mack himself had gone outside the record" to help.

Among other things Angland cited: (1) A bread-&-butter letter from Mack to Wometco Enterprises' Wolfson thanking him "for the basket of beautiful flowers as well as the delicacies & liquid refreshments" served up on an Asheville trip. (2) A pre-grant statement by Mack that "he was going to be for Wolfson since they had been boyhood friends for years and that anything Wolfson was for he was for." (3) Personal inquiries by Mack "to get information" about the other Ch. 12 applicants.

The name of Tampa lawyer Miles H. Draper, who figured in the Miami Ch. 7 "influence" case (Vol. 16:31 p4), was also injected into the Jacksonville case by Angland. The House investigator produced papers showing that Reynolds, Smith & Hill, engineering firm retained by the city of Jacksonville, had paid Draper \$10,000 for help in pursuing WJAX's Ch. 12 application. Draper was quoted: "I practically raised Richie Mack."

Son of Sen. A. Willis Robertson (D-Va.) heads up a non-profit group which has applied for Ch. 27 in Portsmouth, Va. Marion G. Robertson, a minister, heads Christian Bcstg. Network, seeking facilities of off-air WTOV-TV.

Turndown of both applicants in a 2-way contest for a Caro, Mich. AM CP has been recommended in a rare initial decision by FCC hearing-examiner Thomas H. Donahue. In a 44-page ruling, he denounced as unfit to win the grant both Caro Bcstg. Co. (Lloyd L. Savage, Omer K. Wright, Jae D. Kitchen & C. Wayne Wright) and Tuscola Bcstg. Co. (Robert F. Benkelman & James A. McCoy). Donahue scored Caro Bcstg. in particular for attempting to use "outside influence or pressure" in the case. Lawyer J. Addington Wagner was hired for this purpose by Triad TV, in which Caro's Wright & Kitchen are largest stockholders, Donahue said. Biggest black mark against Tuscola, according to Donahue, was that its application was "but a thinly veiled bid" by Water Wonderland Bcstg. Co. (owner of radio WWBC in adjacent Bay City) to get the Caro station. Donahue also noted that both Caro & Tuscola sought help from members of Congress in pursuing their applications.

Additional appointments to FCC unit of the National Defense Executive Reserve were announced last week. Added to the roster of 18 already named last year (Vol. 15:34 p4) were: Kenneth A. Cox, Seattle lawyer who is frequently special counsel to the Senate Commerce Committee; Robert F. Dirkes, gen. mgr. of Western Union govt. contracts & sales div.; Earle D. Glatzel, Detroit Edison Co. communications engineer; Harland R. Morris, consultant & retired FCC defense coordinator; and Beverly H. Pryor, asst. vp in charge of engineering for General Telephone Co. of Cal.

Shift of WNHC-TV New Haven 13.9 miles northeast of its present site was denied by FCC on protest of uhf WWLP Springfield (Vol. 16:31 p15), primarily because it would jeopardize existence of the uhf station. Text of the Commission decision, released last week, also stated that the move would result in a loss of service to about 900,000 people, and that it "would be inconsistent with our principles of TV channel assignments and would upset the delicate balance in allocations . . . in this geographic area."

Networks

NBC-TV's Forward Look: NBC-TV's program executives meet in N.Y. this week & in Hollywood at the end of the month to wrap up the fall schedule and to consider action to be taken regarding any of the new starters that fail to click. NBC-TV program vp David Levy and Felix Jackson, vp in charge of programs on the West Coast, will be among those taking part. Some schedule switches may be made. We were told that emphasis will be placed on color.

Among pilots under consideration in event any of the newcomers don't make it: John Payne's *O'Connor's Ocean* (60 min.), and *3 Wishes*, a Sharpe-Lewis production.

King-sized shakeup at CBS News is in the offing, according to persistent reports in N.Y., stemming from the critical applause & solid ratings awarded rival NBC during the conventions. CBS-TV officials we've queried deny the rumor. However, a high-ranking associate of CBS Inc. Pres. Dr. Frank Stanton, who met with him in Los Angeles when the first round of ratings showed a major NBC victory developing, told us last week that Stanton was "definitely upset & angry" and that "a lot of changes are going to be made." Our source also indicated that relations between Edward R. Murrow and Stanton were not improved by the CBS convention showing, and that the 2 men "have barely spoken to each other in several weeks."

Network Television Billings

June 1960 and January-June 1960

For May report, see TELEVISION DIGEST, Vol. 16:27 p7

First Half Up 8.9%: Network TV's first-half gross time billings closed out 8.9% ahead of the year-ago volume, aided by a 10% spurt in June over June-1959 business. TvB reports that Jan.-June billings rose to \$336 million from first-half 1959's \$309 million. June, traditionally a downhill month, produced billings of \$52.9 million—compared with \$55.5 in May 1960 and \$48 million in June 1959.

CBS continued to run ahead of the other networks in dollar volume, both in June (\$22,004,107) and year-to-date (\$138,292,384). ABC continued to register the largest percentage gains: 33.8% for June over June 1959, 25.3% for first-half 1960 over first-half 1959. NBC outscored CBS in June percentage gains with a 5.4% rise to \$18.9 million vs. CBS's 3.9% rise to \$22 million.

First-half nighttime billings of the 3 networks increased 14.5% to \$236 million from \$206 million in Jan.-June 1959. Daytime billings sagged 2.3% to \$100 million from \$103 million. In June vs. June 1959, nighttime billings gained 14.6% to \$37 million from \$32.3 million; daytime inched 0.7% ahead to \$15.8 million from \$15.7 million.

NETWORK TELEVISION

	June 1960	June 1959	% change	Jan.-June 1960	Jan.-June 1959	% change
ABC	\$11,948,700	\$ 8,930,114	+33.8	\$ 76,950,570	\$ 61,422,516	+25.3
CBS	22,004,107	21,171,128	+ 3.9	138,292,384	131,747,547	+ 5.0
NBC	18,959,323	17,984,845	+ 5.4	120,992,398	115,481,151	+ 4.8
Total.....	\$52,912,130	\$48,086,087	+10.0	\$336,235,352	\$308,651,214	+ 8.9

1960 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
January	\$13,260,010	\$23,477,358	\$20,980,897	\$57,718,265
February	12,677,110	22,977,171	19,923,712	55,577,993
March	13,487,460	24,043,799	21,072,164	58,603,423
April	12,701,240	22,580,032	20,642,038	55,923,310
May	12,876,050	23,209,917	19,414,264	55,500,231
June	11,948,700	22,004,107	18,959,323	52,912,130

Note: Figures revised as of July 1, 1960. These figures do not represent actual revenues inasmuch as the networks do not divulge their actual net dollar incomes. The figures are compiled by Broadcast Advertisers 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.

Latest in the RCA-NBC proposed TV-radio swaps with RKO General: Westinghouse Bcstg Co. has filed a petition with FCC to designate the sales applications for hearing and make WBC a party in interest. WBC's arguments were similar to those advanced in its plea to enter the court case in Philadelphia in June (Vol. 16:24 p7).

South American survey tour is planned by AB-PT Pres. Leonard H. Goldenson, who's leaving N.Y. this week (Aug. 9) to visit TV cities in "practically every country south of the border." A key purpose: To scout investment opportunities for AB-PT and ABC-TV in stations, production facilities, program-production concerns, etc.

FCC Programming Report

To meet the exceptional demand, we've ordered another print run of our Aug. 1 Special Supplement No. 7—the full text of FCC's report on its policy governing station programming. FCC is not furnishing copies to station licensees. We have sent a copy to each subscriber. Extra copies are available at 50¢ each; 10 for \$3; 25 for \$5.

NETWORK SALES ACTIVITY

NBC-TV received \$8 million in new & renewed daytime business during July, bringing the past 6 months total to \$41,000,000. July daytime sales amounted to nearly 700 quarter-hrs. representing almost all daytime programs. H. J. Heinz alone renewed 208 quarter hrs.

ABC-TV

The Roaring 20s, Sat. 7:30-8:30-p.m., participations eff. Oct.
Brillo Manufacturing Co. (JWT)
Derby Foods (McCann-Erickson)
E. I. DuPont de Nemours (BBDO)
Harold F. Ritchie (Kenyon & Eckhardt)
Warner-Lambert Pharm. (Ted Bates)

Walter Winchell Show, Sun. 10:30-11 p.m., full sponsorship eff. fall 1960.
Hazel Bishop (Raymond Spector)

1960 N.C.A.A. football games, Sept.-Dec. participations.
Gillette Safety Razor (Maxon)
Humble Oil & Refining Co. (M-E)
Liggett & Myers (Dancer-Fitz-Sample)

Harrigan & Son, Fri. 8-8:30 p.m., full sponsorship eff. Sept.
Reynolds Metals (Lennen & Newell)

Stagecoach West, Tue. 9-10 p.m., participations eff. Oct.
Brown & Williamson Tobacco (Ted Bates)
General Foods (Ogilvy, Benson & Mather)
United Motors service division of General Motors (Campbell-Ewald)
Miles Labs (Wade)
Ralston Purina (Gardner)

CBS-TV

Aquanuts, Wed. 7:30-8:30 p.m., particip. eff. fall 1960.
Carter Products (Ted Bates)
P. Lorillard (Lennen & Newell)
Kellogg Co. (Leo Burnett)
Vick Chemical (Ogilvy, Benson & Mather)
General Foods (Benton & Bowles)

Rawhide, Fri. 7:30-8:30 p.m., participations eff. fall 1960.
General Foods (Benton & Bowles)

Captain Kangaroo, Sat. 8-9:15 a.m., particip. eff. fall 1960.
Borden (Young & Rubicam)
Durkee Foods (Meldrum & Fewsmith)

NBC-TV

Chet Huntley Reporting, Sun. 5:30-6 p.m., sponsorship renewal eff. fall 1960.
Kemper Insurance (Clinton Frank)

Celebrity Golf, Sun. 5-5:30 p.m., alt. wk. sponsorship eff. fall 1960.
Kemper Insurance (Clinton Frank)

Daytime programming, particip. eff. summer & fall 1960.
Proctor-Silex (Weiss & Geller)
General Mills (BBDO)
Hartz Mountain pet foods (George H. Hartman)
Block Drug (Grey)
Alberto-Culver (Compton)
Miles Labs (Wade)
Dumas Milner Corp. (Gordon Best)
Procter & Gamble (Compton)
Toni (North)
Glenbrook Labs (Dancer-Fitzgerald-Sample)
Tussy (Young & Rubicam)
H. J. Heinz (Maxon)

Network switches: KVIP-TV (Ch. 7) Redding, Cal. and affiliated KVIQ-TV (Ch. 6) Eureka, Cal. become primary ABC-TV affiliates next Jan. 1. They will also continue with NBC-TV, with which they have been primary affiliates.

Stations

NEW & UPCOMING CANADIAN STATIONS: Of the 20 Canadian TV stations that the Board of Broadcast Governors has recommended for construction, only 9 have reported targets for next fall & winter. Our Fall-Winter TELEVISION FACTBOOK will contain listings for all new outlets due on the air this autumn and will also show that the number of TV sets in use in Canada on Aug. 1 was 3,840,000—a rise of 240,000 sets since last Feb. 1.

In addition to the stations reporting below, the following have set targets: CKAM-TV (Ch. 12) Campbellton, N.B. (formerly Upsalquitch Lake), plans a summer start as satellite of CKCW-TV (Ch. 2) Moncton, N.B.; CHSA-TV (Ch. 2) Lloydminster, Alta. has changed to fall target from this summer (Vol. 16:12); CFTO-TV (Ch. 9) Toronto has Jan. 1 target (Vol. 16:25); CFCF-TV (Ch. 12) Montreal has Jan. 30 air date (Vol. 16:20).

* * *

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

CJAY-TV (Ch. 7) Winnipeg, Man., with 25-kw RCA transmitter due Aug. 15, has set Nov. 1 target, according to gen. mgr. Jack M. Davidson. Basement has been completed for studio building, and construction of transmitter house is also under way. Construction has also started on 1,000-ft. Dominion Bridge tower. Base hour will be \$500. Reps will be Weed and Stovin-Byles Ltd.

CHAN-TV (Ch. 8) Vancouver, B.C. has ordered RCA transmitter and plans to begin programming in Nov., says Art Jones, pres. & gen. mgr. of licensee Vantel Bcstg. Co. Ltd. It will use Western Bridge tower on Burnaby Mt., will have studios on Lougheed Hwy., Burnaby, B.C. Officers: E. G. Eakins will be vp & asst. gen. mgr.; J. R. Peters, station mgr.; Ken Bray, operations mgr.; Mervin Stone, program mgr.; Blair Patterson, promotion mgr.; Ernie Rose, chief engineer. Base hour will be \$550. Reps will be Weed and All-Canada.

CBUAT (Ch. 9) Nelson, B.C., one of several low-power satellites planned by CBC (Vol. 15:50), has Nov. target. It will be an automatic unattended repeater of CBUT (Ch. 2) Vancouver, B.C. It isn't building tower, will use existing 67-ft. telephone company structure.

Calgary, Alta. Ch. 4 grantee CFCN Television Ltd. has requested CFCN-TV call letters and hopes to get on the air by end of this year, reports Pres. James A. Love. Transmitter hasn't been ordered yet and plans for buildings are now being prepared. It will use 344-ft. tower with 8-slot directional antenna. CFCN-TV will use same executives that staff radio CFCN. Base hour, rep, not set.

Ottawa, Ont. Ch. 13 grantee Bushnell Bcstg. Associates Ltd. plans to begin programming about March 31, says Pres. E. L. Bushnell. Equipment hasn't been ordered, but tower will be about 600-ft. tall.

Figures given Parliament show that Canadian TV stations now cover areas containing 94% of Canada's homes, and that 80% of all Canadian homes are equipped with TV. Radio coverage is nearly 100%. The exceptions are far northern British Columbia and scattered pockets in the Atlantic provinces.

George P. Hollingbery Co. opens a new branch rep office—its eighth—at 211 N. Ervay, Dallas.

Negro Radio Assn. has been organized by 29 charter members representing radio stations & groups whose programming caters to Negro listeners. Francis M. Fitzgerald of WGIV Charlotte was elected chairman of the new organization at its first meeting in Washington, where Julian P. Freret of the Roberts & McInnis law firm aided in drafting a constitution & bylaws. Stated aims: To promote studies of Negro programming, improve it, develop Negro talent on the air. Freret said 36 additional charter members were expected to join the group and that membership ultimately should reach 100. In addition to Fitzgerald, NRA founder-directors are Harry Novik (WLIB N.Y.), Robert Rounsaville (R. W. Rounsaville Stations), Stanley Ray (Paglin-Ray Stations), Norwood J. Patterson (KSAN San Francisco), Egmont Sonderling (Sonderling Stations), Joe Speidel (Speidel Stations).

Broadcasters' salaries averaged \$7,418 in 1959, topped—among all industry groups—only by earnings of 100,000 security & commodity brokers (\$8,775). Commerce Dept. released the tabulations in the July *Survey of Current Business*. In keeping the TV-radio industry's traditional 2nd place in salary rank, 81,000 employes of networks & stations upped their pay from the adjusted \$7,128 average which 80,000 of them earned in 1958. In that year, 98,000 brokers averaged \$7,885 (Vol. 15:32 p13). In contrast, 177,000 employes of the motion picture industry averaged only \$4,488 in earnings in 1959.

TV Code's N.Y. office, planned by NAB as a consultative center for advertisers & agencies in industry self-policing, is open for business in temporary quarters in Transcontinent TV Corp.'s offices at 380 Madison Ave. In charge: Stockton Helffrich, appointed to NAB's staff in June after 27 years with NBC in continuity acceptance work (Vol. 16:23 p7). Opening of the new branch Aug. 1 was hailed by NAB Policy Committee Chmn. Clair R. McCollough & TV Code Review Board Chmn. E. K. Hartenbower as "a giant step forward in the TV industry's program of self-regulation."

World's tallest man-made structure—the 1,677-ft. tower of KFVS-TV Cape Girardeau, Mo. (Vol. 15:44 p8)—has been completed by Dresser-Ideco. The nickel-alloy steel tower stands on an 810-ft. hill north of the city, is 204 ft. taller than the Empire State Bldg., 2 ft. taller than the 1625-ft. "world's tallest" TV tower now under construction in Moscow. It was erected in 2½ months by the Seago Construction Co., Dallas.

TV-minded individual stores in nationwide retail chains are featured in a new TvB presentation to retailers that points up the extent TV is being used as a local store advertising medium. "One of the best ways to know that the water's fine is to see a lot of people swimming," TvB analogized. The bureau also suggested stations tell retailers how many of their fellow merchants are already using TV.

Package of KFEQ-TV (Ch. 2) & KFEQ St. Joseph, Mo. and radio KLIK Jefferson City has been purchased for \$1,850,000 by Connie B. Gay from Jesse D. Fine & associates. Country-music promoter Gay also owns radio WQMR Silver Spring, Md., WTCR Ashland, Ky., WFTC Kinston, N.C., and recently sold KITE San Antonio and WYFE New Orleans, La.

NAB's N.Y. fall conference will be held in the Biltmore Hotel Nov. 28-29 instead of Nov. 17-18 because of conflicting dates for industry meetings there. The fall-conference schedule, opening Oct. 13-14 in the Biltmore Hotel, Atlanta (Vol. 16:16 p14), otherwise is unchanged.

Programming

Gunfight at Diogenes Corral: The big 1960 crop of network Westerns & private-eye shows has finally inspired its own debunking trend. Due next spring on NBC-TV is a 60-min. show titled "The Real West," to be produced by NBC-TV's *Project 20* group. In it, Gary Cooper will play his first TV role—as narrator-storyteller. The show will concentrate on exposing some of the myths surrounding Billy the Kid, Wyatt Earp, Bat Masterson, *et al.* NBC officials have hinted, somewhat tongue-in-cheek, that a 30-min. series may be developed from the *Project 20* special.

ETV is also in the iconoclastic act. In Ann Arbor, the U. of Mich. TV center has taped a 15-program TV series, *The Western Way*, currently being distributed to about 20 ETV & commercial stations. The series attempts to portray "the real facts" behind the settling of the West and the frontier battles with Indians. First target for the series: Gen. George A. Custer. His famed last stand at the Little Big Horn is described as "an insignificant & inglorious frontier event" by the show's faculty narrator, whose singularly appropriate name is Prof. Niel Snortum. (Similar rough treatment is being administered to the top gunslingers of the Old West by the current [August] *American Heritage*, incidentally.)

Although the best-known private eyes are largely fictional creations with no real-life historical counterparts, they'll not escape a going-over. Next February, U.S. Steel will sponsor on CBS-TV a 60-min. Max Liebman satire titled "Private Eye, Private Eye." And meanwhile, they'll be getting their lumps in various cartoon shows which spoof sleuthing, such as *Q.T. Hush*, *Fearless Fosdick*, *Hound for Hire*, and *Huckleberry Hound*.

No more Sylvania awards will be given to TV shows & performers, Sylvania Pres. Robert E. Lewis announced last week. Explained Lewis: "In recent years the number of TV awards has grown, and the major award donors have tended to honor the same programs, actors & creators . . . There appears to be little additional incentive to the industry in the duplication of awards." The Sylvania awards were presented annually from 1951 to 1959.

Broadcast hurricane warnings should be played straight by TV & radio, acting Weather Bureau chief F. W. Reichelderfer said in a letter to NAB. Pointing to "the vital role" stations play in relaying bulletins on the seasonal progress of storms on Atlantic & Gulf Coasts and Caribbean islands, he warned: "It is necessary that the advice be communicated accurately, without undue emphasis which can create unnecessary alarm—and also without de-emphasis which can cause the listener to disregard the advice or delay taking safety measures until it is too late to protect his family or property."

While the TV careers of Cal. lawyers are being decided by the Cal. State Bar Assn. (Vol. 16:31 p11), Baltimore attorneys & magistrates are appearing on WMAR-TV's "Courtroom," an occasional special (last telecast Aug. 4), simulating cases from the Baltimore Magistrate's Court. The real-life lawyers represent actor-clients and magistrate Howard L. Aaron presides.

Canadian Parliament has banned that country's candidates from using U.S. TV or radio stations to conduct their election campaigns. The legislation also forbids broadcast campaigning over Canadian stations on voting day or in the 2 days preceding it.

Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.

WALTER H. ANNENBERG, President

PUBLICATION OFFICE Rodnor, Pa., MUroy 8-3940, TWX: Rodnor 1028

JAMES T. QUIRK, Business Manager
 JAMES B. DELEHANTY, Asst. Business Mgr.
 MERRILL PANITT, Editorial Director
 HAROLD B. CLEMENKO, Managing Editor
 DAVID LACHENBRUCH, Associate Editor
 HAROLD RUSTEN, Associate Editor
 PAUL STONE

WASHINGTON BUREAU

Wyatt Building
 Washington 5, D.C.
 Sterling 3-1755

ALBERT WARREN, Chief
 WILBUR H. BALDINGER
 WM. J. McMAHON Jr.

NEW YORK BUREAU

625 Madison Ave.
 New York 22, N.Y.
 Plaza 2-0195

CHARLES SINCLAIR, Chief
 DIANE SCHWARTZ

WEST COAST BUREAU

6362 Hollywood Blvd.
 Hollywood 28, Cal.
 Hollywood 5-5210
 DAVID KAUFMAN

MARTIN CODEL
 Associate Publisher

TELEVISION DIGEST. Published Mondays. Subscription \$75 annually. For group rates & other subscription services, write Business Office.

TELEVISION FACTBOOK TV & AM-FM ADDENDA AM-FM DIRECTORY
 Published March & Sept. Published Saturdays Published in January
 Copyright 1960, by Triangle Publications, Inc.

Personals: George H. Fuchs, NBC labor relations dir., named labor relations vp . . . Fred Horton, ex-NBC radio sales dir. and medical radio system sales mgr., named general NBC sales executive, representing TV, radio & spot sales . . . Harry S. Ackerman, Screen Gems, elected pres., National Academy of TV Arts & Sciences, succeeding Walter Cronkite, CBS-TV . . . Robert E. Harris, ex-WNTA-TV & WNTA ad & sales promotion dir., appointed ad & sales promotion mgr., radio KCBS San Francisco . . . Loomis C. Irish promoted from station additions salesman to nighttime sales service mgr., ABC-TV . . . Gerard F. Hurley, ex-Student Marketing Institute, N.Y., joins Washington office of media broker Blackburn & Co. as head of market research & promotion.

Paul Raymon named local sales mgr., WAGA-TV Atlanta. Robert H. Dolph named national & regional sales mgr., Cascade TV group (KIMA-TV Yakima, KEPR-TV Pasco, KBAS-TV Ephrata, all Wash., KLEW-TV Lewiston, Id.); Ben Shropshire appointed mgr., KEPR-TV Pasco . . . John Henry named sports dir., Thompson R. Watt, news dir., of KOA-TV & KOA Denver . . . David L. Smith appointed program-production mgr., WISH-TV Indianapolis . . . Paul Owen, ex-KTCA-TV Minneapolis-St. Paul, named station-relations associate, National Educational TV & Radio Center.

Meetings this week: Ga. Assn. of Bcstrs. annual meeting (Aug. 7-9), Jekyll Island, Ga. • Southern Cal. Bcstrs. Assn. luncheon (11), Hollywood Knickerbocker • Ark. Bcstrs. Assn. fall meeting (12-13), Marion, Little Rock.

Broadcasters' Promotion Assn. 5th annual convention (Nov. 14-16, Sheraton Charles Hotel, New Orleans) will feature informal discussions (rather than panels) of color TV, budgets, merchandising, FCC & the Harris committee, graphic arts in promotion, audience surveys, image building, video tape in promotion & news promotion. Opening day keynoter will be NBC Chmn. Robert W. Sarnoff.

Women were urged to enter TV-radio as public-affairs & news reporters last week at the international TV-radio workshop sponsored by the National Council of Churches. "Women have not even started to make their presence felt as broadcasters," Lisa Sergio, author & commentator, told a seminar group in N.Y.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

PHILCO STREAMLINING DISTRIBUTION & 'IMAGE': New Philco strategy to strengthen its market position and brighten its public image became more apparent last week at its distributor convention in Philadelphia. Company is breaking with past in many ways and returning to past in others.

Plagued by the white-goods slump—like everybody else in appliance industry—Philco will soon report poor 2nd-quarter earnings (see p. 15). But Pres. James M. Skinner Jr. expects recent policy & personnel shifts to result in far stronger distribution & product programs. Among changes:

Known in past for its long product lines and flamboyant stylistic innovations, Philco for 1961 has probably shortest & most conservative TV line in its history. It was introduced in 2 installments—considered by company officials to be "more effective from the merchandising viewpoint." Portables & "compacts" were introduced last spring. Console line, shown last week, consists of 7 basic 23-in. models, one TV-phono combination. Also shortened were company's white-goods lines.

Philco feels this move should go long way toward solving inventory problems of its distributors & dealers. Also basically aimed at inventory-cutting, it introduced new concept of "optional remote control." Six of the new consoles are convertible by dealer or service technician to remote-control in 10 minutes with addition of remote chassis and sonic hand unit at \$70 extra. This means end to special inventories of remote-control sets, by simple expedient of stocking remote-control conversion kits. (Details of new Philco line on p. 14).

There was some questioning of psychology of this approach within the industry. For one thing, most manufacturers carefully avoid "equivalent" remote & non-remote model sets so customers can't figure "extra cost" of remote tuning. Philco, in effect, tells them: It's 70 bucks. Will remotes go as a \$70 "accessory"? Philco is willing to test. Dealer-conversion approach is hark-back to Philco's highly successful approach to uhf: Let dealer convert set to avoid dual inventory.

In exchange for cutting down their inventory requirements, Philco expects more allegiance & strength from its distributors. Pres. Skinner made no bones about that in last week's get-down-to-business distributor convention. It's also been made clear by now that Philco—although it prefers independent distributorships—will have no hesitancy in setting up factory branches where it thinks present distributor can't cut the mustard.

Philco finally feels it has really strong distribution outlets in N.Y. & N.J., having disposed of factory branches there to John M. Otter Co., its Philadelphia distributor (Vol. 16:17 p17). Otter, of course, is onetime Philco exec. vp.

In recent realignment of high Philco executives, name of Frederick D. Ogilby returns to sales prominence in new post of consumer-products sales dir. The longtime vp & gen. mgr. for Philco TV, he had recently been director of market planning, concentrating on special accounts. With his return to power, some other aspects of old Philco "image" are being restored. For example, old company slogan has been dusted off and is doing duty once more: "Famous for quality the world over."

Sidelight in Philco's image-building campaign is letter sent to all Philco employes as they left on annual vacations last month. Signed by Skinner, it urged them to remember that wherever they went they were personal emissaries of Philco, to act in the "Philco spirit." Meeting last week sought to rekindle same Philco spirit in distributors, who, in turn are expected to pass it on to dealers in open-house product meetings during next few weeks.

"New Philco spirit" is tied firmly to past, and there will be strong attempt to remind the public "we've been in the business for a long time," as one official put it. Example will be promotion campaign around Hallowe'en season celebrating production of Philco's 35-millionth radio.

Company is already convinced that its bet on stereo reverberation will hit pay dirt. It has shipped more than 3,000 "Reverbaphonic" stereo units in less than 5 weeks, a spokesman told us, and the sets are now on allocation until production can be stepped up. Philco's Reverbaphonic sets list at \$339-\$750.

MIDYEAR SALES & PRODUCTION FIGURES: Official EIA figures on TV-radio retail sales at 1960's midway point show just how good this year has been so far: TV unit sales are up 17%; radio sales are up 23% over 1959. Every month in 1960 has been better at the sales counter than the same 1959 month.

Although TV's 6.5-million-sets-a-year pace didn't quite hold up in June, that month's retail sales topped June 1959, which, as you'll remember, marked the first month of TV's pickup from the slump which started in 1958 (Vol. 15:32 p16).

Good sign for future is dealers' response to first new TV lines, as indicated by June sales of sets to dealers—438,828. This doesn't reflect all new lines, of course—since many weren't even seen by dealers until late June or July. Figure was below June 1959's record of 479,284, but was 2nd highest for any June. Presidential election campaigns—to be promoted heavily by almost all TV manufacturers—are expected to hypo fall sales.

Virtually unnoticed in TV picture is pickup in uhf-equipped sets—production this year being exactly 50% more than the same period last year, and reversing long downtrend. Most manufacturers attribute much of this rise to growth of uhf translator systems. Uhf is still drop in the bucket—but it's going stronger than either 1959 or 1958 in terms of set production.

Radio sales are still hovering close to 10-million-a-year pace. And production of FM & FM-AM table models (last paragraph below) is exactly double last year's mark. Here are EIA's statistical indicators of TV-radio's health at midyear (phono figures due in week or 2):

TELEVISION

Month	Total Production		Uhf Production		Retail Sales	
	1960	1959	1960	1959	1960	1959
January	526,494	437,026	50,119	35,841	590,867	501,704
February	503,453	459,492	43,537	34,678	507,673	448,173
March	549,500	494,032	45,411	32,112	501,829	425,751
April	422,551	389,251	39,240	20,501	351,214	263,998
May	442,176	431,911	32,295	28,247	334,283	279,536
June	518,870	571,003	34,245	29,064	371,661	344,795
TOTAL	2,963,044	2,782,715	244,847	180,443	2,657,527	2,263,957

RADIO

Month	Total Production		Auto Radio Production		Retail Sales (excl. auto)	
	1960	1959	1960	1959	1960	1959
January	1,355,788	1,124,737	632,461	420,052	803,388	700,490
February	1,442,368	1,125,385	596,872	432,551	611,479	474,888
March	1,667,550	1,347,554	633,761	511,219	664,441	515,563
April	1,230,323	1,040,183	399,963	422,346	547,839	388,863
May	1,277,040	1,039,562	463,165	476,222	548,322	400,882
June	1,551,451	1,430,165	596,870	637,806	702,889	678,195
TOTAL	8,524,520	7,107,586	3,323,092	2,900,196	3,878,358	3,158,881

FM radio production (1959 figures in parentheses): Jan. 33,816 (30,235), Feb. 50,963 (29,145), March 83,127 (32,994), April 61,953 (31,425), May 65,438 (48,841), June 105,317 (50,783). Total: 442,535 (223,423).

TV-RADIO PRODUCTION: EIA statistics for week ended July 29 (30th week of 1960):

	July 22-29	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	97,966	69,944	91,507	3,230,666	3,133,075
Total radio	271,809	241,005	191,895	9,407,415	7,936,621
auto radio	89,683	93,638	47,436	3,650,331	3,154,921

Extensive ad campaign for replacement picture tubes was launched last week by RCA. Harold S. Stamm, electron-tube div. ad & sales-promotion mgr., told RCA tube distributors the new year-around Silverama campaign "represents the largest & most extensive sales-building plan ever offered for TV picture-tubes." Coverage will include billboard posters, TV & radio, newspapers, direct mail and magazines.

Radio Television Training of America Inc. (formerly Radio Television Training Assn. Inc.), 52 E. 19th St., N.Y., has settled a 1956 FTC false-claims complaint against it by signing a consent order forbidding misrepresentations that: (1) Correspondence students will receive a free TV tube as part of their course. (2) Students will have all expenses paid for training periods in N.Y. FTC dismissed 11 other charges against RTTA.

More about

PHILCO 'CONVERTIBLES': The introduction of Philco's new short TV line was completed at last week's distributor convention in Philadelphia with the showing of 7 basic TV consoles, one TV-stereo combination and a remote-control 19-in. "compact" (see p. 12).

The combination and 5 of the consoles are convertible to remote tuning with the addition of a \$70 kit containing all additional components. As demonstrated at the convention, the kit can be installed in less than 10 minutes, requires no soldering. Conversion can be made in advance of the sale, in the store for the customer, or after the sale at any time the customer decides he wants to add Philco's "Directa" remote control.

Philco's console line—all 23-in.—is topped by 5 "Mastercraft" fine-furniture sets. Four of these are designated "Miss America" and are priced at \$399.95 in different cabinets (horizontal, vertical, colonial maple, Danish modern, traditional mahogany combinations). The 5th is a TV-stereo combination with reverb. AM-FM drop-in tuners are offered for the combo at \$70 & \$100. All 5 Mastercraft sets have remote-control option at \$70 extra.

The other new consoles are Danish modern horizontal at \$289.95, colonial at \$299.95 and modern vertical console in walnut or mahogany at \$299.95, the latter being convertible to remote control.

Dropped into the 19-in. line is a "compact" with built-in remote control at \$259.95. Promotional drop-ins are due this fall keyed to the political campaigns.

Trade Personals: Dr. Allen B. Du Mont, founder and former chairman of Allen B. Du Mont Labs, now merged with Fairchild Camera & Instrument Corp., continues to head up all Du Mont operations as group gen. mgr. of the Allen B. Du Mont Labs divisions (tube div., industrial electronics div., international div.) of Fairchild . . . Joseph P. Gordon resigns as mgr. of Du Mont tube div., his duties taken over personally by Dr. Allen B. Du Mont pending selection of a successor; Gordon's plans not yet announced.

William R. Campbell, former West Coast district sales representative, promoted to mgr., marketing services, Zenith Sales Corp. . . . R. Bruce Ruttenberg, ex-Holleb & Co. (wholesale grocery), named ad mgr., Trav-Ler Radio, succeeding Jerry Friedman, resigned . . . John R. Bonner named vp-gen. mgr., Ensign Acceptance Corp., Canadian Admiral's credit subsidiary . . . Richard J. Hanschen appointed mgr. of mktg., Texas Instruments semiconductor-components div., succeeding James F. Carland, now mgr. of the division's new international operations dept.

Kenneth B. Shaffer named distributor sales mgr., RCA electron-tube div., succeeding D. M. Branigan, now electronic components mktg. mgr. of RCA international div. . . . James R. Kerr promoted to exec. vp. for new Avco defense & industrial products group . . . Charles H. Miller named mgr. of Sylvania's Ottawa, O. TV picture-tube plant . . . Earl J. Shelton, ex-Raytheon, named mgr., new Eitel-McCullough high-power tube div.

Sonic Industries Inc., phono & electronics manufacturer, operating under Chapter XI of the Bankruptcy Act, will pay creditors 25% in five 5% notes, maturing in 4 to 15 months, according to referee Sherman D. Warner.

New Setchell-Carlson line starts at \$199 for a 19-in. TV, with 23-in. sets starting at \$329. Line is topped by a 23-in. TV-AM-FM-stereo combination at \$639.

As Others See Us: The latest peek & peck by an overseas retailer at the U.S. TV-radio dealer's way of doing business comes from T. F. W. Bryan, gen.-mgr. of England's Tansley & Cooke Ltd. Reporting in *Wireless and Electrical Trader* on his 3-week U.S. tour, Bryan includes these observations:

"The standard of display in many of the retail outlets in N.Y. is below the standard of similar shops in [our] country, but their method of selling does not, in many cases, warrant attractive displays & glamorous show-rooms. Price is the key to their whole selling plan. Operating as they do, on a low margin of profit, they must sell in great quantity, keep their overheads low as possible . . .

"The general impression I had of the salesmen in retail shops was that they were of a very much lower standard than in this country, and that, in the main, the drive & enthusiasm in selling was at the top, but inclined to fall off rather rapidly towards the bottom. It may be their lack of recognition of salesmen that is partly due to this, as in most cases they are termed clerks and are very poorly paid. It would seem that although America is probably more sales conscious than any other country, it has not developed the technique of retail selling to the standard we have here. No doubt the price-cutting war and the lack of service facilities were responsible for creating this position . . .

"I was very much impressed by the close liaison between manufacturers & dealers in America, and felt that the consideration of each other and their help & cooperation was far greater than in this country . . .

"My general impression was that American advertising is used to a far greater advantage than our own, as it is essentially produced to sell the product rather than for prestige purposes. The Americans have realized that it is far too costly to fill advertising space with anything less than good salesmanship . . .

"Although I have said that in many retail shops the over-all standard of salesmanship was poor, the progressive retailers have salesmen of quite a high standard. I gathered that most manufacturers & retailers would prefer to have price control rather than the present setup which makes trading very difficult for all concerned."

Prospects are dim for late-summer boom in jobs, concludes a Labor Dept. survey of the employment outlook in 149 major labor areas. The consensus of state employment-security offices contacted: A "moderate," seasonal gain in job availability through mid-Sept., but little hope for an extra-brisk payroll recovery in the durable goods industries to offset the greater-than-seasonal summer layoffs. Among the industries in which "some gains appeared in prospect:" TV-radio, electronics, communication equipment. Job categories which are expected to show the best improvement: Retailing, construction and services in the non-factory area; food processing, clothing and textiles in the non-durable manufacturing field.

Device for transforming sunlight directly to electricity is now available to industry & the home hobbyist from Hoffman Electronics. The "Solar Modules" are small, self-contained power-generating units mounting 5 shingled, plastic-encased silicon solar cells. They can be used to power such devices as radios, relays, models and exhibits, and are suitable for some battery-charging applications.

Admiral color-TV sales contest for dealers has 6-day trip to Mexico City next March as a reward for sets purchased during 2nd half of 1960.

Finance

Philco's 2nd-quarter profit was below the year-ago figure, resulting in a decline in first-half earnings. So said Pres. James M. Skinner Jr. at last week's distributor convention in Philadelphia (see p. 12). He didn't give specific figures, but said he expects a 2nd-half pickup which will put full-year profits "in last year's ball park." He said Philco was "in the black for the 2nd quarter, but not as black as a year ago." He added that the 2nd-quarter slump was due to the appliance sales decline and development costs in the computer field. Computer activities will begin to show a profit next year, he predicted. In last year's 2nd quarter, Philco's earnings were \$797,000 (17¢ a share). For first-half 1959, the net was \$2,386,000 (54¢); for all of 1959 it was \$7,176,000 (\$1.67). This year's first quarter saw a net of \$1,615,000 (37¢), slightly ahead of last year's \$1,589,000 (37¢).

Siegler scored strong sales & profit gains in its 1960 fiscal year ended June 30 (see financial table). The improved performance was aided by a record 4th quarter which produced earnings of about \$734,000 (39¢ a share) on \$19-million sales, compared with fiscal 1959's 4th-quarter profit of \$471,000 (29¢) on \$16.8-million sales. For the 1961 fiscal year, Pres. John G. Brooks forecasts increasing sales & income. He said Siegler's Olympic Radio & Television div. is expected to produce greater volume & profits with its enlarged TV line, which includes Olympic's first color sets. Brooks said TV, hi fi and other commercial electronic products accounted for about 50% of total Siegler sales, military products 25%, air-conditioning equipment 22%, miscellaneous products 3%.

Davega "conservatively estimates" a profit approximating \$370,000 (about \$1 a share) for its 1961 fiscal year ending Feb. 28. This compares with fiscal 1960's loss from operations of \$562,097 (Vol. 16:27 p19). Pres. Joseph Axler reported to the annual meeting that sales in the first third of fiscal 1961 gained 24.5% to about \$6.9 million from \$5,354,000 in Mar.-Jun. 1959. He forecast fiscal-1961 sales of \$25 million, vs. \$18,112,266 in fiscal 1960. Axler also noted that Davega plans to add ladies' & children's apparel, starting in 2 stores.

Skiatron Electronics & TV stock transactions by N.Y. broker-dealer Re, Re & Sagarese will be explored by SEC in a Washington hearing Sept. 7 on charges that the firm violated anti-fraud-&-manipulation provisions of the Securities Exchange Act (Vol. 16:20 p22). At issue in the proceedings will be questions of whether the firm's registration with SEC should be revoked and whether the company should be suspended or expelled from American Stock Exchange membership.

Motorola is growing fast, but obviously not at the \$100-million-a-year pace we reported last week in our coverage of Pres. Robert W. Galvin's address to the N.Y. Society of Security Analysts (Vol. 16:31 p22). Galvin actually stated that Motorola's rate of sales growth since 1940 has been about \$100 million a decade, and he predicted sales by 1970 would be at least \$500 million.

Dynamics Corp. of America netted a 64% profit gain on a 58% sales rise during 1960's first half (see financial table). Pres. Raymond F. Kelley attributed the improved performance principally to increased shipments of tropospheric scatter communications equipment by its Radio Engineering Labs subsidiary and of components by its Reeves Instrument subsidiary.

Wells-Gardner Electronics rolled up a 40% profit gain on a first-half 1960 sales increase of less than 3% (see financial table). However, Pres. Robert Alexander noted that the order backlog on June 30 had declined to \$8,595,000 from the year-ago record \$11,115,000. "Although production for the 3rd quarter is scheduled at a lower rate than in 1959, because of the smaller order backlog," he amplified, "it is hoped & anticipated that our customers will need to replenish their inventories in the 4th quarter. This would result in greater production in the 4th quarter than was the case in 1959. Operating results for the 3rd quarter are expected to be below 1959; however the 4th quarter is expected to be better than in 1959. Barring unforeseen reversals in the economy, profits for the entire year should be about the same as last year."

Terminal-Hudson Electronics Inc. will be formed by a merger of Terminal Electronics Inc. and Hudson Radio & TV Corp., N.Y. distributors of electronic parts & components, according to an SEC registration statement (File 2-16743). Under the merger agreement, 499,970 outstanding Hudson common stock shares will be exchanged for an equal number of Terminal-Hudson shares. As part of its financing plan, Terminal-Hudson applied to SEC for registration of 166,668 capital shares for public sale at \$6 per share on an "all-or-nothing" basis by J. A. Winston & Co. Inc. and Netherlands Securities Co. Inc.

Globe-Union registered slight sales & profit gains during the first half as increases in the volume & earnings of its Centralab Electronics and Wico Ignition divs. offset a recession in the Globe Battery div. (see financial table). However, noted Pres. C. O. Wanvig, "in view of the current general economic outlook, it is questionable that last year's 2nd-half earnings level can be attained."

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, Aug. 4, 1960

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked	Stock	Bid	Asked
Acoustica Associates	29	31½	Magnetics Inc.	11	12½
Aerovox	9¾	11	Maxxon (W.L.)	8¾	9¾
Allied Radio	21¼	22¾	Meredit Pub.	40	44
Astron Corp.	2	2½	Metropolitan Bcstg.	17	18¾
Baird Atomic	32¼	34½	Milgo Electronics	22	25½
British Industries	12½	14½	MPO Videotronics	7	7¾
CGS Labs	11½	14¼	Narda Microwave	6½	7¾
Control Data Corp.	30½	41¾	Narda Ultrasonic	4¾	5½
Cook Elec.	15¾	16¾	National Co.	23¾	25½
Craig Systems	17¼	18½	Nuclear of Chicago	34¾	37½
Dictaphone	39	42	Official Films	1-7/16	1-11/16
Digitronics	22½	24½	Pacific Automation	8½	9
Eastern Ind.	12¾	13¾	Pacific Mercury	8¼	9
Eitel-McCullough	23¾	25¾	Perkin-Elmer	40½	43½
Elco Corp.	17	18¾	Philips Lamp	161½	167
Electro Instruments	43½	47½	Pyramid Electric	2¼	2¾
Electro Voice	11¾	13½	Radiation Inc.	22¾	24¾
Electronic Associates	26	28¼	Howard W. Sams	45½	49
Erie Resistor	8¼	9¾	Sanders Associates	45½	49¼
Executone	26	29¾	Silicon Transistor	6¾	7¾
Farrington Mfg.	31¼	33¾	Soroban Engineering	24½	26¾
Fischer & Porter	15¾	16¾	Soundscribe	13½	15¼
FXR	50	55½	Speer Carbon	20¼	22¼
General Devices	15½	18	Sprague Electric	54½	58½
G-L Electronics	9½	10¾	Taft Bcstg.	14½	15¼
Granco Products	5	5¾	Taylor Instrument	71	76¾
Gross Telecasting	18¾	20¾	Technology Inst.	10	11½
Haydu	.05	.21	Tele-Broadcasters	¾	1-5/16
Hewlett-Packard	76	80¾	Telechrome	11½	12¾
High Voltage Eng.	130	141	Telecomputing	8¼	9
Infrared Industries	21	24½	Telemeter	13¾	15½
International Rectifier	22¼	24¾	Time Inc.	65	68½
Interstate Engineering	24½	26¼	Tracerlab	12½	13¾
Itek	62	66	United Artists	7¼	7¾
Jerrold	8¾	9¾	United Control	26¾	29½
Lab for Electronics	45½	48¾	Universal Trans.	1¾	2¼
Lab Inc.	6½	7	Vitro	13	14
LFE Inc.	10	12¾	Vocaline	3¾	4¾
Ling. Altec Electr.	23¼	25½	Wells-Gardner	16	17¾
Magna Theater	2½	3-1/16	Wometco Ent.	12¾	14½
Magnetic Amp.	9	—			

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Amphenol-Borg Electronics	1960—6 mo. to Jun. 30	\$ 31,403,805	\$ 3,335,257	\$ 1,598,257	\$1.36	1,176,074
	1959—6 mo. to Jun. 30	28,053,012	2,931,288	1,364,288	1.17	1,168,694
	1960—qtr. to Jun. 30	15,841,676	1,688,075	809,075	.69	1,176,074
	1959—qtr. to Jun. 30	15,020,481	1,619,790	755,790	.65	1,168,694
Walt Disney Productions	1960—39 wks. to Jul. 2	30,648,126	848,151	323,151	.20	1,626,023
	1959—40 wks. to Jul. 4	39,363,156	5,047,497	2,366,497	1.50	1,581,011
Dynamics Corp. of America Story on p. 15.	1960—6 mo. to Jun. 30	20,675,146	1,536,783	870,926	.23 ³	2,786,527
	1959—6 mo. to Jun. 30	13,079,471	807,815	614,931	.14 ³	2,749,653
Erie Resistor	1960—24 wks. to Jun. 12	—	—	192,250	.19	—
	1959—24 wks. to Jun. 12	—	—	190,413	.19	—
Globe-Union Story on p. 15.	1960—6 mo. to Jun. 30	28,041,516	1,770,525	836,525	.99	843,729
	1959—6 mo. to Jun. 30	27,937,734	1,790,259	836,259	1.01	830,048
Hoffman Electronics	1960—6 mo. to Jun. 30 ⁴	23,935,550	253,054	123,054	.08	1,524,221
	1959—6 mo. to Jun. 30 ⁴	22,345,189	2,339,705	1,111,705	.74	1,506,022
Raytheon	1960—6 mo. to Jun. 30	277,564,000	—	4,187,000	1.08 ³	3,723,008
	1959—6 mo. to Jun. 30	235,164,000	—	5,112,000	1.45 ³	3,507,999
	1960—qtr. to Jun. 30	142,812,000	—	2,027,000	.52 ³	3,723,008
	1959—qtr. to Jun. 30	121,862,000	—	2,600,000	.73 ³	3,507,999
Siegler Corp. Story on p. 15.	1960—year to Jun. 30 ⁵	84,000,000	—	3,200,000	1.71	1,871,595
	1959—year to Jun. 30	77,000,000	—	2,200,000	1.36	1,624,815
Textron Inc.	1960—6 mo. to Jul. 2	164,340,000 ⁶	8,173,000	6,285,000	1.27 ³	4,765,236 ⁷
	1959—6 mo. to Jul. 2	145,954,000	8,849,000	8,533,000 ⁸	1.89 ³	4,340,780 ⁷
	1960—qtr. to Jul. 2	81,827,000	3,693,000	2,924,000	.59 ³	4,765,236 ⁷
	1959—qtr. to Jul. 2	81,005,000	5,216,000	4,900,000 ⁹	1.10 ³	4,340,780 ⁷
Wells-Gardner Electronics Story on p. 15.	1960—6 mo. to Jun. 30	9,295,088	437,384	215,384	.51	—
	1959—6 mo. to Jun. 30	9,059,728	309,022	154,022	.37	—
	1960—qtr. to Jun. 30	5,493,750	406,841	194,841	.46	—
	1959—qtr. to Jun. 30	4,225,464	173,925	83,925	.20	—

Notes: ¹Outstanding June 30, 1960. ²No provision for federal income tax because of tax-loss carry-forward. ³After preferred dividends. ⁴For 2nd-quarter report, see Vol. 16:31 p23. ⁵Estimated. ⁶Record. ⁷Average ⁸Excludes non-recurring income of \$2,456,000. ⁹Excludes non-recurring income of \$1,500,000.

Metropolitan Bcstg. Co. anticipates strong rises in 1960 sales & earnings, reports Pres. John W. Kluge. Sales are expected to go to \$40 million—more than double the \$16.5 million in 1959. Earnings are forecast at about \$2.1 million (\$1.25 a share), compared with 1959 earnings of \$1.4 million (91¢). Kluge said that much of the anticipated sales & profit gain will develop from the acquisition in March of ad agency Foster & Kleiser Co. Kluge noted that Metropolitan, which now operates 4 TV & 3 radio stations, intends to expand station ownership, is also considering broadening into other advertising areas. He said Metropolitan has completed the purchases (subject to FCC approval) of WTVP Decatur, Ill., and short-wave radio WRUL Scituate, Mass.

Foreign expansions: Fairchild Semiconductor Corp. (Fairchild Camera & Instrument's wholly owned subsidiary) is acquiring ½ of Milan, Italy semiconductor manufacturer Societa Generale Semiconduttore for the overseas production & marketing of Fairchild silicon semiconductor devices. The other ½ of 2½-year-old SGS are owned equally by business-machine-producer Olivetti and micro-wave-equipment-manufacturer Telettra. • Polarad Electronics has formed a French subsidiary to produce industrial microwave instrumentation for the European market. Polarad will retain about 80% of the new company's stock.

International Diode Corp., Jersey City, plans public offering of 42,000 shares of 6% non-cumulative convertible preferred stock at \$8. Ernst Wells Inc. is underwriter.

Reports & comments available: Texas Instruments, review in *Investor's Reader*, Merrill Lynch, Pierce, Fenner & Smith, 70 Pine St., N.Y. 5 • Metropolitan Bcstg., report, Eastman Dillon, Union Securities & Co., 15 Broad St., N.Y. 5 • Arvin Industries, review, Carreau & Co., 115 Broadway, N.Y. 6 • Decca Records, analysis, Walston & Co., 74 Wall St., N.Y. 5 • ITT, study, Shearson, Hammill & Co., 14 Wall St., N.Y. 5 • Corning Glass, report, Reynolds & Co., 120 Broadway, N.Y. 5.

A. C. Nielsen stockholders have approved a 3-for-1 split in both the common & class B stock, effective Aug. 5. The additional shares will be distributed Aug. 24 to stockholders of record Aug. 5. The approval increases Nielsen authorized shares to 3,690,000 (2,250,000 common & 1,440,000 class B) from 1,230,000 (750,000 common, 480,000 B). The company currently has outstanding 570,000 common & 480,000 B shares.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Avnet Electronics	Stk.	4%	Sep. 21	Aug. 31
GT&E	Q	\$0.19	Sep. 30	Aug. 22
General Tire & Rubber	Q	.25	Aug. 31	Aug. 15
Litton Industries	Stk.	2 ½%	Oct. 21	Oct. 7
Speer Carbon	—	.17 ½	Sep. 15	Aug. 31
TV-Electronics Fund	—	.04	Aug. 31	Aug. 4
United Artists	Q	.40	Sep. 30	Sep. 16

WEEKLY **Television Digest**

AUGUST 15, 1960

© 1960 TRIANGLE PUBLICATIONS, INC.

VOL. 16: No. 33

The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS**Congress**

PASTORE BALKS HARRIS ON SUSPENSIONS of licenses as punishment for stations in TV-radio reform bill passed by House. Senate version to omit penalty (p. 1).

1961 PREVIEW BY HARRIS outlines 7-point TV-radio legislative agenda for House hearings in next Congress, including equal time, network regulation, pay TV (p. 3). Sec. 315 next week (p. 3).

FCC

THE FORD ROCKET—ready to ignite 2nd stage after Aug. vacation. Summary of 5 months of chairmanship (p. 2).

FCC'S UHF PROJECT SETUP gets alphabetical tags—GIAC, TIAC, RIAC, OMIAC, AIAC—as industry caucus okays committee system under FCC staffers (p. 4).

ANOTHER FCC POLITICAL QUIZ seeks data from all broadcasters on how they handle candidates & issues in campaign—and how much money they make (p. 5).

MIAMI CH. 10 FIGHT RENEWED in court by WPST-TV, which is under FCC "influence" sentence to surrender grant. Debarred applicant North Dade asks rehearing (p. 5).

Film & Tape

RECORD FILM PRODUCTION of \$150 million for next season seen for Hollywood; trend to 60-min series continues (p. 5).

Auxiliary Services

JERROLD CATV SALE closed for \$5 million, H & B American Corp. of Los Angeles taking over 9 community systems & 2 microwave companies in record deal (p. 8).

Consumer Electronics

TV-ELECTRONICS sales up, profits down in 2nd quarter, tally of representative firms shows. Good first quarter offset by 2nd to leave first-half profits same as 1959 (p. 11).

RCA SHIFTS TV HQ to Indianapolis, Ind. from Cherry Hill, N.J.; Sales Corp. & home-instrument div. will complete migration by mid-1961 (p. 12).

STUDY RULES, DEALERS WARNED by FTC's Earl W. Kintner at NARDA-American U. management institute. He urges re-reading of 1955 TV-radio industry guidebook (p. 13).

WHICH PAPER D'YA READ? Is TV industry headed for near-record year or faced with consumer buying strike? It all depends on who's analyzing the market (p. 14).

Networks

NIELSEN-NETWORK DISAGREEMENT is reaching a truce stage after nearly a year of contract sparring. ABC has renewed for full services, NBC & CBS are negotiating (p. 9).

Finance

ZENITH AT ZENITH: Pushes first-half sales to record \$118.3 million as profit increases to \$5.3 million from \$4.9 million in Jan.-June 1959 (p. 15).

Other Departments

PROGRAMMING (p. 6). **ADVERTISING** (p. 7). **EDUCATIONAL TV** (p. 8). **STATIONS** (p. 10). **PERSONALS** (p. 10).

PASTORE BALKS HARRIS ON SUSPENSIONS: Catch-all TV-radio-FCC reform bill (S-1898), patched together by Rep. Harris (D-Ark.) & passed by House, was put through Senate wringer last week—and came out with its most punitive section in shreds.

License-suspension penalty was virtually ripped from measure in swift one-day hearing by Senate Commerce Communications Subcommittee headed by Sen. Pastore (D-R.I.). This industry-opposed provision for FCC disciplining of stations which defy its rules & regulations (Vol. 16:32 p2) scarcely survived opening testimony by FCC Chmn. Ford. He started out by insisting Commission needed suspension power as a less-than-revocation club against recalcitrant licensees. But Ford was in retreat on the issue before he left stand.

Ford backed away under sharp questioning by Pastore, who argued that putting stations off air for 10-day periods—as proposed in Harris bill—would penalize the public more than licensees. "The Commission would much rather have a bill without suspension provisions than not have a bill at all," Ford finally said. Pastore suggested tartly "diplomatic blackmail" by FCC wasn't needed to get rest of bill through.

"A suspension is going to hurt the kiddies who watch 'Howdy Doody' even more than the licensee," Pastore observed at one point in hearing—even before NAB govt. affairs vp Vincent T. Wasilewski & other industry spokesmen got in their licks against penalty. "He might just take a vacation in Bermuda."

Alternative cash-forfeiture penalties in Harris bill for stations survived hearing. So did payola-&-quiz-rigging prohibitions & other non-controversial provisions of the omnibus measure which were challenged by

nobody. But Pastore promised that provision for imposition by FCC of \$1,000-per-day fines would be modified by his Subcommittee before measure is sent by full Committee to Senate floor for vote—probably this week. As approved by House, S-1898 permitted FCC to assess forfeitures against stations for each day of the 3-year license period. Probable Senate modification: Setting a 90-day limit to the period in which FCC could charge violations & assess fines.

Procedural safeguards for licensees against any malicious or capricious FCC forfeiture proceedings also will be written into Senate amendments, Pastore said. At end of hearing he called on FCC, NAB and American Bar Assn. to help his communications counsel Nicholas Zapple draft language assuring stations due-process protection in hearings, etc., when they are called on Commission's carpet.

Quick Senate floor approval of Pastore amendments to S-1898—which came to the Subcommittee as House substitute for minor FCC procedural bill passed by Senate last year—was predicted by Commerce Committee sources. Stripped-down measure then would go back to House for probable concurrence.

Lone defender of license suspensions at Pastore hearing following Ford's retreat was Washington dir. Lawrence Speiser of the American Civil Liberties Union. He said suspensions would help Commission fix penalties "to fit the crime," but devoted most of his testimony to arguing for more legal protection for licensees confronted with forfeiture proceedings. Similar due-process pleas were made by American Bar Assn.'s Bryce Rea Jr. & Donald C. Beelar.

Backing up NAB's Wasilewski in anti-suspension testimony were J. S. (Dody) Sinclair (WJAR-TV Providence), Cecil Woodland (radio WEJL Scranton), ex-FCC gen. counsel Warren Baker (Federal Communications Bar Assn.). CBS, NBC and ABC supported NAB in statements. Another witness was AFM secy. Stanley Ballard, who got brush-off from Pastore when he urged that S-1898 be amended to require broadcasters to identify foreign-taped music. House Commerce Committee's communications counsel Kurt Borchardt, who helped Harris draft suspension feature, was spectator, but wasn't called on by Pastore for advice.

THE FORD ROCKET—READY TO IGNITE 2ND STAGE: FCC Chmn. Frederick W. Ford had best running start & sendoff that any Commission chairman ever debuted with when he took over 5 months ago—and he's made the most of it.

Congress & public were yearning for a "cleanup man" after months of quiz-payola-influence furore, and Ford stepped up with more blessings than he could count. He was ready—having served as a top FCC attorney for 6 years, a substantial Justice Dept. official for 4 years and a Commissioner 2½ years. Let's look at Commission performance under his leadership, including major new policy departures:

(1) Rapport with Congress. Lawmakers are pleased with Ford. They demanded action on quiz-rigging, payola, influence-peddling etc.—and Commission came through quickly with recommendations on legislation & proposed rules of its own. Ford's demeanor in witness chair is respectful, careful, straightforward. Unlike his predecessor John C. Doerfer, he seldom is in difficulty on stand, rarely backtracks as he did at last week's Senate hearing on suspension penalties in payola bill (see p. 1).

(2) Network regulation. Commission reversed traditional position, told Congress it wants greater control over networks.

(3) CATV regulation. Changing policy, Commission decided that CATVs shouldn't be permitted to duplicate programs of local stations.

(4) Vhf booster rules. Significance of this was not policy, but speed. Rules were finalized only a month after Congress passed necessary legislation.

(5) Miami Ch. 10 decision. Tough, far-reaching, short—and prompt.

(6) Complaints & Compliance Div. Ford led fight for it, doing single-handed lobbying job with Congress, got most of what he wanted.

(7) Program policy statement. Significance still to be determined—but it came through fast.

Note recurring theme of speed. It's a fetish with Ford. For example, he convenes Commissioners immediately after oral arguments on contested cases, calls for vote while issues are fresh in members' minds. On July 28, precedent was made. Oral argument was held on request of radio KVFC Cortez, Colo., which

sought facilities improvement. FCC Broadcast Bureau attorney argued against grant. Commission held brief intermission, told KVFC lawyer to save his breath—that he would get his grant, didn't need to utter a word.

In intramural personal relationships, Ford is doing well. Fellow Commissioners consider him most fair-minded. Staff is working hard. He has pushed bureau chiefs to make more use of cash-incentive-award system for employes. There has been no sudden firing or downgrading of top aides.

Relationships with industry are unusual. Though Ford respects & likes industry leaders, he doesn't socialize with them, doesn't even lunch with them. He has few outside visitors.

Inventiveness is probably Ford's outstanding characteristic. Other chairmen have been good administrators—knowledgeable, fair, effective leaders & cooperators—but few have shown such willingness to try new approaches.

Ford's major frustration to date is lack of action on TV allocations. He considers subject top problem before Commission, but Commission can't move until OCDM finally gives its views on possibilities of shifting vhf spectrum from military to civilian use.

Ford's administration has had strong takeoff—but if Kennedy wins in Nov. it won't orbit. Kennedy would install his own chairman, presumably tapping Comr. Bartley, who is nephew of House Speaker Rayburn. And who has more influence on Lyndon Johnson than Rayburn? If Nixon wins, Ford is in solid.

Congress

1961 PREVIEW BY HARRIS: A taste of TV-radio things to come in the next Congress—none startling—was offered last week by Chmn. Harris (D-Ark.) of the House Commerce Committee & its Legislative Oversight Subcommittee.

In a speech prepared for an Aug. 13 session of the annual Ark. Bcstrs. Assn. convention in Little Rock, Harris threatened no new scandal-hunting forays by his Overseers into the industry. Instead, he ticked off these standby TV-radio subjects as likely items on his hearing-&-legislation agenda for 87th Congress opening next Jan.:

(1) Equal-time Sec. 315 of the Communications Act. (Political broadcast questions need "further careful study.")

(2) Network licensing & regulation. (Unfinished Committee business "which is still pending.")

(3) Anti-pay-TV legislation. ("We may have to hold further hearings during the next Congress.")

(4) Spectrum-control legislation. ("We may see action during the next Congress if the incoming President helps us to knock some departmental heads together.")

(5) Community-antenna regulation. (It just missed getting through the Senate this year and was sent back to the Senate Commerce Committee by a one-vote margin.)

(6) Federal-aid-to-educational-TV legislation. (It "got stuck in the Rules Committee" in the current session.)

(7) Extension of daytime radio station hours. ("Problems involved in this legislation are highly technical, complex and controversial [but] I shall certainly make a sincere effort to bring [them] to a resolution.")

Said Harris to his home-state audience of broadcast-ers: "It is my firm belief that the investigations . . . will help [TV] to grow stronger & more responsible."

"Regulatory lag" in operations of such govt. agencies as FCC, FTC, ICC, CAB and FPC will be investigated by the Senate Commerce Committee—probably next spring—in hearings on an ICC pilot study undertaken by the general accounting office. "We are very concerned that the growing backlog of unsettled cases & regulatory lag might undermine public confidence," said Committee Chmn. Magnuson (D-Wash.) in reporting plans for the inquiry.

NEXT WEEK FOR 315: In Washington, all signs pointed to House concurrence next week with the Senate in lifting equal-time requirements for broadcast appearances by Presidential & Vice Presidential candidates this year (Vol. 16:32 p2).

House Commerce Committee Chmn. Harris (D-Ark.), who will give the Senate-approved measure (S. J. Res. 207) a once-over at an executive meeting of his unit Aug. 16, said House Speaker Rayburn (D-Tex.) had assured him it "will be called up for consideration shortly" on the floor.

Due date for a House vote on suspension of the Communications Act's Sec. 315 was set, but Committee sources told us it was likely that rules would be suspended to permit action early next week, when the House will go into full legislative gear for its closing business this session.

Harris said some House members "have expressed their misgivings" to him about S. J. Res. 207. In a speech to the Ark. Bcstrs. Assn. (see p. xx), he said the experimental lifting of Sec. 315 for top candidates may lead to "permanent abandonment of the safeguards." And in that event, Harris warned, the candidates may be "called upon to serve the interests of the radio & TV networks instead of radio & TV serving the candidates and the best interests of the United States."

But Harris indicated he was ready to go along with the Senate now and "see how things work out," pending another look at Sec. 315 later on.

On the Senate side, meanwhile, Chmn. Magnuson (D-Wash.) of the Senate Commerce Committee introduced a housekeeping resolution (S. Res. 356) raising the appropriations for its Sec. 315 "Watchdog" Subcommittee (Vol. 16:25 p5) from \$35,000 to \$36,500.

* * *

Apart from a Congressional green light, there are other problems that must be solved before Nixon-Kennedy TV debates can become a reality. To tackle the question of the availability of the candidates for debates on specific dates, and to discuss a set of ground rules for the debates themselves, the chief TV strategists of the 2 parties—Herbert Klein for the Republicans, J. Leonard Reinsch for the Democrats—met with network executives in N.Y. Aug. 9 in a closed meeting. The session was primarily exploratory, with the networks attempting to

arrange debate telecasts that would be exclusives on particular nights and the political leaders suggesting simultaneous, 3-network debates. By all indications, the latter course will be the one that's followed. Meanwhile, at NBC-TV, corporate affairs vp Lester Bernstein was designated to coordinate plans for the appearance of the Presidential candidates on *The Great Debate* series.

* * *

Equal-time protest to FCC against refusal of CBS & NBC to put Socialist Labor Party candidates on the air to answer convention acceptance speeches by Democratic nominees has been turned aside by Comr. Lee. In a letter to SLP secy. Arnold Peterson, Lee said the networks were "responsive" to the minority party's request for equal time when they pointed to news-show exemptions from the Communications Act's Sec. 315. In his protest to FCC, Peterson also had cited Sec. 315's requirement that broadcasters handle controversial public issues fairly. But Lee said that issue hadn't been raised with the networks by SLP.

* * *

Nixon-Kennedy debate sponsorship problem was still undecided at NBC-TV & ABC-TV last week (Vol. 16:32 p2), with CBS-TV sticking to its original decision of presenting face-to-face debates between the Presidential candidates as pure public service. NBC & ABC, however, put the decision to the 2 major political parties, taking the position that if it is OK with the Democratic & Republican leaders to have commercial sponsors for the debates, it is OK with the networks. Scheduling of such debates, of course, is contingent on House action to suspend Sec. 315.

* * *

GOP TV strategy firmed last week as the first round of time-purchase orders went out from the Republican's election-period house agency, Campaign Associates. Unlike the paid-political-time TV strategy of the Democrats, which will call for a shotgun approach with short, capsuled TV telecasts via Guild, Bascom & Bonfigli (Vol. 16:31 p6), the Republicans are purchasing longer segments of prime time. All of the Campaign Associates orders call for 30-min. pre-emptions of nighttime shows on all 3 networks at the rate of about one show per week per network between late Sept. & election. Ignored by the GOP move: Possibilities of viewer resentment triggered by full-scale pre-emption of various popular nighttime shows (*Groucho Marx Show*, *Bat Masterson*, *Ann Sothern Show*, etc.) for pro-GOP politicking.

— ■ —

FCC's "immoral payola policy" of giving favorable attention to license applicants whose stockholders include members of Congress has been assailed again by Sen. Proxmire (D-Wis.). Uncowed by Commission Chmn. Ford's argument that such Congressional criticism may in itself be an off-the-record attempt to influence a decision (Vol. 16:27 p6), Proxmire renewed his attack in submitting an amendment to a pending 1959 bill (S-1734) to tighten FCC's ex-parte rules. The amendment would "prohibit the FCC from considering as a favorable criterion in awarding radio or TV franchises, membership in Congress by any of the stockholders of an applicant." He said "this favored, privileged advantage" shouldn't be tolerated by Congress. Proxmire's original complaint was against FCC's award of Albany Ch. 10 to WTEN, which numbers 5 Congressmen among its stockholders. FCC's reasoning on Congressional stockholdings in that case was spelled out in July in the text of its final decision (Vol. 16:30 p8).

The FCC

FCC'S UHF PROJECT SETUP: An all-industry caucus in FCC chief engineer Edward Allen's office Aug. 9 brought tentative selection of 5 Commission staffers to head up as many working committees for the \$2-million N.Y. uhf project (Vol. 16:31 p3).

At the same time, representatives of industry groups at the conference—NAB, EIA, IRE, AMST, JTAC, JCET, TASO, AFCCE, CCT—submitted 100-odd nominations for members of the committees. No names were selected definitely. Allen said the final makeup of the committees will depend on acceptances to invitations his office started sending out immediately.

The skeleton setup for the special uhf program, as approved at last week's meeting, will be topped by a 50-member General Industry Advisory Committee (GIAC), headed by Arnold Skrivseth. It will meet 3-4 times per year, operate as housekeeper & overseer for the whole project.

These 4 co-equal technical groups, each with 15-20 members and its own alphabetical tag, will meet weekly until the project is under way: Transmitter Industry Advisory Committee (TIAC), headed by Sidney Lines. Receiver Industry Advisory Committee (RIAC), headed by Jules Deitz. Observations & Measurements Advisory Committee (OMIAC), headed by Dan Hutton. Analysis Industry Advisory Committee (AIAC), headed by George Waldo.

No further industry-FCC uhf conferences were scheduled, but Allen said it was hoped that the new committees would shape up so that meetings could be called within a week or two.

Meanwhile the American Civil Liberties Union, which is frequently critical of FCC & broadcasting practices, sent a letter to FCC Chmn. Ford commending the Commission for initiating the uhf study. ACLU also called for "a gradual changeover [in 5-10 years] to an all-uhf, 70-channel TV system."

Also heard from was converter manufacturer Blonder-Tongue Labs, which said in comments submitted to FCC that uhf would get a big boost if the public were invited to participate actively in the N.Y. project. Such participation, coupled with a well-organized publicity campaign pushing top shows, would prove that uhf can be good, the company said. Blonder-Tongue estimated the cost of its converters at \$20 for those with a 12-14 db noise level, \$30 for 10-11 db devices.

— ■ —

Man masquerading as "Lowell Thomas Jr.," and described by the FBI after his arrest in N.Y. as a high-flying bad-check imposter who turned out to be Terrence Joseph Donley, 30, used FCC papers as part of his credentials. Giving his address as Hunting Towers, Alexandria, Va., Donley obtained a restricted radio operator's license from FCC July 25 in the name of the CBS commentator's son. The permit authorized him to manipulate push-button broadcasting controls, but not to monkey with station equipment. The FBI said Donley represented himself as a CBS newsman, traveled more than 100,000 miles in one 30-day spree by cashing checks signed "Lowell Thomas Jr."

Space communications needs as foreseen through 1970 by the U.S. govt. are being drafted by OCDM for FCC's 890-mc-&-above spectrum allocation proceeding (Vol. 16:29 p4). Setting an Oct. 15 deadline for detailed replies—some of which may be classified as secret—deputy asst. OCDM telecommunications dir. F. C. Alexander has circularized all federal agencies for estimates of space requirements.

Another FCC Political Quiz: Following up its pre-campaign questionnaires on broadcasters' political policies (Vol. 16:21 p7 et seq.), FCC has sent out a new set of questions to all TV & radio stations to find out how they will handle election-year issues in the Sept. 1-Nov. 8 campaign period.

Setting a Dec. 5 deadline for replies, the Commission asked for this information to help it—and Congress—determine whether equal-time & other Sec. 315 provisions of the Communications Act are observed:

(1) Did the station editorialize in behalf of or against any candidate?

(2) What requests for time from candidates or their supporters were received—and what was done about them?

(3) How much money was received from paid political time?

(4) What program time and how many announcements were devoted to appearances by Republican, Democratic—and other candidates for President, Vice President, Congress and governor?

(5) What was the breakdown of candidates' appearances under news-show exemptions from equal-time requirements? What appearances weren't exempted?

Similar questionnaires were sent at the same time by FCC's acting secy. Ben F. Waple to TV & radio networks. In addition, the networks will send affiliates listings of network appearances by candidates for President & Vice President. The stations will be expected by FCC to tell the networks which appearances were carried locally. The networks then will tell FCC, which will figure "the extent of exposure of these candidates on a program-by-program basis."

Miami Ch. 10 Fight Renewed: In a totally expected move, National Airlines' Public Service TV Inc. (WPST-TV) went to court last week to try to hang on to Miami Ch. 10, despite an FCC decision to take the 1957 grant away on "influence" charges (Vol. 16:29 p1).

Vehemently protesting the Commission's action in giving Ch. 10 to L. B. Wilson Inc.—only one of 4 original applicants deemed fit by FCC to operate—WPST-TV asked the U.S. Court of Appeals in Washington to instruct the Commission to withdraw the order. WPST-TV also petitioned FCC to hold everything in status quo until issues of the appeal are decided.

At the same time original applicant North Dade Video Inc., debarred by FCC from further consideration in the bitterly-fought-&-re-fought case, asked Commission for a rehearing & reconsideration of tough July 14 decision.

WKAT Inc., the 3rd applicant put out in the cold, made no formal move last week to get back in, but it was expected to seek a rehearing, too.

L. B. Wilson, beneficiary of FCC's order, said nothing.

Petition for stay of FCC's order making Fresno all uhf (Vol. 16:28 p6) was filed by the city, county and Unified School District of Fresno last week—and was promptly turned down. Stay-at-home Comr. Lee, acting as a board for vacationing FCC members, left a simultaneous petition for reconsideration pending in the file, however. The Commission's reply, stating that issues raised in the stay plea had been argued extensively in the Fresno proceeding, said: "The failure to show injury to themselves or to the public and the failure to establish likelihood of success on the merits of their petition for reconsideration leaves the Commission without adequate justification for issuance of a stay."

Film & Tape

RECORD FILM PRODUCTION: Our conservative checkup totals to \$150 million to be spent in Hollywood for TV film next season. This figure is for series only, does not include pilots. Last year: \$125 million (Vol. 15:21).

Reason for the mushrooming production figure: The search for better quality, rising labor & talent costs, competition, and—perhaps the largest factor—the increasing trend to 60-min. shows. Firmed for network showings next fall are 24 one-hour series, compared with 18 last season.

The success of series such as *77 Sunset Strip*, *The Untouchables*, *Wagon Train* and *Perry Mason* is undoubtedly a major reason for the rash of longer series. Among these 60-min. newcomers are *The Roaring Twenties* and *Surfside Six* (Warner Bros.); *Route 66*, *The Naked City* and *Dan Raven* (Screen Gems); *Stagecoach West* and *Michael Shayne* (Four Star); *Hong Kong* (20th Century-Fox TV); *The Islanders* (MGM-TV); *Checkmate* and *Thriller* (Revue); *Aquanaut* (Ziv-UA).

Most of the product for the coming season will come from Revue Studios, which has 17 series; Four Star Television, 13; Screen Gems, 9; and Warner Bros., 7. Last year Warner Bros. was runner-up to Revue.

Why He Prefers Tape: A telefilm-industry shift to tape is inevitable, predicts Peter Kortner, producer of *The DuPont Show with June Allyson*. Acknowledging that he is presently in the minority in this belief, Kortner nevertheless has his reasons. He believes that TV-film's quality suffers from lack of rehearsal whereas tape allows more rehearsal time because a tape show can be made for \$10,000 less than film.

To those film-industry executives who object to tape on the ground of limited markets, Kortner, ex-*Playhouse 90* producer as well as producer of 7 taped *GE Theaters* last season, replies that a show can be taped and then transferred to film. This procedure is already being followed by CBS Sales for commercials, he points out. For the producer, he adds, tape allows examination of a scene immediately after it is shot, and the opportunity to re-do it then & there.

Parting of NTA and NT&T in a spinoff is a likelihood for the near future, according to Hollywood sources. For some time now, there have been reports that NTA Chmn. Ely Landau and parent-firm NT&T Chmn. B. Gerald Cantor were not agreed on policy and that Landau wanted to buy WNTA-TV N.Y. and sever his link with NT&T. NTA is also in the process of moving its hq & sales staff back to N.Y. (Vol. 16:29 p9), after an expensive & elaborate "airlift" to the Coast. The corporate marriage of National Theaters and NTA has never been financially fruitful; NTA has reportedly lost over \$3 million and much of its ability to make telefilm deals quickly, since the link-up. First step may be NT&T's announcement last week that it will relinquish majority ownership of NTA, but will continue to be its largest stockholder. The parent company plans to distribute 844,875 shares of NTA as a dividend to its stockholders on the basis of 3 NTA shares for each 10 NT&T shares held. NT&T will retain 620,511 of the total 1,627,572 NTA shares outstanding. The distribution is subject to FCC approval. Cantor said this and other financial changes of the 2 companies "will bring to NTA an improved financial base upon which to build, and provide NT&T with flexibility in its own development program."

NEW YORK ROUNDUP

Cuba is getting the go-by as a TV market from both American advertisers & leading syndicators, thanks to Castro's anti-U.S. policies & property seizures. This month, Goodyear International skipped Cuba on the market list when it placed a large order with ITP (which distributes Ziv-UA telefilm shows overseas) for *The Man & the Challenge* in virtually all other Latin-American TV markets. Syndicators operating overseas, such as CBS Films, Fremantle International, ITP, ITC, ABC Films, etc. are now avoiding Cuba in their current sales calls with new film product. (Major movie distributors are also threatening to hold back new U.S. movies from the island's over-500 movie houses.) Possible next move by Castro: Importation of telefilm shows, documentaries etc. produced by Iron Curtain countries to replace U.S.-made telefilms.

Musicians Guild of America, currently seeking NLRB recognition as a bargaining force (Vol. 16:26, 32), has charged the older, industry-recognized American Federation of Musicians with a "sellout" of demands for a slice of the post-1948 TV pie. AFM promptly denied the charge, and referred to a previous policy statement assuring musicians that AFM would not permit post-1948 Hollywood films to be sold to TV without residuals for musicians. AFM, however, made no statement concerning what it would do about post-1948 deals already in the works, such as the Warner Bros.-CT&A arrangement now in effect.

HOLLYWOOD ROUNDUP

FCC's network hearing will be resumed in Los Angeles Oct. 10 instead of Oct. 5, as first scheduled (Vol. 16:30 p3). With chief examiner James D. Cunningham presiding, the Hollywood phase of the marathon inquiry will be conducted in the U.S. Court of Appeals courtroom.

Two-thirds of NTA's employes who were transferred to the West Coast last year have left the company rather than return to N.Y. now that NTA has decided to move back (Vol. 16:29 p9). NTA had moved to Los Angeles to center its operations in the West, but, after some months, decided it was best to base its sales activities in N.Y. Departing employes give 2 reasons: (1) They like Cal. (2) They don't like to uproot their families twice. Among those leaving NTA: Sylvia Seymour, TV-film liaison; Al Stern, in charge of exploitation for Cinemiracle; Jerry Franken, head of advertising-publicity-promotion for NT&T and NTA. The organization will return to its former offices in the Coliseum Bldg., 10 Columbus Circle.

More money for TV cartoonists is being sought to meet TV's growing animation market in both commercials & programming. International Alliance of Theatrical Stage Employes, Local 39 in Hollywood wants a \$1-million fund to train new film animators and to build an employment benefit plan. Both demands are reminiscent of the N.Y. animators' union action several weeks ago (Vol. 16:29 p8) in seeking a slice of merchandise profits. Producers are requested to contribute 1% of total gross revenues toward the animators' fund.

Programming

NBC-TV confirmed last week our report that the super-expensive (\$450,000) 60-min. pilot for the proposed costume-drama series *The Barbarians* will be used to launch the network's Tuesday-night specials (Vol. 16:32 p4). Under the one-shot title of "Rivak, the Barbarian," it will be colorcast Sept. 20 from 10-11 p.m. NBC still hasn't abandoned plans for a series, and refers to the pilot telecast as "a prologue to the NBC-TV full-hour color series." The plot of the film has more than a passing resemblance to "Ben-Hur," with celtic Prince Rivak (Jack Palance) sentenced to be a galley-slave, meanwhile vowing vengeance on a Carthaginian nobleman for the mistreatment of Rivak's sister.

International TV festival at Monte Carlo will debut as an annual event Nov. 14-26 for world-wide recognition of the medium's highest artistic achievements. Monaco's Prince Rainier said 57 nations have been invited to participate in the inaugural festival which concludes Nov. 26 with the announcement of awards. An international jury will select winners in 9 categories: best single dramatic & entertainment programs, best TV direction, best single performance by an actor & actress, outstanding achievement in news coverage, scientific contribution, best original TV drama, contribution to international understanding.

NBC-TV's afternoon lineup will feature 3 half-hour program additions this fall, one in color: *The Jan Murray Show*, a game show colorcast Mon.-Fri. at 2; *Make Room for Daddy*, telefilm repeats of *The Danny Thomas Show*, at 4; and *Here's Hollywood*, a sort of celluloid-angled *Person-to-Person*, premiering Sept. 5 at 4:30. Returning in the fall will be 3 other afternoon series, reruns of *The Loretta Young Show*, and the live daytime serials, *Young Dr. Malone* and *From These Roots*.

Viewers with 3-network selection can find at least one program that is not a mystery, Western or adventure, during 95% of prime evening time, TIO dir. Louis Hausman said last week. He was speaking at the Western Michigan U. ETV workshop Aug. 10. Alternatives for 85% of these viewers during that time include general drama, special music, sports and public-affairs programming. In addition to Hausman's address, the workshop featured a panel discussion by a local newspaper TV critic and station execs from WKZO-TV Kalamazoo, WOOD-TV Grand Rapids and WSJV Elkhart.

1960 Presidential conventions drew up to 135% larger TV audiences than the 1956 sessions, compared with a 17% increase in TV-set ownership during the 4-year period, reports researcher Sindlinger & Co. The Democrats racked up a 135% gain in daily TV audience (91 million viewers vs. 33 million in 1956). The Republicans gained 114% (77 million vs. 31 million). Pres. Albert E. Sindlinger said 79.2% of all adults with TVs viewed the Democratic convention, 67.2% watched the Republicans. Interestingly, his survey found that fewer adults (69.1% or 89,575,000) had watched evening TV in the July 4-8 period, the week preceding the Democratic convention.

American families with TV sets are now tuned in 26.7% of the entire 7-day week. This is based on Nielsen's latest figure for 1960 of 44.93 average hours per week during which the TV family has a set tuned in. Considered another way, and assuming an 8-hour sleeping period per day (which leaves a balance of 112 waking hours in the week), the television family is tuned in 40% of the time.

Advertising

Loyal Network Blue-Chippers: Most of the nation's top advertisers have been consistently loyal to at least one of the 3 networks over the past 10 years, a checkup we made recently shows. NBC-TV can boast twenty 10-year backers, 12 of which have advertised steadily only on that network. CBS-TV has 13 advertisers which have been with the network for at least 10 uninterrupted years, 3 consistently loyal only to CBS. The youngest of the 3, ABC-TV, can boast sixteen 5-year-or-more advertisers, 9 of which have been exclusive to ABC. Here's the rundown:

ABC-TV (5 years or longer): American Chicle, American Home Products, Armour, Bristol-Myers, Brown & Williamson, Carter Products, Dodge, General Electric, General Mills, Mattel Inc., Miles Labs., P&G, Quaker Oats, Ralston-Purina, Warner-Lambert, American Home Products.

CBS-TV (10 years or longer): General Electric, General Foods, R. J. Reynolds, Westinghouse Electric Corp., Bristol-Myers, Lever Bros., Liggett & Myers, American Tobacco, Philip Morris, American Home Products, Procter & Gamble, P. Lorillard, General Mills.

NBC-TV (10 years or longer): Armour, Colgate, Chesebrough-Pond's, Chevrolet, Ford, General Foods, Good-year, Kraft, Lever Bros., Liggett & Myers, P. Lorillard, P&G, RCA, R. J. Reynolds, Speidel, Standard Brands, Hazel Bishop, Borden, American Tobacco, Gillette.

TV-radio-airline tieups, in which publicity was traded for free trips, have been cited by the Civil Aeronautics Board in complaints against 3 foreign air carriers. CAB, charging Lufthansa, Sabena and Air France with violations of the 1958 Federal Aviation Act forbidding free or cut-rate transportation in exchange for services or merchandise, identified these firms, individuals & stations as recipients of trips in exchange for plugs on the air: Richard S. Robbins Co. Ltd., N.Y., NBC-TV's *The Price Is Right* • Albert Black, Lido Beach, N.Y. (TV publicity) • producer Eugene Geissler, radio KSTL St. Louis • Marshfield Bestg. Corp. (radio WDLB), Marshfield, Wis. • radio WKFM Chicago • radio CFCF Montreal • radio WNEW N.Y. • All told, 23 persons & organizations connected with broadcasting, newspapers and magazines were listed by CAB.

American public spent \$2.9 billion last year for new TV sets, set maintenance and electricity to operate their sets. This was nearly double the amount spent by advertisers in TV and 93% more than was spent for newspapers by the public last year, TvB estimated Aug. 15. Of the \$2.9 billion, \$1 billion was for new receivers, the rest for repairs & electricity. Weekday & Sunday newspapers spending totaled \$1.5 billion, says ANPA ad bureau.

Ad People: James R. Heekin appointed senior vp, Ogilvy, Benson & Mather . . . John Laurie elected a BBDO vp . . . Lawrence D. Reedy named an American Assn. of Ad Agencies vp . . . William McQuillan named Kenyon & Eckhardt copy supervisor of TV-radio group for Comet, Mercury & Lincoln automobiles . . . Gerald Hoeck, Seattle adman (Miller, McKay, Hoeck & Hartung) who campaigned for 1958 re-election of Sen. Jackson (D-Wash.), new Democratic National Committee chmn., joins Democratic campaign staff as special TV-radio consultant . . . Julian M. Snyder named Cunningham & Walsh vp.

McCann's 1960 Predictions: Network & spot TV during 1960—including talent as well as time costs—will run about \$1.36 billion, a gain of 9% over the 1959 level. So predicted McCann-Erickson media researcher Robert J. Coen in the Aug. 12 issue of *Printers' Ink. TV*, he added, may be ousted from its spot as the No. 1 growth medium for the first time in a decade, with magazine (likely to be up 14% from last year, for a new volume of \$985 million) taking the top growth honors.

The TV figures from M-E's Coen are more conservative, by some \$300 million, than those of other research officials we printed last week (Vol. 16:32 p1). Coen also predicted an over-all ad volume in 1960 of just under \$12 billion, representing a 7% increase over the 1959 spending rate. This includes an 8% hike in national ad spending and a 6% gain in local ad expenditures.

TV "photographic license" must be taken by advertisers of many products if they are to use the medium effectively, FTC has been told by Rise shaving-cream maker Carter Products Inc. The company & its agency, Sullivan, Stauffer, Colwell & Bayles, denying FTC charges that commercials for Rise were deceptive and unfairly disparaged competing lathers (Vol. 16:26 p14), argued that demonstrations of the product on the air deceived nobody. FTC had complained that Carter used a special formulation—not shaving cream—to show how other lathers dried out while Rise stayed "moist & creamy." But the company & agency, pleading "photographic license," said "most of the pictorial representations now on the air would be impossible to present" if advertisers had to stick to strict realism. Carter's formal answer to FTC's complaint added that TV viewers aren't misled by commercials for hair-wave preparations, cake & dessert mixes, cosmetics, soaps & detergents—"and a host of other products"—which use substitute materials in demonstrations. Viewers understand that there must be a speed-up on TV to show—for instance—how "low moisture shave cream" dries up, Carter said. Joining in the answer was the agency's account executive for Rise, S. Heagan Bayles.

"Magazine-concept" news buy is being offered by CBS-TV involving four 60-sec. participations spread through 3 CBS daytime news shows for a gross price of \$9,000 weekly. The trio: *Richard Hottelet* (8-8:15 a.m., Mon.-Fri.); *Ron Cochran* (1-1:05 p.m., Mon.-Fri.); *Robert Trout* (12:30-1 p.m., Sat.). (For West Coast advertisers, *Grant Holcomb & the News* is offered in place of *Hottelet*.) The 5 non-competitive advertisers who may buy the package, said CBS last week, will receive "a total of 6.7 million commercial-minute home impressions per week at a cpm efficiency of \$1.34."

Nighttime toothpaste battle is shaping between Colgate and Procter & Gamble in wake of American Dental Assn. endorsement of P&G's Crest (Vol. 16:32 p6). Colgate is quietly shifting budget money from daytime TV to a fall barrage in nighttime spot TV in major TV markets, primarily to battle a planned network-&-spot drive for Crest. P&G, meanwhile, is keeping its intentions under wraps, and won't even tell the 3 networks—they say—what the plans are for its ADA-endorsed dentifrice.

U.S. Tele-Service Corp has purchased National TV Monitoring Co. Both are monitoring firms, and the combined organization will offer kinescoping in 100 key markets & air checks in 200 cities.

Auxiliary Services

JERROLD CATV SALE CLOSED: Jerrold Electronics Corp.'s reported big-business deal to dispose of its 9 community antenna systems (Vol. 16:30 p2) was confirmed last week in a flurry of announcements on East & West Coasts. The buyer: H&B American Corp., Los Angeles. The price: \$5 million.

In Los Angeles, Chmn. David E. Bright of H&B American said the purchase of the Jerrold setups—biggest single CATV transaction yet—was the initial step into electronics by the diversified operating & managing company. Additional CATV properties will be sought by a new subsidiary, Transcontinent Communications Systems Inc., and the company also wants to spread into TV- & radio-station operation and space communications, Bright said.

The \$5-million purchase from Jerrold took in CATV systems in Ukiah, Cal.; Ventnor, N.J.; Flagstaff, Ariz.; Pocatello, Ida.; Dubuque, Ia.; Florence, Ala.; Richland, Walla Walla and Wenatchee, Wash. Also included: Jerrold microwave companies in Ventnor & Walla Walla.

In Philadelphia, Jerrold Pres. Milton J. Shapp said the sale didn't mean his company was abandoning the CATV operating business. On the contrary, he said, Jerrold will use some of the sale money sooner or later to buy other CATV systems—subject to court approval. The company also plans acquisitions of other electronics firms specializing in communications, test & instrumentation equipment and advanced research, he said. "Serious discussion" with several companies—unnamed—already is under way, according to Shapp.

Shapp added that the CATV sale "is not in any way related to a recent anti-trust decision which denied the govt.'s request that Jerrold be divested of its community antenna systems." The U.S. District Court ruling in Philadelphia last month enjoined Jerrold from further CATV acquisitions until April 2, 1962 (Vol. 16:31 p8).

To run its new CATV operations, H&B American brought in ex-CBS-TV exec Charles L. Glett and named him pres. of both H&B and Transcontinent Communications, Chmn. Bright continuing as H&B chmn. and chief exec. officer of the parent company.

Glett is a former (1951-55) CBS-TV vp in charge of the network's West Coast live & film originations. More recently he headed up National Theatres & TV subsidiary National TV Investments Inc. as pres. He also has been exec. vp of RKO Teleradio Pictures, TV vp of the Don Lee System, gen. mgr. of David O. Selznick's production & studio operations.

H&B's other holdings include General Trading Co., St. Paul; Quickway Truck Shovel Co., Denver (a joint venture with Fairbanks-Whitney); Big Boy Mfg. Co., L.A.

Council on Medical TV will conduct a tuition course Oct. 27-28 for medical educators in conjunction with a meeting of the Assn. of American Medical Colleges opening Oct. 31 at Hollywood, Fla. First-day sessions of the TV teaching institute will be held at the U. of Fla. College of Medicine at Gainesville. Demonstrations in Jacksonville of uses of open-circuit scrambled-image TV as an aid to medical students will feature the 2nd day of the institute. The Council on Medical TV, an affiliate of the Institute for Advancement of Medical Communication, lists these firms as new sustaining contributors: Ampex, Dage, Eidophor, Encyclopaedia Britannica Films, Ethicon and Smith, Kline & French Labs.

Schedule for whirlwind trip through Northwest vhf booster country by FCC staffers Dee W. Pincock and McIvor L. Parker to explain new translator rules to operators (Vol. 16:32 p3), has been set by FCC. The meetings, arranged by Tri-State Repeater Assn.'s James Beamer, start Aug. 23 in Prescott, Ariz. Thence: 24, Pueblo, Colo.; 25, Casper, Wyo.; 27, Miles City, Mont.; 29, Great Falls, Mont.; 30, Wenatchee, Wash.; Sept. 1, Redmond, Ore.; 2, Pocatello, Ida.; 3, Salt Lake City. Each meeting will also be attended by an engineer from the FCC's field engineering office.

Closed-circuit TV is being used by Camden, N.J. police to help safeguard pedestrians against attacks in an underpass at the approach to the Benjamin Franklin bridge to Philadelphia. Bridge police are watching TV monitors and listening to loudspeakers for unlawful acts or the presence of suspicious persons.

Purchase by CKVR-TV (Ch. 3) Barrie, Ont. of CATV system there for an undisclosed price was announced recently by broker Daniels & Associates. Seller of the system, which carries CBLT Toronto and WKBW-TV & WBEN-TV Buffalo, was Line Vision Ltd. of Barrie.

Educational Television

Statewide ETV network is being planned by the U. of Maine and other educational institutions in the state, according to a petition filed by the university with FCC recently. It requested that commercial Ch. 10, 7 & 10 in Augusta, Calais & Presque Isle, respectively, be reassigned for educational use in those communities. The university also said it is exploring the possibility of hooking up to the New England regional ETV network, composed of WGBH-TV Boston and WENH Durham, N.H. The only change necessary, according to the university, would be the move of long-time Augusta Ch. 10 permittee WPTT to Ch. 29.

Westinghouse has contributed \$100,000 to the Midwest Council for Airborne TV Instruction "to support this program which represents such a powerful new dimension in the educational techniques we have available," reports vp & exec. committee Chmn. E. V. Huggins (Vol. 16:18 p14). The project will use Westinghouse-developed Stratovision TV. The company recently received a \$2.2-million, 2-year contract to install, operate and maintain the Stratovision gear in MCATV's DC-6 A/B aircraft (Vol. 16:29 p20).

Survey of spectrum needs for educational broadcasting will be undertaken by NAEB for presentation to FCC. "Pressures for space allocation being exerted on the FCC pose a real threat to the future of educational broadcasting," warns NAEB administrative vp Harold E. Hill. "We must provide the Commission with the necessary statistics in the very near future if we are not to lose forever the opportunity to specifically provide electronic frequencies for educational purposes."

U.S. Office of Education has awarded a \$24,000, 2-year contract to the Society of Motion Picture & TV Engineers for a study of "audio-visual devices for use in education." SMPTE plans a "task force of outstandingly qualified experts in the fields of both education & equipment engineering." Among the media & equipment areas to be studied: TV, movies, slides, recordings, other teaching devices.

NAEB has published *A Public Relations Guide for the Educational Broadcasting Station* to assist members to improve their external & internal images. The concise brochure was prepared by Elmer G. Sulzer, comprises 40 recommended best-foot-forward procedures.

Networks

NIELSEN & THE NETWORKS: Something close to a truce has been declared in the quiet struggle between A. C. Nielsen Co. and the networks that has been going on for nearly a year. The 3 networks had closed ranks, taking the position that Nielsen's planned 4%-&-up cost increases are too rich for their research budgets.

Nielsen, meanwhile, has refused to trim the price for its audience-measurement services and has been playing a waiting game. All 3 network contracts expire around September. The networks have indicated that they plan to develop a new national measurement system this fall, in cooperation with American Research Bureau, that would provide ratings quicker & cheaper. This plan is still in effect, but last week the waiting game began to pay off for Nielsen.

ABC-TV became the first network to break ranks. It has signed a 1-year renewal contract with Nielsen (cost not disclosed) for "the same services we've been getting all along," plus Nielsen's new 51-market, 2-week-delivery competitive-area report that is an optional feature of the national report.

CBS-TV is operating under a Nielsen contract extension (until Aug. 31) but is in negotiation with Nielsen, a CBS research official told us, and "will probably sign."

NBC-TV also hasn't renewed as yet, is also operating on an extension, is still holding meetings with ARB but is in negotiation with Nielsen for a year-long renewal.

Total value of this network business isn't known, but it's been guesstimated at about \$1 million annually. What may have turned the tide for Nielsen may be a number of changes in the services it offers. For one thing, the national pocketpiece reports have been revised to give more data to co-sponsors & participation sponsors (Vol. 16:32 p7). For another, reporting has been speeded up. Nielsen is now aiming for delivery of the pocketpiece ratings 2 weeks after the close of the reporting period, and delivery of the 24-market reports just 7 days after the reported-on week.

ARB still has its eye on the network expenditures for national TV audience research, but last week it looked as though ARB would have an uphill fight against its older rival.

AB-PT's Venezuelan Buy: A "minority interest" (size unspecified) has been purchased in a planned 3-station Venezuelan TV network by ABC's international div. So announced AB-PT Pres. Leonard H. Goldenson, now on a 14-city Latin-American tour to scout investment possibilities (Vol. 16:32 p9). The company involved is Corporacion Venezolana de Television S.A., which plans a trio of vhf outlets to cover a potential audience of 3 million in the Caracas, Valencia-La Guaira and Barquisimeto areas, starting around Oct. 1.

The deal for the AB-PT buy-in—ABC's 2nd in the area, since it owns an interest in the Costa Rica TV outlet further north and represents the Central American TV network in U.S. sales—was arranged between Goldenson and Pres. Diego Cisneros of CVT. Renny Ottolina, Venezuelan TV comedian who has had an export show running on ABC o&o flagship WABC-TV N.Y. for the past 4 months, will serve as CVT gen. mgr. In addition to the financial investment, ABC will make available to CVT "our technical & programming know-how," said Goldenson.

NETWORK SALES ACTIVITY

ABC-TV

- Bourbon Street Beat, Mon., 8:30-9:30 p.m., part. eff. Aug.
American Chicle (Ted Bates) &
Warner-Lambert (Lambert & Feasley)
- Sugarfoot-Bronco, Tue., 7:30-8:30 p.m., part. eff. Sept.
E. I. Du Pont (BBDO)
- Hong Kong, Wed., 7:30-8:30 p.m., part. eff. Sept.
Scripto (Donahue & Coe)
- Daytime programming, Mon.-Fri., part. eff. Sept.
Peter Paul and Borden Foods (Dancer-Fitzgerald-Sample) and
Alberto-Culver (Wade Advertising)
- Action cartoon series, Mon.-Fri., 5:30-6 p.m., part. eff. Aug.
American Home Foods (Young & Rubicam)
- American Bandstand, Mon.-Fri., 4-5:30 p.m., part. eff. Oct.
Warner-Lambert (Lambert & Feasley)

CBS-TV

- Love of Life, Mon.-Fri., 12-12:30 p.m.; As the World Turns, Mon.-Fri., 1:30-2 p.m.; Secret Storm, Mon.-Fri., 4:15-4:30 p.m.; Edge of Night, Mon.-Fri., 4:30-5 p.m., alt. wk. 15-min. segs.
R. T. French Co. (J. Walter Thompson)
- December Bride, Mon.-Fri., 10-10:30 p.m.; Video Village, Mon.-Fri., 10:30-11 p.m.; Clear Horizon, Mon.-Fri., 11:30-12 p.m., alt. wk. 15-min. segs.
Eastman Kodak Co. (J. Walter Thompson)

NBC-TV

- Deputy, Sat., 9-9:30 p.m., pre-Christmas alt. wk.
Polaroid Corp. (Doyle Dane Bernbach)
- Election night coverage, Nov. 8, one-sixth.
Sandura (Hicks & Greist)

In reverse of the trend to turn N.Y. theaters into TV studios, Broadway producer David J. Cogan last week purchased the Biltmore on Manhattan's W. 47th St. Since 1954, the theater has been under lease to CBS-TV as an origination point for live daytime quiz & game shows. Cogan said he would increase the theater's seating capacity and return to a live-theater policy. Reported price paid to realtor Irving Maidman: \$850,000. CBS holds a lease on the Biltmore that's good until 1962, but has recently been cutting back on its N.Y. live originations (laying off 22 International Brotherhood of Electrical Workers technicians Aug. 1) and is therefore not expected to protest Cogan's planned lease-breaking.

That NBC-Walt Disney deal (Vol. 16:32 p4) may involve a good deal more than just the use of some of Disney's top feature-length films as NBC-TV colorcast specials next season. Reportedly under discussion between Disney and NBC-TV program executives is a long-range package that includes: (1) Disney-created nighttime TV-film series; (2) Disney juvenile-appeal afternoon programming; (3) an NBC-Disney tieup for an amusement center at the 1964 N.Y. World's Fair that is an echo of the now-severed AB-PT Disney tieup for Disneyland; (4) production of new Disney shows for NBC in color, and possible color reruns of shows seen on ABC-TV in b&w. NBC is maintaining silence on the deal, pending completion of contracts.

KHOL-TV Kearney, Neb. and **KHPL-TV** Hayes Center, Neb. become ABC-TV primary affiliates Feb. 2, 1961.

Stations

FTC's anti-payola drive has succeeded so well that most of the TV-radio-music industry has "fallen into line," Chmn. Earl W. Kintner said last week. Reporting that payola "has been pretty well stamped out" since the campaign was started last Dec. (Vol. 15:51 p6 et seq.), Kintner said FTC will move in hard & fast if the practice flares up again, but that meanwhile his agency will mark time while it watches the industry's behavior. The week's FTC payola-case crop was limited to one denial of charges and 6 consent orders forbidding record makers & distributors to pay off TV & radio disc jockeys. Schwartz Bros. Inc., Washington said it had done nothing illegal in any dealings with jockeys. Cases against these firms were settled by signed agreements: AM-Par Record Corp. & Pamco Music Inc., N.Y. • Garmisa Distributing Co. Inc., Chicago, and Garmisa Inc. of Wis., Milwaukee • Hull Records Inc., N.Y. • Nashore Record Co. Inc., North Nashville, Tenn. • Portem Distributing Inc., N.Y. • Specialty Records Inc., Hollywood.

Abandonment of dual rates in favor of "a like charge for like services" was officially recommended by the Station Reps Assn. last week to TV-radio broadcasters. While recognizing that "the management of each radio or TV station must decide its own rate policy," SRA nevertheless stated that "we know of no advertising medium which has been able to adopt a dual-rate policy without being discriminatory." Recommended by SRA for the stations with a dual ("retail" & "general") rate structure that is difficult to change: A "transitional rate card, as an intermediate step towards the single-rate policy."

TV or radio station strikes could make unions "guilty of a federal crime" under terms of a bill (S-3500) pending in the Senate, according to the American Civil Liberties Union. Urging Majority & Minority Leaders—Sens. Johnson (D-Tex.) & Dirksen (R-Ill.)—to block the legislation, ACLU said the anti-sabotage communications measure approved by the Senate Judiciary Committee (Vol. 16:22 p14) would interfere with "constitutional rights of labor unions & individual workers." The bill sets up \$1,000 fines and/or 3-year jail sentences for malicious damage to any communications system "used or intended to be used" by govt.

NAB committee meetings in offing: TV Music Advisory, Sept. 8, Washington • Editorializing, Sept. 14, Washington • Convention, Sept. 19, Washington • Video Tape, Sept. 26, Washington • Freedom of Information, Sept. 26, N.Y. • Members of NAB's Policy Committee—Clair R. McCollough, G. Richard Shafto, Merrill Lindsay—will participate in the Washington meetings.

New TV Code promotion device—a postage meter slug bearing the industry's self-regulation seal—has been adopted by NAB Policy Committee Chmn. Clair R. McCollough. He said the insignia on all letters going out from his Steinman Stations "is another means of letting the public & the industry know we believe in self-regulation."

Gross receipts received by stations & networks from TV & radio broadcasting are now exempt from the Los Angeles city tax, after a 3-year fight to take the tax off the books. Dean Johnson of the law firm of O'Melveny & Myers told a Southern Cal. Bcstrs. luncheon that the city council acted in favor of the broadcasters' contention that the tax levy was unfair because the same tax was removed from the Los Angeles newspapers in 1949.

Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.

WALTER H. ANNENBERG, President

PUBLICATION OFFICE Rodnor, Po., Murroy 8-3940, TWX: Rodnor 1028

JAMES T. QUIRK, Business Manager
MERRILL PANITT, Editorial Director
HAROLD B. CLEMENKO, Managing Editor
DAVID LACHENBRUCH, Associate Editor
JAMES B. DELEHANTY, Asst. Business Mgr.
HAROLD RUSTEN, Associate Editor
PAUL STONE

WASHINGTON BUREAU

Wyott Building
Washington 5, D.C.
Sterling 3-1755
ALBERT WARREN, Chief
WILBUR H. BALDINGER
WM. J. McMAHON Jr.

NEW YORK BUREAU

625 Madison Ave.,
New York 22, N.Y.
Plazo 2-0195
CHARLES SINCLAIR, Chief
DIANE SCHWARTZ

WEST COAST BUREAU

6362 Hollywood Blvd.
Hollywood 28, Cal.
Hollywood 5-5210
DAVID KAUFMAN

MARTIN CODEL
Associate Publisher

TELEVISION DIGEST. Published Mondays. Subscription \$75 annually. For group rates & other subscription services, write Business Office.

TELEVISION FACTBOOK TV & AM-FM ADDENDA AM-FM DIRECTORY
Published March & Sept. Published Saturdays Published in January

Copyright 1960, by Triangle Publications, Inc.

Personals: William M. McCormick promoted from vp & sales dir., radio WOR N.Y. to pres. of RKO General's Yankee Network div. and gen. mgr., WNAC-TV, WNAC & WRKO (FM) Boston. He succeeds Norman Knight, who has resigned to devote full time to "public affairs projects" and his 4 radio stations in N.H. and Mass. . . . William D. Greene, onetime ABC attorney, named asst. gen. attorney, CBS radio . . . Bruce E. Haight promoted to CBS-TV financial planning & analysis dir.

David J. Shurtleff, station mgr., radio WJAR Providence, R.I., named station mgr. of WJAR-TV, reporting to Joseph S. (Dody) Sinclair, who continues as vp & bcstg. gen. mgr. of parent The Outlet Co.; James E. Gleason, former program dir., succeeds Shurtleff as WJAR mgr. . . . Robert E. Leach, ex-WJBK Detroit & WGR-TV Buffalo, named chief engineer, WSPA-TV Spartanburg, S.C. . . . Milton E. Bliss named dir. of agriculture, WFIL-TV & WFIL Philadelphia . . . James V. Coffey named systems mgr., Community Engineering Corp., State College, Pa., responsible for the firm's 4 CATV systems.

John B. Soell, ex-WISN-TV Milwaukee, named gen. mgr., KTVE El Dorado, Ark. . . . Leonard A. Swanson, ex-KBTB Denver, named to new post of gen. sales mgr., WWTB Cadillac, Mich.; Edwin Bohm promoted from sales promotion mgr. to local sales mgr., WWTB . . . Ted O'Connell named Eastern sales mgr., CBS-TV Spot Sales, succeeded as Midwestern sales mgr. by Richard R. Loftus.

Obituary

Alexander Keese, 61, managing dir., WFAA-TV & WFAA Dallas, died Aug. 3 of cancer. He had been with the station since 1930 (except for a 1944-48 hiatus). He also served as a regional NAB dir., member of NBC Radio Affiliates' Radio Programming Advisors Committee and chmn., ABC-TV Affiliates Select Committee.

William H. Miller, 48, Jerrold asst. sales mgr., died of a heart attack Aug. 11 in his Philadelphia home. An 8-year veteran of the Jerrold organization, he formerly headed the firm's operations div. and was active in Jerrold's acquisition of CATV systems. Before joining Jerrold, he was an attorney, practicing in N.Y. In the mid-1950s, he was one of the few survivors of a commercial aircraft crash and was credited with saving the lives of fellow passengers.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

TV-ELECTRONICS—SALES UP, PROFITS DOWN: Electronics industry's nearly phenomenal rise in profits ground to a halt in 2nd-quarter 1960, despite continued sales increases—as indicated by financial reports carried in these pages. But just as electronics led nearly every other industry in previous profit increases, the industry's over-all profit decline is slight compared with most other industries.

Our quarterly check-up of "weathervane" firms in TV-electronics shows that 2nd-quarter profit declines from 1959 were sharp enough to bring first-half net profits to just about equal to the 1959 figure—although first-quarter profits were nearly 11% better than first-quarter 1959 (Vol. 16:19 p20).

Cumulative sales of 23 bellwether electronics companies for first-half 1960 were 4.6% higher than first-half 1959, but aggregate net profits were off very slightly for the half—about 1/100 of one percent.

Firms primarily known as consumer-electronics producers (although they are also in other fields) led the 2nd-quarter decline, with their profits off an aggregate of 16% compared with 2nd-quarter 1959. For the first half, their profits were down only 3%, thanks to good first-quarter net. On other hand, parts & component producers aggregated a 5.9% profit increase for the first half, while diversified electronics firms stayed about the same in profit position compared with the first-half 1959. Almost all of the damage was done in the 2nd quarter. Slump in appliances is reflected in the figures, since many of the companies on our list are heavily in white goods business. Here's rundown on our 6-month sales & profit tallies:

Consumer electronics group (7 companies)—sales up 8.1% over first-half 1959; net profits down 3.1%. All 7 firms had more sales in first-half 1960 than first-half 1959, while 4 of the companies had profit increases—but not substantial enough to offset declines by the other 3. None lost money in 2nd half. Companies in the 6-month consumer-electronics tally: Admiral, Arvin, Hoffman, Magnavox, Motorola, Wells-Gardner, Zenith.

Components group (10 companies)—sales up 8.7%, net up 5.6%. Nine of the 10 reported sales increases and 6 profit increases over first-half 1959. None reported a first-half loss. Companies included: Amphenol-Borg, Globe-Union, Indiana General, IRC, Mallory, Muter, Oak, Speer Carbon, Standard Kollsman, Tung-Sol.

Large diversified group (6 companies)—sales up 3.9%, net unchanged. Five of the 6 reported sales increases, 3 profit increases, no losses. Included: GE, GT&E, RCA, Raytheon, Thompson Ramo Wooldridge, Westinghouse.

We tallied results of only 15 firms in 2nd quarter, omitting component category because very few firms actually published 2nd-quarter earnings, preferring to combine them in a full 6-month report. In this 15-firm tally, aggregate sales were up 2.9% over 2nd-quarter 1959, net profits down 7.3%. The breakdown:

Consumer electronics group (9 companies)—sales up 6.7%, profits down 16%. Seven of the 9 reported sales increases, only 4 profit increases. One company reported a loss for the quarter. Companies included were same as those in 6-month tally with addition of Magnavox & Packard Bell, neither of which issues a calendar 6-month report.

Diversified group (6 companies)—sales up 2.5%, net down 6.6%. Five of the 6 increased sales for the quarter, only 2 showing higher profit, but none reported a loss for the quarter. Companies in this group are same as those in 6-month tally, except that Daystrom is substituted for GT&E.

This isn't a scientific survey, but it shows clearly which way the electronics financial winds are blowing. Although profits have hit a plateau generally, remember that this plateau is relatively high one—that 2nd-quarter 1959 profits were 28% higher than 2nd-quarter 1958 (317% higher among consumer-electronics firms).

At-a-glance summary of performance of the "weathervane" companies in terms of percentage increase or decrease, compared with 1959:

Group	First-half 1960			2nd-quarter 1960		
	No. of Firms	Sales	Net	No. of Firms	Sales	Net
Consumer electronics	7	+8.1%	-3.1%	9	+6.7%	-16.0%
Components & parts	10	+8.7%	+5.6%	information unavailable		
Diversified	6	+3.9%	0%	6	+2.5%	- 6.6%
AGGREGATE	23	+4.6%	-0.01%	15	+2.9%	- 7.3%

TV-RADIO PRODUCTION: EIA statistics for week ended Aug. 5 (31st week of 1960):

	July 29-Aug. 5	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	116,682	97,966	121,581	3,347,348	3,253,706
Total radio	261,430	271,809	184,692	9,668,845	8,121,588
auto radio	88,166	89,683	39,219	3,738,497	3,194,129

RCA SHIFTS TV HQ: Long-rumored & possibly overdue relocation of RCA's TV-radio-phono hq from its pleasant Cherry Hill, N.J. offices to the vicinity of its Midwest manufacturing activities suddenly became fact last week. The RCA Sales Corp. and home instrument div. are Indiana bound, will migrate gradually, by mid-1961, to new quarters at the Indianapolis plant.

RCA said the major move is the conclusion of a 2-year study, "will close a 700-mile gap between administrative hq & production activities." The move also will provide much-needed space for RCA's mushrooming electronic data-processing div., which will consolidate in the modern Cherry Hill facilities from 7 scattered locations in the Camden, N.J. area. In the past 18 months, this division has expanded its sales force from 75 to more than 750, despite general cutbacks in RCA employment (Vol. 16:27 p3).

The RCA Sales Corp. & home instrument div. will relocate in a 2-year-old warehouse building at the Indianapolis plant, to put them into more economical & effective range of RCA's 4 home-instrument manufacturing plants: Indianapolis (TV components, portable TVs, radios), Bloomington (color TVs, b&w table & console TVs), Monticello, Ind. (cabinets), Cambridge, Ohio (hi fi, radios).

The projected migration affects 800 employees, an undetermined number of whom will make the trek to Indianapolis. For those who don't, the company "will make every effort to place [them] in various RCA operations in the central N.J. area." Although no timetable is available, we understand that various activities have been alerted for early movement and that some top executives already are house-hunting in Indiana.

Until about 5 years ago, administration & production were combined at Camden. When production moved to the Midwest and the hq transferred to the new Cherry Hill center, lines of communication became costly & unwieldy, both in time & money. The separation of operations also led to duplication of services and other overhead-inflating activities. Indianapolis merger promises RCA double economy of centralizing home instrument activity in the Midwest & consolidating data-processing hq at Cherry Hill.

Zenith's first strike, by some 6,000 production workers at 4 plants was still in progress at the week's end, with the company & the Independent Radionic Workers of America in session with the Federal Mediation & Conciliation Service. Retroactivity is the key issue in the fracas which boiled up Aug. 10. Zenith would make pay increases retroactive to July 18 (vs. its initial stand of Aug. 1), but the union wants a July 1 date. The union also seeks a pay boost of 10¢ hourly.

ITT's Global Parts Line: Continuing the "integration of ITT's worldwide marketing & manufacturing activities," the big international firm last week announced formation of a distributor-products div. to supply U.S. electronic-parts distributors with "a wide range of electronic products, including selected consumer items"—the latter presumably referring to hi-fi components.

Frank M. Viles Jr., formerly ITT components div. mktg. vp, was named pres. of the new division. He stressed that the plan to sell some consumer items through parts distributors should not be confused with ITT's current long-range study of the possibility of large-scale consumer-product imports (Vol. 16:25 p14).

Initial ITT distributor products will include hi-fi speakers, wire & cable, tubes, capacitors, semiconductors, from U.S., England, Belgium, Japan & West Germany. Additional products, possibly from other companies, will be introduced later.

Small electronics manufacturers are eligible to obtain abstracts of reports on govt.-sponsored technical research & development work in a new service announced by the Small Business Administration. Pointing out that smaller firms don't have staffs "necessary to comb & select from the hundreds of research & development reports those which would be particularly useful to them," SBA administrator Philip McCallum said the agency's field offices are now ready to supply needed information.

Lionel Corp. has elected Maj. Gen. John B. Medaris (ret.), former chief of the Army's missile program, as its president, Chmn. Roy M. Cohn announced recently. The electric train & sporting-goods manufacturer, rapidly expanding into electronics (among its products is a TV remote-control unit), plans to acquire Anton-Imco Electronics Corp., subject to a vote by shareholders of both companies next month. Following the acquisition, according to Cohn, Lionel's business will be about 50% electronics, 40% toy trains and 10% sporting goods.

Litton Industries and Koby Kogyo Corp., Japan, have signed an agreement to establish "a working relationship in the microwave and other electron tube fields on a long-term basis," subject to approval of Japanese & U.S. govts.

General Precision Inc. has opened new offices in Washington for its GPL and Link division representatives at 724 14th St., N.W., Suite 321. Other divisions will remain at 777 14th St., N.W.

"Smallest 6-transistor radio made in U.S." is now being produced by GE for fall sale. Exactly the size of a king-size cigaret pack, it weighs 10½ oz., will list at \$39.95.

STUDY RULES, DEALERS WARNED: It would be a good idea for TV-radio-appliance dealers to dig out copies of a 1955 FTC publication titled *Trade Practice Rules for the Radio & TV Industry* and do some homework reading it, FTC Chmn. Earl W. Kintner said last week.

"What You Don't Know Can Hurt You" was the subject of a speech by Kintner to the 6th annual Institute of Management for Appliance-TV Dealers, conducted at American U., Washington, in conjunction with NARDA.

"I certainly hope that those of you who are in any way connected with the sale of radios & TV sets are already familiar with the provisions of our [guidebook]," Kintner said. He praised dealers generally for "an impressive measure of compliance" on a voluntary basis, but suggested that they still have things to learn about FTC's fair-practices regulations.

Among other things, the 1955 *Trade Practice Rules* (Vol. 11:27 p12 et seq.) require TV-radio set advertising to disclose any use of rebuilt TV tubes and to describe cabinet finishes accurately.

Calling attention to FTC's more recent campaigns to bring manufacturers & advertisers into line with FTC's truth-&-honesty precepts, Kintner said:

"In examining the current state of your industry, it occurred to me that appliance & TV dealers might justifiably feel they are subject to an uncommon number of laws enforced and rulings issued by the Commission. Many of the Commission's recent decisions which do not deal directly with some aspect of appliance merchandising still have clear application to merchandising methods employed in your industry."

And FTC is giving increasing attention to "bargain" advertising "in which list prices with absolutely no basis in fact were employed as part of a sales campaign," Kintner warned the dealer-managers.

The FTC chief said his agency is "determined to prevent misuse of bargain advertising through every means at our disposal—education, the encouragement of individual voluntary corrections, or the issuance of orders to cease & desist."

In other talks at the week-long seminar:

(1) RCA Pres. John L. Burns boasted that color TV has become a \$100-million-per-year business, that if just one company were handling everything, "it would rank in size among the top 1% of the nation's industrial corporations." He explained that the \$100-million figure included retail color-set sales, tubes, color equipment, servicing and "local independent broadcasting." He said conflicting claims about color TV's future obscured such current facts as that dealer orders in June for RCA's new color line ran 300% higher than a year earlier.

(2) D. A. Packard, vp-mktg. dir. of Detroit advertising agency Geyer, Morey, Madden & Ballard, said appliance dealers in particular are inviting the wrath of consumers by poor service, confused advertising and inept salesmen.

(3) Dale Shields, Washington executive of Giant Stores Inc., said TV manufacturers have devised some new selling techniques, but that appliance makers generally haven't had a new idea in years. Too many manufacturers must be prodded by dealers to come up with fresh approaches to the buying public, he said.

Financially ailing Rank Records Ltd., moviemanager J. Arthur Rank's phono-record firm, has been taken over by Electric & Musical Industries (EMI), the big British electronics combine which owns Capital Records in the U.S.

Emerson-Granco Details: Emerson will buy at least \$3-million worth of Granco consumer products a year, handling all Granco consumer marketing, in exchange for an option to buy control of Granco Products Inc., for about \$380,000. Basically, this is the deal approved by Granco stockholders Aug. 10 (Vol. 16:31 p18). Other details revealed at the special Granco stockholders meeting:

Emerson's option to buy 540,986 of Granco's one million authorized shares carries a price of 50¢ a share for 435,000 shares and \$1.52155 for each of the remaining 105,986 shares. Granco stock was quoted over the counter Aug. 11 at 5¾ bid, 6½ asked.

The total cost to Emerson of the initial 435,000 shares is \$217,500—exactly the same as the amount of cash Emerson will loan Granco on a 5-year basis. Granco's sales for the fiscal year ended June 30, 1960 totaled about \$3.3 million, up from slightly over \$3 million in fiscal 1959.

Granco Pres. Henry Fogel told stockholders "next year's financial picture is exceedingly bright," partially due to the company's growing production of commercial products (including FM tuners for other manufacturers) and private-label operations, neither of which is affected by the Emerson deal.

Emerson Pres. Benjamin Abrams hailed the addition of the Granco line, calling low-priced FM the only radio field which could be expected to grow substantially in the near future. Granco's consumer products are home FM radios & tuners, FM car radio converters, air purifiers and hi fi.

Factory sales of TV picture tubes in June were below June 1959's level in units, but higher in dollar volume—undoubtedly due to greater volume of more costly 19- & 23-in. tubes this year. The divergence from June 1959's sales isn't great—756,827 units at \$15,505,481 this June vs. 766,566 at \$15,136,612 in the 1959 month. For the first half of 1960, picture-tube sales were well ahead of 1959—4,454,796 units at \$88,599,267 vs. 4,370,535 at \$84,256,279. Receiving-tube sales in June continued to run sharply below the 1959 level—33,916,000 units at \$29,065,000 vs. 37,421,000 at \$33,099,000. For the first half of 1960, 7.5-million fewer receiving tubes were sold in 1960 than in the same 1959 period, resulting in a cut of nearly \$9 million in factory revenue. EIA's picture- & receiving-tube figures:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January	795,250	\$15,831,430	31,367,000	\$26,872,000
February	741,233	14,495,480	32,734,000	27,881,000
March	794,375	15,654,281	36,382,000	31,751,000
April	707,252	13,782,769	29,737,000	25,759,000
May	659,859	13,329,826	30,354,000	25,580,000
June	756,827	15,505,481	33,916,000	29,065,000
Jan.-June 1960.....	4,545,796	\$88,599,267	194,490,000	\$166,908,000
Jan.-June 1959.....	4,370,535	84,256,279	201,979,000	175,774,000

Canadian TV's first half year saw distributor sales to dealers slump to 136,400 units from 164,381 in Jan.-June 1959. The June volume also dropped sharply, to 19,367 TVs vs. 24,637 in June 1959. The first-half breakdown (corresponding first-half 1959 figures in parentheses): portables, 28,316 (33,016); table models, 28,008 (46,337); consoles, 74,317 (79,729); combinations, 5,759 (5,299). For June 1960 (vs. June 1959): portables, 4,375 (4,369); table models, 4,671 (6,521); consoles, 9,742 (13,294); combinations, 579 (453).

Japanese exports of radios containing fewer than 3 transistors were halted by Japan's govt. last week pending the determination of quotas. Radios with more than 3 transistors are already under export quota.

WHICH PAPER D'YA READ? Confused about the future of TV sales? You're not the only one. A spate of newspaper & magazine stories about the TV market—most of them at least mildly contradictory—appeared last week. Take your choice.

Big front-page story in *Wall Street Journal* hailed "vigorous video," quoting industry leaders & big retailers on the very hot TV market—attributed mainly to introduction of 23- & 19-in. sets—and predicting highest manufacturer sales since 1956, exceeded only by 1955's record 7.8-million-set shipments.

But Aug. 15 *Newsweek*, reporting on its continuing "Survey of Consumer Buying Plans," says consumers are far more pessimistic than a year ago. In the 2nd quarter, consumers' plans to buy new TV sets were down 10% from first quarter, down 14% from 2nd-quarter 1959. Plans to buy all consumer items—except new cars—were also down sharply.

Nevertheless, Dun & Bradstreet's "Trade Review," reporting a "moderate rise in retail trade," states that consumer demand for TV sets continues to run ahead of last year.

On the other hand, *Retailing Daily* quotes Emerson Pres. Benjamin Abrams in an interview as predicting industry TV sales this year of 6 million units—"an improvement over last year, but not a healthy one." As quoted, Abrams fears dumping of 19- & 23-in. sets because buyers may be more attracted to lower-priced 17- & 21-in. sets.

In *The New York Times*, business writer Alfred R. Zipser quotes RCA consumer-products exec. vp W. Walter Watts as saying that his company's TV sales this year could well surpass RCA's record year of 1957, and that TV set movement from the factory indicates that the company's unit volume next fall will be greater than ever.

But Zipser says TV industry is in midst of "profitless prosperity" because of stiff price competition. He concludes:

"There may be a battle shaping up on screen sizes. Manufacturers are trying to make the 23-in. set standard for non-portables instead of the 21-in. variety. They are also trying to supplant the 17-in. portable with a 19-in. model." He adds that "many retailers . . . are ordering the larger sets in quantity and are confident that they will sell them."

Worth thinking about.

EIA FM stereo field tests have been completed—2 weeks ahead of schedule—NAB engineering mgr. A. Prose Walker announced last week as head of NSRC Panel 5. Data, obtained from tests of 5 systems, using radio KDKA facilities and an installation at Uniontown, Pa. (Vol. 16:28 p14), will be correlated by a Panel 5 subcommittee led by Motorola's Norman Parker. Results will be filed with EIA for submission to FCC, which has set an Oct. 29 deadline for the report. Walker said that tests scheduled at WMMN and Fairmont State College, Fairmont, W.Va., were canceled because "these were found to be unnecessary."

Mergers & acquisitions: Hercon Electronics, Newark manufacturer of hermetic seals and connectors, has acquired for an undisclosed cash sum Harvey-Wells Electronics, Natick, Mass. producer of components for computers • Electro-Voice, Buchanan, Mich., has acquired the Featheride phono pickup & cartridge div. of Webster Electric. It will manufacture the Featheride components at its new Eureka, Ill. plant.

Trade Personals: Barton K. Wickstrum, former Sylvania senior vp-marketing, elected exec. vp., General Time Corp.; George C. Connor, former Eastern regional sales vp., elected Sylvania senior vp, succeeding Wickstrum; John E. Lau, former Sylvania district mgr. for Indianapolis, appointed mgr. of special accounts, Sylvania Home Electronics Corp., succeeding Richard G. Evans, resigned.

William H. Painter promoted from administration mgr., RCA electron-tube div., to operations-planning div. vp, RCA semiconductor & materials div. . . . Grant G. Orman named industrial sales mgr., Stromberg-Carlson telecommunication div., succeeding Edgar R. Sears Sr., recently named San Francisco branch mgr.; Donald F. Kehn named commercial products div. ad mgr.

August A. Danielson named vp in charge of General Bronze's GB Electronics . . . Meier Sadowsky promoted from exec. vp to pres., Continental Electronics Corp., Los Angeles (picture tubes) . . . Herman Sondov named chmn., Specialty Electronics Development Corp., continuing as exec. vp. . . . Dr. Joseph R. Feldmeier, ex-Westinghouse, named Philco associate research dir. . . . George E. Deaderick promoted from product marketing mgr., Texas Instruments diode & rectifier dept., to mgr., capacitor dept., succeeding Steve Karnavas, resigned; Deaderick is succeeded by Ken Davis.

Communications satellite designed to reflect broadcast signals between distant stations on earth was put into orbit Aug. 12 via a Thor-Delta rocket shot from Cape Canaveral, Fla. Jubilant National Aeronautics & Space Administration officials said successful launching of the 100-ft. aluminum-coated balloon—after several false starts—was confirmed at NASA's Goldstone, Cal. tracking station within minutes after the firing. The 10-story-high sphere, dubbed Echo I, is the largest man-made object ever tossed into space. First radio signal bounced off the 1,000-mile high satellite was a recording of a message by President Eisenhower, transmitted from California and received by Bell Labs at Holmdel, N.J.—opening science's door to instantaneous worldwide TV transmission.

Hearing-aid transistor the size of a grain of rice, capable of amplifying sound volume 10,000 times, has been developed by Raytheon. The company said the new transistor, which will cost slightly more than conventional transistors (which are 27 times bigger) will make possible smaller hearing aids with longer battery life & less supporting circuitry.

Ultra-miniature TV camera & transmitter is being developed by Dage TV div., Thompson Ramo Wooldridge for use in a Navy rocket to be fired into the stratosphere and then to descend by parachute, sending TV pictures of weather, ocean conditions and ship distribution to ground points. The complete camera & transmitter will fit into the nose cone of a rocket of 4½-in. diameter.

Olson Radio Corp., Akron, has denied FTC charges that it falsely advertised rebuilt TV picture tubes as new (Vol. 16:29 p15). It asked dismissal of the complaint, which supplemented earlier FTC charges—also challenged by Olson—that the company made false pricing & savings claims (Vol. 16:9 p18).

Admiral will make record changers for other phono manufacturers, exc. vp Vincent Barreca announced last week. Admiral has already produced more than 3 million changers, he said, adding that increasing imports posed a threat to American manufacturers.

Finance

Zenith At Zenith: Record sales of \$118.3 million were posted by Zenith during the first half, concurrent with a profit push to \$5.3 million from \$4.9 million in Jan.-June 1959 (see financial table). Second-quarter sales also set a record, but profit slipped to \$1.5 million from \$1.6 million in 1959's June quarter.

Chmn. Hugh Robertson noted that the first-half sales consisted "almost exclusively of civilian products," that factory shipments of Zenith TVs ran 13½% ahead of record first-half 1959 (71% ahead of Jan.-June 1958).

"As a result of the very substantial increase in factory TV-receiver sales in the 6-month period," he emphasized, "Zenith obtained a record share of the total TV-industry volume and further strengthened its hold on first position in the TV-receiver industry." Commenting on dealer reception of the company's 1961 TVs, Robertson declared: "During the first 3 weeks of July, Zenith distributors' deliveries to dealers of 19-in. & 21-in. portable & table model TVs and 23-in. consoles represented more than one third of the industry deliveries of these categories."

Factory shipments of radios increased 24% during the period. Robertson described "a continuing increase" in sales of Zenith's transistorized portable radios as "particularly significant in view of the increasing competition of imported Japanese transistor sets and cheap sets produced domestically of imported Japanese parts."

Other highlights of Robertson's half-year statement:

Sales of hearing aids jumped 26% in the 2nd quarter.

Production has begun in the virtually completed 110,000-sq.-ft. addition to the Kostner Avenue (Chicago) plant.

Zenith is negotiating for a "large tract of land in the Chicago area which will permit a much needed expansion."

One fly on the sales pie was detected by Robertson: "A continuation of unrealistic pricing & liquidations on the part of several principal competitors continued to affect the pricing of certain Zenith merchandise in the lower price brackets. There are no present indications as to how much longer these adverse competitive conditions may continue."

Admiral's first-half profit declined to \$578,030 from \$1.4 million a year earlier, despite a 5% sales gain to more than \$95 million (see financial table). "The movement of appliances decreased 15% and was responsible for the squeeze on profits," explained Pres. Ross D. Siragusa. "No relief is foreseen until the 4th quarter when new lines will be introduced," he added. Siragusa pointed out that the weakness of appliance sales was general throughout the industry, and noted that Admiral's sales of electronic products to dealers were 19% ahead of last year, compared with an industry increase of 7%. For 1960's 2nd quarter, Admiral had a net loss of \$185,345.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
AB-PT	Q	\$0.25	Sep. 15	Aug. 19
Baltimore Radio WFBR	Q	.10	Sep. 1	Aug. 15
Canadian GE	Q	2.00	Oct. 3	Sep. 15
CBS Inc.	Q	.35	Sep. 9	Aug. 26
GPE	Q	.25	Sep. 15	Aug. 29
Indiana General	New	.15	Sep. 9	Aug. 25
Lear Inc.	Q	.10	Sep. 1	Aug. 17
Minn. Mining & Mfg.	New	.15	Sep. 12	Aug. 19
Trav-Ler Radio	Stk.	5%	Nov. 22	Nov. 7
20th Century-Fox	Q	.40	Aug. 30	Aug. 16
Zenith	Q	.40	Sep. 30	Sep. 9

CBS Inc. expects 1960's profit to top the 1959 level despite a first-half decline to \$12.7 million from \$13.3 million in Jan.-June 1959 (see financial table). Treas. Samuel R. Dean anticipates that the net in the 3rd quarter will gain modestly over the year-ago period and "in the 4th quarter will be so much better that for 1960 as a whole, profit will exceed" the \$25,267,187 (\$3.01 a share) earned on revenues of \$444,311,357 in 1959. Dean said that the forecast was based largely on the fact that the CBS TV network's fall program schedule is nearly sold out. TV operations declined slightly in the first half, he noted, due principally to the development of new public-service programs which "ultimately will be sponsored, but for now are costing us money." Dean also foresees an improvement in network radio advertising in the fall season.

Paramount Pictures' 2nd-half profits are expected to top those of July-Dec. 1959, but it's still questionable whether the gain will be sufficient to offset the film concern's slow first half, reports *Wall St. Journal* after an interview with vp Raul Raibourn. Paramount's 2nd-quarter earnings dropped to 50¢ a share from 69¢ a year earlier, indicating a first-half decline to about \$1.05 from \$1.45 in Jan.-June 1959. Notes the *Journal*: "First-half profit was curtailed by an industry strike of movie actors which halted production at the studios for 33 days. In addition, Paramount was hurt by a lack of important films for most of the first half . . . It's doubtful Paramount will increase its output of films beyond the 15 to 20 it has been turning out yearly, but in the future the films probably will be more expensive, costing upwards of \$1 million each."

**OVER-THE-COUNTER
COMMON STOCK QUOTATIONS**

Thursday, Aug. 11, 1960

Electronics TV-Radio-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked	Stock	Bid	Asked
Acoustica Associates	27½	30¾	Magnetics Inc.	11½	13½
Aerovox	9	10	Maxson (W.L.)	8¾	9¾
Allied Radio	21½	23½	Meredith Pub.	40	44
Astron Corp.	2½	3-1/16	Metropolitan Bcstg.	18	19¾
Baird Atomic	34½	37	Milgo Electronics	21	24¼
British Industries	11½	13½	MPO Videotronics	7	7¾
CGS Labs	9	11½	Narda Microwave	6½	7¾
Control Data Corp.	37½	40¾	Narda Ultrasonic	4¾	5½
Cook Elec.	16	17¼	National Co.	25¾	27¾
Craig Systems	16¾	18¾	Nuclear of Chicago	33¾	36¾
Dictaphone	39	42	Official Films	1-7/16	1-11/16
Digitronics	22¼	24¾	Pacific Automation	8¾	9¾
Eastern Ind.	12¾	13¾	Pacific Mercury	8½	8¾
Eitel-McCough	24¾	26¾	Perkin-Elmer	44	47¼
Elco Corp.	19½	21¼	Phillips Lamp	167¼	173
Electro Instruments	37	40¾	Pyramid Electric	2¼	2¾
Electro Voice	11¾	12¾	Radiation Inc.	24	26¼
Electronic Associates	27	29¾	Howard W. Sams	45½	49
Erie Resistor	8¼	9¾	Sanders Associates	45½	49¾
Excucitone	28½	31½	Silicon Transistor	6½	7¾
Farrington Mfg.	32¾	35¾	Soroban Engineering	25	27¼
Fischer & Porter	15¾	16¾	Soundscriber	15	16¾
FXR	55	59½	Speer Carbon	20¼	22
General Devices	16½	18	Sprague Electric	56	60
G-L Electronics	9¾	10¾	Taft Bcstg.	14	15¾
Granco Products	5¾	6½	Taylor Instrument	69	74¾
Gross Telecasting	18¼	20¼	Technology Inst.	10	11½
Haydu	1/16	¼	Tele-Broadcasters	3¼	1¾
Hewlett-Packard	77½	81¼	Telechrome	11¼	12¾
High Voltage Eng.	138	149	Telecomputing	8¾	9
Infrared Industries	22	24¾	Telemeter	14¼	16
International Rectifier	23¾	25¾	Time Inc.	64¾	68¼
Interstate Engineering	24½	26¼	Tracerlab	12½	13¾
Itek	70	74¾	United Artists	6¾	7¾
Jerrold	9½	10½	United Control	23½	25¾
Lab for Electronics	47½	50¾	Universal Trans.	1¾	2½
Leeds & Northrup	37	39¾	Vitro	14¾	15¾
Lel Inc.	5¾	6¾	Vocaline	3¾	4¾
LFE Inc.	10	12¾	Wells-Gardner	16¾	17¾
Ling Altec Electr.	22¾	24¾	Wometco Ent.	12¾	13¾
Magna Theater	2¾	3-1/16			

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Admiral Story on p. 15.	1960—6 mo. to June 30	\$ 95,204,000	—	578,030	\$0.24	2,407,136
	1959—6 mo. to June 30	90,894,700	—	1,361,418 ¹⁰	.57	2,389,246
	1960—qtr. to June 30	46,790,337	—	(185,345)	—	2,407,136
	1959—qtr. to June 30	46,155,312	—	649,774	—	2,389,246
CBS Inc. Story on p. 15.	1960—6 mo. to June 30	231,821,970 ¹	—	12,669,169	1.51	—
	1959—6 mo. to June 30	215,089,500	—	13,318,871	1.59	—
	1960—qtr. to June 30	110,744,242 ¹	—	5,839,802	.70	—
	1959—qtr. to June 30	104,037,210	—	6,286,185	.75	—
Decca Records	1960—6 mo. to June 30	—	—	2,946,224 ¹	2.29	1,285,701
	1959—6 mo. to June 30	—	—	196,202	.13	1,527,401
	1960—qtr. to June 30	—	—	956,449	.75	1,285,701
	1959—qtr. to June 30	—	—	(1,358)	—	1,527,401
Electronics Corp. of America	1960—6 mo. to June 30	3,167,714	202,274	105,174	.12 ²	744,863
	1959—6 mo. to June 30	2,955,808	56,100	24,500	.02 ²	708,678
GPE	1960—6 mo. to June 30	120,772,804	—	2,467,136	1.57 ²	1,126,625
	1959—6 mo. to June 30	102,301,439	—	2,063,121	1.34 ²	1,125,810
	1960—qtr. to June 30	65,065,883	—	1,145,051	.71 ²	1,126,625
	1959—qtr. to June 30	55,319,803	—	1,143,114	.77 ²	1,125,810
Gross Telecasting	1960—6 mo. to June 30	1,199,842	611,515	295,515	—	—
	1959—6 mo. to June 30	1,261,601	628,503	304,431	—	—
Hazeltine	1960—6 mo. to June 30	34,197,000	\$2,620,000	1,259,000	.82	1,538,826
	1959—6 mo. to June 30	25,507,000	2,499,000	1,266,000	1.69	749,955
ITT	1960—6 mo. to June 30	387,479,807	—	14,254,473	.92	—
	1959—6 mo. to June 30	362,148,072	—	13,325,675	.88	—
	1960—qtr. to June 30	203,523,423	—	8,383,321	.54	—
	1959—qtr. to June 30	189,850,532	—	7,861,635	.52	—
Lear Inc.	1960—6 mo. to June 30	45,613,074	—	2,011,098 ³	.75 ³	2,689,365
	1959—6 mo. to June 30	38,576,193	—	1,124,043	.44	2,534,394
Loral Electronics	1960—qtr. to June 30	9,084,000 ¹	—	310,537 ¹	.54	580,000
	1959—qtr. to June 30	3,587,000	—	100,800	.24	425,000
Metropolitan Bcstg.	1960—26 wks. to July 3	19,177,895	—	747,924	.44	1,699,012
	1959—26 wks. to July 5	8,074,896	—	1,004,252	.65	1,546,512
	1960—13 wks. to July 3	12,240,959	—	597,235	.35	1,699,012
	1959 ⁴	—	—	—	—	—
MCA	1960—6 mo. to June 30	—	6,515,547	3,129,447 ¹	.77 ²	3,995,735
	1959—6 mo. to June 30	—	4,981,974	2,457,308	.60 ²	3,995,735
NAFI Corp.	1960—6 mo. to June 30	27,860,228	2,916,868	1,595,868	1.30	1,229,155
	1959—6 mo. to June 30	11,614,864	823,558	398,026	.40	987,655
	1960—qtr. to June 30	21,649,842	2,634,455	1,333,455	1.08	1,229,155
	1959—qtr. to June 30	5,152,455	448,577	202,575	.20	987,655
Newark Electronics	1960—6 mo. to June 30	5,960,000	—	130,000	.43	—
	1959—6 mo. to June 30	4,600,000	—	75,000	.26	—
Oak Mfg.	1960—6 mo. to June 30	9,646,813	—	401,568	.61	—
	1959—6 mo. to June 30	9,149,916	—	499,604	.76	—
	1960—qtr. to June 30	—	—	249,891	.38	—
	1959—qtr. to June 30	—	—	281,464	.43	—
Perkin-Elmer	1960—11 mo. to June 24	18,946,000	1,963,000	928,000 ⁵	.81 ⁵	1,146,436
	1959—11 mo. to June 26	15,369,000	1,372,000	679,000	.62	1,090,330
Siegler Corp.	1960—year to June 30	84,095,002 ¹	6,218,742	3,201,023 ¹	1.71	1,871,595
	1959—year to June 30	77,074,442	3,929,222	2,203,022	1.36	1,624,815
	1960—qtr. to June 30	19,361,614	1,377,567	734,023	.39	1,871,595
	1959—qtr. to June 30	16,805,375	742,200	470,841	.29	1,624,815
Speer Carbon	1960—6 mo. to June 30	13,620,894	2,652,940	1,222,940	1.37	881,400 ⁶
	1959—6 mo. to June 30	11,876,433	2,347,749	1,082,749	2.42	440,400
Sperry Rand	1960—3 mo. to June 30	291,761,602	8,910,579	5,410,579 ⁷	.19	28,288,011 ⁸
	1959—3 mo. to June 30	274,694,309	16,114,872	9,014,872	.31	28,279,311 ⁸
Varian Associates	1960—9 mo. to July 2	34,038,525	—	2,116,455	.67	3,151,289
	1959—9 mo. to July 2	27,756,201	—	1,788,798	.57	3,121,286
Zenith Story on p. 15.	1960—6 mo. to June 30	118,263,821 ¹	11,721,735	5,309,465	1.79	2,954,784
	1959—6 mo. to June 30	106,862,800	10,984,755	4,901,721	1.66	2,954,784
	1960—qtr. to June 30	50,118,845 ¹	3,464,612	1,454,336	.49	2,954,784
	1959—qtr. to June 30	47,642,024	3,915,702	1,577,830	.54	2,954,784

Notes: ¹Record. ²After preferred dividends. ³Includes net capital gain of \$775,791 from sale of assets. ⁴Not available. ⁵Excludes special tax credit of \$107,000 (9c a share). ⁶Reflects 2-for-1 split. ⁷Includes estimated \$1.1-million gain from sale of assets. ⁸Average. ⁹Company formed June 1959. ¹⁰Includes non-recurring credit of \$300,000 (12¢). ¹¹Includes special credits & dividends totaling \$441,346.

WEEKLY **Television Digest**

AUGUST 22, 1960

© 1960 TRIANGLE PUBLICATIONS, INC.

VOL. 16: No. 34

NAB LIBRARY

The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Congress

FINAL TV-RADIO PUSH in Congress brings payola & equal-time measures to verge of passage. Payola bill softened in Senate. House sets Sec. 315 vote (pp. 1 & 4).

FCC

MILITARY CAN'T SPARE SPECTRUM, says OCDM in long-delayed reply to FCC's alternative proposals to get more vhf channels. Costs, national security cited (p. 2).

BOSTON & MIAMI REVOLTS GROW in Ch. 5 & Ch. 10 filings & counter-filings on FCC's decisions vs. WHDH-TV & WPST-TV (p. 9).

Technology

ECHO I BRINGS WORLD-TV CLOSER; radio & telephone tests of passive satellite are demonstrating feasibility of long-distance TV transmission via space vehicles (pp. 2 & 6).

Programming

NETWORKS EYE POST-1948s; NBC-TV holding discussions with 3 major distributors; local deals also percolating; and color enters the picture (p. 3). Dept. (p. 12).

Stations

PAYOLA "PROOF" SUBMITTED by FTC at unusual hearing for record firm accused of disc-jockey payoffs. Exhibits include whisky, cash, batch of free records (p. 7).

Film & Tape

UNTAPPED FILM MARKET is being overlooked (p. 10).

Consumer Electronics

UPGRADING TV PRODUCT: first-half figures indicate highest average TV price, highest proportion of consoles & combos since 1953. Breakdown of 19- & 23-in. output (p. 14).

PHONOS SPIN STRONG midyear gains: EIA figures show 21.5% increase in retail sales, 33% in factory dollar volume (p. 15).

ADMIRAL VS. JAPAN: Siragusa sends background memo to Congress warning of impact of Japanese electronics invasion (p. 16).

RCA STILL SHIFTING: Jack Beldon resigns as Sales Corp. president; W. W. Watts becomes chmn. & pres. of marketing org. (p. 16).

HEROLD RADIO FILES Chapter XI petition to effect settlement with creditors; plans to continue operations (p. 16).

NATIONAL VIDEO BOOMING: Chicago picture-tube maker unable to keep pace with demand, foresees "banner year" (p. 17).

MAGNAVOX INTRODUCES 3 new 27-in. TVs to back its conviction that public wants the big picture (p. 17).

Finance

PHILCO PROFITS FALL 19% in first half, 61% in June quarter, despite sales gains. Pres. James M. Skinner Jr. attributes slide to softness in appliance business (p. 18).

TEXAS INSTRUMENTS HITS record sales & profits in both the first half & 2nd quarter, forecasts volume & profit highs (p. 18).

Other Departments

NETWORKS (p. 5). **ADVERTISING** (p. 8). **PERSONALS** (p. 13). **FOREIGN** (p. 13). **EDUCATIONAL TV** (p. 13).

FINAL TV-RADIO PUSH IN CONGRESS: This session's 2 major pieces of broadcasting legislation—the omnibus bill reforming TV-radio-FCC practices and the resolution suspending equal-time rules for Presidential campaign—were poised for final action on Capitol Hill at last week's end.

Set for almost-sure approval in Senate was the catch-all anti-payola measure (amended S-1898) setting up new forfeiture penalties for stations which violate FCC rules & regulations. Softened following Senate Commerce Communications Subcommittee hearing (Vol. 16:33 p1), revised version of bill passed earlier by House was due to be accepted when it goes back there for concurrence—probably this week. House wasn't expected to bother with sending it into usual Senate-House conference.

Meanwhile, House vote on Senate-passed equal-time measure (S. J. Res. 207) was on top of Aug. 22 legislative priority list drawn by Speaker Rayburn (D-Tex.) (see p. 4).

Promises made to broadcasters at payola-bill hearing were carried out by Communications Subcommittee Chmn. Pastore (D-R.I.) in Senate version of omnibus law, which Pastore carried to Senate floor Aug. 19 in 19-page report. Rewritten bill retains NAB-accepted House prohibitions against payola & quiz rigging, also keeps House restrictions on unsponsored plugs. But House provisions permitting FCC to suspend licenses for 10-day periods are dropped entirely. And House sections authorizing Commission to impose \$1,000-daily fines against stations are watered down.

House agreement on Senate changes was virtually assured—even in advance of Pastore's report to

Senate. His communications counsel Nicholas Zapple took draft of rewrite to House Commerce Committee Chmn. Harris (D-Ark.), principal author of tougher House bill, and got Harris to okay Senate language.

Principal revisions in Senate bill—all giving breaks to broadcasters—are these:

(1) One-year statute of limitation is set for FCC to file complaints against licensees & assess \$1,000-per-day forfeitures—and they can't total more than \$10,000 in any event. (House gave FCC unlimited authority to impose fines during 3-year license period, so total could be more than \$1 million.)

(2) Stations must "willfully or repeatedly" violate FCC regulations or defy cease-&-desist orders before they can be subjected to forfeiture penalties. (Looser language in House bill permitted FCC to penalize licensees who "negligently or intentionally" ignore FCC.)

(3) Stations must be given written notices—detailing their alleged crimes against FCC-defined public interest—when Commission proposes to fine them. (House bill didn't require such FCC bills of particulars.)

(4) Stations must get chances to show in writing—"within such reasonable period as the Commission shall by regulation prescribe"—why they shouldn't be subjected to any penalties. (House bill didn't spell out procedural protection.)

(5) Stations have right to go to court to establish their innocence & sue for recovery of any fines imposed. (House bill wasn't explicit on legal redress.)

(6) FCC mustn't blacklist stations accused of violations. Unless fine is paid without protest—or unless protest is rejected by court—forfeiture notice can't "be used in any other proceeding before the Commission to the prejudice of the person to whom such notice was issued." (House bill said nothing about this.)

Note: Broadcasters didn't win perfect bill from Pastore. To many in industry, only good bill would be bill with nothing punitive in it at all. But the cut-down Senate measure at least was much gentler than what NAB had reason to fear during Congressional furore over TV quiz & payola disclosures.

MILITARY CAN'T SPARE SPECTRUM, SAYS OCDM: To nobody's great astonishment, OCDM came up last week with flat "no" to FCC proposals to get more vhf broadcast channels from govt.

Long-delayed reply to Commission's alternative plans for 30-channel or 50-channel solution to allocations problem (Vol. 16:28 p6) came from OCDM dir. Leo A. Hoegh, who said:

"Neither of the Commission's plans could be implemented without weakening to an unacceptable degree our ability to maintain our national defense & security."

Either FCC plan would cost govt. \$5 billion "for U. S. military operations alone," said Hoegh in letter to FCC Chmn. Ford. Other reasons for turndown as cited by OCDM (in consultation with Defense Dept.): (1) "Dislocation of U. S. military operations between 225 & 400 mcs." (2) "Major research & development effort [which would] require the curtailment of current defense & space programs." (3) NATO & SEATO govts. would have to switch their own national allocations to bring them in line.

"Risks entailed in the implementation of either of the Commission's plans are too great to be accepted in today's international climate," Hoegh told Ford. OCDM's chief concluded by thanking FCC for its trouble, however.

ECHO I BRINGS WORLD-TV CLOSER Performance in orbit of satellite Echo I in week following its Aug. 12 launching (Vol. 16:33 p14) proved little about worldwide TV transmission which communications visionaries hadn't already deemed feasible.

But achievement of around-earth TV was brought several theoretical steps closer, at least, by successful across-U.S. radio-&-telephone tests by govt. & Bell Telephone Labs of passive balloon 1,000 miles up.

"Chances of worldwide TV certainly are improved," Harry Fine of FCC's technical research div. told us. "Echo I apparently means that technically you should be able to transmit TV signals for long distances."

Over-ocean-&-around-continents TV won't come tomorrow or next day, however—as all hands agreed in FCC's 890-mc-&-up allocations proceeding last month (Vol. 16:29 p4). For one thing, it probably would take a sphere at twice Echo's altitude—an electronically-equipped active one at that—to provide intercontinental TV relay. For another, TV signals require equivalent of 500-900 voice channels. And something like 50 satellites instead of one would be needed to bring world together via space communications.

When will worldwide TV come? There are no confident answers to that. Bell Telephone Labs' Dr. John Robinson Pierce, who probably had as much to do with Echo I's development as anybody, said he had no space-TV timetable. But he figured that maybe it would take 2 more years, barring "a sort of stunt in a shorter time."

There's also this space-TV question: What practicality has worldwide TV after it is attained? We raised that question 8 months ago, speculating on what U.S. networks—for instance—might do if they could bring foreign events live into American living-rooms (Vol. 16:7 p 3). With world time differentials, would it make good prime-time night TV programming here to show—for example—9 a.m. street traffic in Tokyo or earlier-yet changes in factory shifts in Moscow? Except for the extra-special, once-in-a-lifetime event, the need for simultaneous world-wide viewing has little program-scheduling reality in a world, one half of which is asleep while the other half is awake. Even in our own relatively modest 4-time-zoned sector, the tape has emerged mightier than the remote.

Note: Never at loss for real or fancied accomplishments to match anything U.S. does, Russians have come up with terrestrial TV idea which transcends potentials of Echo I. They propose to mount solar-powered transmitter on jeep, shoot it to moon, operate it from earth via radio controls. Nothing too difficult about this for Soviet scientists to work out, said Maj. Gen. Georgi Pokrovsky, writing in "Russian Journal of Astronomy." Translation was made here by Commerce Dept. (For more on Echo I, see p. 16.)

PRIME-TIME'S SUMMER SHIFT: There's an important difference between what are considered the best marginal segments of prime time in summer & winter. But it's not reflected in network rate structures which rate all time between 6-11 p.m. as "Class A." Summertime late-night TV, lacking daylight distraction, barbecue suppers, etc., tends to remain more stable in viewership than early-evening TV. But in winter, early-evening TV (7-8 p.m.) attracts more viewers than late periods (10-11 p.m.). In summer it's just the opposite.

We asked A. C. Nielsen for figures to illustrate this "prime-time shift." Nielsen-charted pattern: In Nov., the 7-8 p.m. period draws 59.0% of homes on all-evening basis; the 10-11 p.m. segment pulls 51.9%. Early-evening TV holds approximately same lead as the winter season progresses. In Feb., for instance "early" score is 62.5; "late" score is 55.8.

But then the shift begins. Rival periods become equal in late spring. In April, early period is down to 56.0 (and dropping fast) as against 53.2 for the late period. In May, the early period stands at 40.9 as against 50.7 for the late. In July, early-evening segment is down to 32.1, late period hasn't fallen below 43.9.

Shift re-occurs again in early fall. In Oct. the early period is back up to 52.0 while the late period is down to 49.6. The figures verify the fairly common assumption that an advertiser whose network show is aired between 7-8 p.m. in the winter stands a generally better chance of drawing a large audience than he does in the same slot in summertime. In late-night TV, the reverse is true.

POST-1948 DEALS GROW HOT: Networks may rival stations as customers for some of best post-1948 movies now headed for TV distribution (Vol. 16:29 p7 et seq.). Network thinking, primarily at NBC-TV, is to pay premium price for small group of real blockbusters, package them as series of specials, and avoid any "library buys" in which clinkers are packaged with a few top movies.

NBC is talking deals with at least 3 major firms right now—20th Century-Fox, Walt Disney's Buena Vista Distributing Co., and Columbia Pictures-owned Screen Gems. Network is chiefly interested in recent big-name color properties ("Bell, Book & Candle," "20,000 Leagues Under the Sea," etc.). Conversations are at a high level between NBC-TV vp for programs & talent David Levy and top movie executives.

Local-level post-1948 deals are also percolating. NTA is releasing (eff. Aug. 22) an 81-title package of 20th Century-Fox pictures in syndication, making 552 20th-Fox movies now handled by NTA. New package contains 27 post-1948 films ("All About Eve," "Pinky," etc.) and 54 pre-1948. Price, from NTA to 20th-Fox: "Over \$4 million." Reportedly, NTA is close to a deal with the CBS-TV o&o's for a station-group package buy, and is said to be holding discussions with RKO General. UAA will soon have another post-1948 package from UA in syndication, Flamingo Films is selling a 52-title group of foreign-made post-1948s, and Screen Gems expects to have at least one post-1948 package from Columbia Pictures on the syndication market before fall.

Color TV assumes important role in both network & station plans for new movies. NBC's explorations of what's available in way of few choice post-1948s center almost entirely on big-budget color films, we hear.

CBS, also interested in post-1948s as occasional specials, is also talking of color deals on a long-range basis. And in N. Y., WOR-TV vp & gen. mgr. Robert J. Leder announced late last week that the station's "Million Dollar Movie" showcase would go on a colorcast schedule for the first time in early Oct. The RKO General station is currently installing RCA color-transmission equipment, and expects to have "a minimum of 144 hours of color broadcasts for first 13-wk. cycle of 'Million Dollar Movie' this fall." WOR-TV is currently scouting available post-1948 packages for choice in-color properties, station sources told us. Color, incidentally, is one of last strongholds of the theatrical movie industry.

Interesting sidelight to post-1948 selling has occurred in Britain, where Film Industry Defense Organisation (FIDO) has been woofing up a loud protest by unions & theater operators against showing of movies on TV. FIDO notwithstanding, Associated-Rediffusion (London-area program contractor) next month will begin showing a package of post-1948 British films at the rate of one a fortnight (many, incidentally, have long since been available in the U.S.). And BBC-TV, which has a number of old movies in its vaults, is now expected to program them in nighttime slots more regularly this fall.

Congress

More about

SEC. 315 VOTE IS SET: Speaker Rayburn (D-Tex.) promised last week that a Senate-approved measure (S. J. Res. 207) lifting equal-time broadcast requirements for Presidential tickets this year (Vol. 16:33 p3) would be called up Aug. 22 for a House vote in a fast 1-2-3 procedure.

Rayburn put the suspension of the Communications Act's Sec. 315 at the top of his legislative agenda for the tail-end of the Congressional session. Under a push-it-through plan bypassing usual House legislative processes, he said, the Senate resolution will go directly to the floor with: (1) No amendments permitted. (2) Debate strictly limited. (3) A 2/3 vote required for passage.

The schedule for S. J. Res. 207 was announced by Rayburn at his first press conference following return of the House Aug. 15 from its political-convention recess. It went through motions of meeting last week, but put off transaction of any real business for a week, making Aug. 22 its earliest legislative day.

There was some muttering meanwhile against the equal-time resolution by members of the House Commerce Committee, but floor debate was expected to be perfunctory, and House concurrence seemed as sure as anything did on campaign-charged Capitol Hill.

Rep. Bennett (R-Mich.), ranking minority member, came out of an informal closed caucus of the Committee to report he had "some doubts about the advisability of taking unprecedented action of this kind—leaving it to the discretion of broadcasters whom they give free time to."

"I want to be sure we give a fair break to small new parties," said Rep. Mack (D-Ill.), 2nd ranking majority Committee member. He said the Senate resolution—permitting networks to put Republican & Democratic candidates on the air while ignoring others—should set no precedent which would discourage development of minority political groups.

Network-critic Bennett said he was undecided on whether he would take the floor Aug. 22 in opposition to the measure. Mack said he would support it despite his misgivings. The resolution was to be floor-managed by Commerce Chmn. Harris (D-Ark.), who said he had called the Committee caucus only for the purpose of "kicking around & talking about" S. J. Res. 207.

Definite plans & schedules for TV debate-&-interview appearances by the major candidates were held up pending a go-ahead from the House. But negotiators from the

staffs of Vice President Nixon & Sen. Kennedy (D-Mass.) were busy in Washington last week trying to draw up agreements on ground rules & dates.

Also busy last week was the Senate Commerce Freedom of Communications Subcommittee headed by Sen. Yarborough (D-Tex.). The equal-time "watchdog" unit, set up to see how the broadcasters behave themselves during the election campaign, put its staff machinery in working order at 2 closed planning sessions.

* * *

Underlining the need for suspension of Sec. 315, (without reference to it, however) the latest (Aug. 22) *Newsweek* presents research on some of America's stranger Presidential candidates in the current campaign—aside from the traditional splinter-party standard-bearers: (1) Gabriel Green, who says he was advised to run for President by an envoy from Alpha Centauri, a star which is 4.4 light years from earth. He wants "all 'dirty money' to be taken out of circulation and everybody given a credit card." (2) Pig farmer Henry B. Krajewski of Secaucus, N.J., whose platform is "no piggy deals in Washington." (3) Rev. Homer A. Tomlinson who "has already declared himself king of more than 80 countries." (4) Beatnik William Lloyd Smith who "would abolish the govt." (5) Mrs. Agnes Waters who declares "I can save America in 5 minutes" and accuses Lewis Strauss of "financing the Bolshevik Revolution."

— ■ —

TV-network coverage of the political conventions was "outstanding," but what viewers saw may have "led millions of Americans to question the entire nominating & electing procedure as it now operates," according to Sen. Mansfield (D-Mont.). He proposed that the "seriously inadequate" national convention system be replaced by national Presidential primaries. On the other hand, Sen. Clark (D-Pa.) suggested that if viewers didn't like the conventions, it may have been the fault of TV commentators who shut off proceedings "in order to make invidious & cynical comments about the performances at both conventions by various public servants." As a terrible example of "cynical comments," Clark cited a post-convention radio broadcast by CBS newsman George Herman, who had said proceedings in Los Angeles & Chicago provided an "Alice in Wonderland" looking-glass for subsequent "jabberwocky" on the Senate floor. New Democratic National Chmn. Sen. Jackson (D-Wash.) reported meanwhile that he intended to set up a joint network-party committee after the Nov. 8 election to start planning for the 1964 Democratic convention. TV-covered convention proceedings need some streamlining, Jackson said.

Kintner-Bicks Holdup: Bottled-up nominations by President Eisenhower of FTC Chmn. Earl W. Kintner for another term (Vol. 16:27 p2) and of trust-busting Robert Bicks as Asst. Attorney General (Vol. 16:29 p3) should be uncorked promptly, Sen. Proxmire (D-Wis.) told the Senate. Deploring "the tragic probability" that the name of neither Republican would reach a confirmation vote, Proxmire called on fellow Democrats to push the nominations to the floor. "Both of these men have been vigorous champions of free & honest competition," Proxmire said. "Both have done dramatically successful jobs. Both are vehemently opposed by monopolistic big business." Both nominations have been stalled—Kintner's in the Senate Commerce Committee, Bicks' in the Senate Judiciary Committee—by Democrats who want to hold the posts open for Democrats in the event their party wins the White House.

Proxmire's confirmation plea was seconded by Sens. Javits (R-N.Y.), Keating (R-N.Y.) and Bush (R-Conn.). Javits pointed out that it was "damaging to the capability" of Kintner & Bicks to leave their appointments dangling.

The criticism didn't move the Commerce Committee to action on Kintner. But a Judiciary Subcommittee gave Bicks another hearing—at which the anti-trust chief was accused of doublecrossing defendants in a hand-tool-&-shovel pricing case. Columbus attorney Robert H. Hoffman testified that it was understood the defendants wouldn't get prison terms if they pleaded no-defense, but that they were jailed anyway.

TV is tricky, members of Congress are being warned by news & public affairs dir. Dick Richmond of ABC affiliate WMAL-TV Washington. Conducting a series of briefing sessions for candidates who want to look good on TV, he offers these tips: (1) "Pounding the fist & shouting to balconies was fine for Sen. Claghorn, but it's for laughs on TV." (2) Watch the eyes. They look shifty if there's too much glancing around. (3) Clean the nails. Closeups can be revealing. (4) Fumble words now & then to indicate thoughtful groping for right ones. (5) Wear conservative suits. (6) Try sitting on the edge of a chair. That gives an air of alertness. . . . In N.Y. last week, a WABC-TV team conducted a similar class for 50 politicians.

Stricter TV-radio controls by Congress & FCC have been urged by Americans for Democratic Action in a letter to Senate Commerce Communications Subcommittee Chmn. Pastore (D-R.I.). ADA submitted its opinions for inclusion in the record of Pastore's hearing on broadcasting-reform legislation (Vol. 16:33 p1). They called for: (1) Prohibition of "joint ownership of TV, newspaper & radio facilities." (2) Network licensing. (3) An end to station license "trafficking." (4) A "phased shift of all TV" to uhf.

TV coverage of segregation in the South by some network shows has been one-sided, according to House Commerce Committee Chmn. Harris (D-Ark.). Declining to specify shows, he told the Ark. Bcstrs. Assn. in Little Rock Aug. 13: "I think under the spirit & letter of the law they should give both sides [of the integration story] fairly & objectively." The issue was raised in a Q-&-A session following a speech by Harris on the outlook for broadcasters in Congress (Vol. 16:33 p3).

House Un-American Activities Committee will start hearings Aug. 23 on a bill (HR-12852) by Chmn. Walter (D-Pa.) prohibiting FCC to grant radio operator's licenses to persons who refuse to answer questions about Communist activities (Vol. 16:27 p6).

AFM-proposed probes of uses of canned foreign music in U.S. TV film tracks may be activated in Congress next year. That's the No. 1 legislative objective of AFM Pres. Herman Kenin, at least. He said that "first & foremost" on the musician union's agenda is enactment of a law—such as proposed in bills (HR-11658 & 11043) by Reps. Holt (R-Cal.) & Pelly (R-Wash.) this session (Vol. 16:16 p8)—to control "robot music." Kenin looked for Senate support from Chmn. Pastore (D-R.I.) of the Commerce Communications Subcommittee. Pastore brushed off an AFM plea that anti-payola legislation (S-1898) be amended to require broadcasters to identify foreign-taped music (Vol. 16:33 p1). But Pastore indicated he was ready to back "an independent hearing" for a long-pending proposal (S. Res. 126) by Sen. Morse (D-Ore.) for an investigation of the effects of canned music on employment of American musicians (Vol. 16:8 p6).

Full-dress probe of OCDM has been threatened by Rep. Rodino (D-N.J.). He said he's been "absolutely confounded" by operations of the agency under dir. Leo A. Hoegh. For one thing, Rodino complained, he can get no "satisfactory" answers to questions as to whether a proposed East-West freeway would provide highway protection against nuclear blast & fallout.

TV-radio station exemptions for overtime provisions of the Fair Labor Standards Act, as proposed by NAB (Vol. 16:27 p6), survived protracted Senate debate on other sections of new minimum-wage legislation. Smaller stations in general are freed of overtime-pay requirements in the \$1.25-pay-floor bill finally approved Aug. 18 by the Senate and sent to the House for a probable conference.

Networks

Second AB-PT foreign buy this month is that company's minority-interest participation in the formation of a new TV network in Lebanon—Television du Liban et du Proche-Orient. The move, announced by ABC international div. vp Donald W. Coyle, follows by only a week AB-PT's purchase of an interest in a 3-station Venezuelan network (Vol. 16:33 p9). The new Lebanese network has been granted licenses for 4 TV channels which will enable it "to cover the entire country and its 2 million people," said AB-PT. TLPO expects to begin initial telecasting operations at its key-station hq in Beirut in 6-to-9 months. AB-PT's deal calls for ABC-TV to provide programming, engineering and other assistance, and to act as the new network's sales rep in areas outside Lebanon.

Salute to network broadcasting, from its start in 1926, to the present, will be presented in "a panoramic history of network radio & TV"—a 2-hour entertainment special on NBC-TV for the 1961-62 season. Radio recordings, stills, newsreel footage, film & tape, will be integrated into a show, originating from a theater with a live audience, supervised by Richard Linkroum, NBC special program vp.

NETWORK SALES ACTIVITY

ABC-TV

American Football League telecasts, Western regional participation.
Renault Dealers Assn., Northern & Southern Cal. (Kudner)
Competition Motors Inc. (Doyle Dane Bern.)

NO 'ECHO' FROM THE NETWORKS: Don't tune your TV set to "Echo I"—you'll be wasting your time. There's lots of public interest in the 100-ft. space balloon (in N.Y. last week, you could get Echo I's next sighting, as well as the current correct time, just by dialing ME 7-1212), but there won't be any network TV shows bounced off it—or so the networks told us.

Plans have been considered, however. ABC-TV Pres. Oliver Treyz, who knows a good publicity idea when he sees one, backstopped a contact between ABC and the National Aeronautics & Space Administration as far back as last Jan. ABC had in mind a one-cushion TV shot—Mt. Wilson, Cal. to Empire State Bldg., N.Y. via space balloon.

What punctured this balloon idea was a simple matter of cost. ABC was told that special "steerable antennas" would have to be set up to transmit & receive, meanwhile tracking the balloon accurately in orbit, for a one-shot telecast of any length. Sure, said ABC; what'll they cost? Reply: Oh, about \$500,000. And that was the end of that.

Saluting the balloon (via AT&T cables) is something else again. Just about everyone's been doing that. First off the mark Aug. 15 was NBC-TV with a 30-min., 9:30 p.m. special (including Bell System as sponsor) titled "Project Echo." It was the result of considerable advance planning between NBC and Bell officials. The show included films of Project Echo preparation and even a filmed interview with Bell Labs' research dir. Dr. John R. Pierce.

CBS-TV and ABC-TV covered in network newscasts. Non-network stations were in the act, too. WPIX N.Y. telecast a 15-min. filmed documentary (not the same as NBC's footage) about Echo I (Aug. 18) obtained from Bell (which didn't, however, sponsor it).

* * *

Collins Radio bounced the first live 2-way message off satellite Echo I, beating Bell Labs to the balloon by several hours. On Echo's 10th journey across the continent, at 1:07 a.m. Aug. 13, Collins engineer Donald Molander, at the Cedar Rapids hq, bounced a "1-2-3-4" voice test to the company's Alpha Corp. subsidiary in Dallas. Simultaneously, Alpha engineers Ollie Metzgar & William Atterbury duplicated the test from Dallas. Reported Molander: "It was a readable message, not quite as good as a telephone." Bell Labs' 2-way message bounce from coast to coast came on Echo's 12th passage. . . . Collins Radio came back into the picture Aug. 19 by bouncing an AP Wirephoto of President Eisenhower off the 1,000-mile-high balloon. At Dallas, Alpha Corp. received the signal, fed it into a Wirephoto receiving unit. The picture transmission required less than 5 min.

* * *

On Thursday, Discoverer XIV was successfully placed into polar orbit equipped with gear that included special instruments to radio back pictures of terrain over which the satellite is passing.

* * *

A TV & radio system is accompanying, observing and reporting back on the 2 dogs sent into orbit in a new Soviet spaceship reported launched by them Aug. 19. Preliminary data indicated the systems were working normally.

* * *

Traffic system for satellites to avoid jams in "near space" was urged last week by Westinghouse radar engineer Peter R. Dax in an address to the International As-

tronautical Congress. Asserting that space traffic will increase markedly in the next 10-to-50 years, Dax added: "It would be dangerous to suppose otherwise, and it can only be assumed that the traffic pattern will follow that of aircraft, the automobile or any other invention that has introduced 'a new era.'" He suggested a world-wide satellite tracking & cataloging system, embracing 7 computer-feeding radar installations around the earth, to keep inventory of equipment in orbit and to detect new satellites.

* * *

New type of communications satellite—a globe-girdling belt comprising billions of tiny metal antennas—is slated for test by the Air Force, reports Aug. 15 *N.Y. Times*, adding: "The antennas are to be half as thick as human hair. Their length—a matter of inches—will depend on the radio frequency to be used. An effort will be made to bounce messages over the horizon—in straight-line segments from ground to metallic belt to ground—in much the same fashion as messages transmitted by way of the 100-ft. Project Echo balloon."

* * *

High-resolution scanning antenna for experimental studies of the ionosphere has been developed by the National Bureau of Standards at its Boulder, Colo. research station. It scans a 42-degree azimuthal arc, can determine immediately the direction of signals received from forward scatter transmission. The antenna has no electrical or mechanical moving parts.

Technology

The first report, supposedly, of a proven frequency-specific effect of radio waves on human chemistry was presented at the 4th Annual Tri-Service Microwave Conference at NYU Medical Center last week. Lt. Col. Sven A. Bach of the Army Medical Research Lab in Ft. Knox, Ky. reported on producing "a profound molecular change" in human gamma globulin with specific wave lengths of radio waves in the high frequency to the vhf range.

Radio-detonated capsules, designed to distribute medication at precise points in patients' digestive tracts, have been developed by Smith, Kline & French Labs, Philadelphia. As described at the 107th convention of the American Pharmaceutical Assn. in Washington, the X-ray-observed drug-filled capsules containing tiny coiled mechanisms are exploded harmlessly in the body by radio waves. Aspirin experiments with dogs have been successful.

Low-temperature lamp for TV & film studios which reportedly emits 33% less heat with only a 5% sacrifice in brightness, compared with conventional lamps, has been announced by Japan's Toshiba Electric Co. The new Toshiba lamp, named "Cool Beam," uses a mirror designed to absorb heat-generating infra-red rays.

Underwater TV camera capable of transmitting pictures from 360-ft. depths has been developed by the Naval Ordnance Lab in Washington. It's been used in mine-recovery work off Fort Lauderdale, Fla. The Atomic Energy Commission has used a similar TV device to inspect radioactive waste deposits in waters off Boston.

Underwater TV cameras capable of use in inspecting dams & spillways are wanted by the Tenn. Valley Authority. It will take bids at Knoxville until Aug. 30 for equipment to be used by skin-diving cameramen.

Stations

PAYOLA 'PROOF' SUBMITTED: A peek at FTC payola evidence was provided last week. Such evidence has been rarely disclosed publicly by the police agency in its 100-odd-case campaign to halt illegal TV-radio record promotion practices.

At one of a few hearings sought by record manufacturers & distributors to challenge payola charges, Schwartz Bros. Inc. of Washington (Vol. 16:33 p10) demanded to know precisely what FTC had against the firm.

In answer, FTC attorney Harold A. Kennedy submitted 57 document exhibits to hearing examiner J. Earl Cox, taken, he said, from the files of the wholesale record company. Schwartz Bros. vp James Schwartz conceded in a stipulation that the documents were authentic, but denied they indicated any improper dealings with disc jockeys. Among the FTC exhibits:

Item—A bill for a \$62.17 case of whiskey alleged to have been given to Dick Covington, ex-radio WITH Baltimore jockey. (Covington said later: "I do remember receiving 6 bottles at one time [but] I don't see how anybody could construe this as payola.")

Item—A notation indicating a \$50 cash payment to Bill Johnson of radio WUST Bethesda, Md. (Johnson said later: "The only time [Schwartz] has ever given anything it has been out of gratitude & friendship at Christmas.")

Item—A ledger entry showing that \$11.50 worth of records went to Stan Karas, ex-radio WARL Arlington, Va. jockey. (Karas said later: "I never once considered the records my own personal property, and to the best of my knowledge they are still at WARL.")

Item—An account indicating an \$11.50 payment to "the union," not otherwise identified at the hearing.

After 2½ hours of the hearing—at which examiner Cox said he wasn't yet ready to accept all 57 varieties of exhibits as evidence—it was recessed until Sept. 27.

Meanwhile FTC issued a final order confirming an initial payola decision by Cox against Dolores Enterprises Inc., N.Y. record manufacturer (Vol. 16:28 p7). FTC, instructing the firm to stop payola payments to jockeys, pointed out that it had neither filed an answer to FTC's March 18 complaint nor appeared for a scheduled June 2 hearing.

Chicago Tribune Co.'s WGN-TV (Ch. 9) has bought KDAL-TV (Ch. 3) & KDAL Duluth, Minn.-Superior, Wis. for \$3.3 million from the Red River Bestg. Co., owned & operated by the estate of Dalton LeMasurier. The purchase, subject to FCC approval, "represents the first of several such acquisitions we have in mind," commented J. Howard Wood, *Chicago Tribune* publisher and pres. of the Tribune Co. and WGN Inc. The new owners also announced that both stations will continue as CBS affiliates. Brokers for the purchase: Blackburn & Co.

Control of KTVE (Ch. 10) El Dorado, Ark.-Monroe, La. by Veterans Bestg. Co. (WVET-TV Rochester, N.Y.) is sought in an FCC application. WVET-TV owns 48% of the station, purchased from new owner William H. Simons in July for \$65,000. The proposed transaction would result in formation of a new corporation, with WVET-TV owning 80.6% and Simons 19.4%. Total price paid by WVET-TV for the 80.6% interest would be \$282,000, including the \$65,000. The death of Simon's wife—ex-FCC Comr. Frieda B. Hennock—in June (Vol. 16:26 p16) prompted the sale,

NAB engineering committee members for 1960-61, appointed by the policy committee headed by Clair R. McCollough, are: Broadcast Engineering Conference—Chmn. Virgil D. Duncan (WRAL-TV Raleigh), J.D. Bloom (WVLT-TV New Orleans), Warren L. Braun (WSVA-TV & WSVA Harrisonburg, Va.), Raymond F. Guy (NBC), Leslie S. Learned (MBS), Merrill Lindsay (WSOY Decatur, Ill.), Frank Marx (ABC), James D. Parker (CBS), J. S. Petrik (KETV Omaha), B. E. Windle (WCLT Newark, O.) • Engineering Advisory—Chmn. Braun, Learned, Marx, Parker, and Andrew L. Hammerschmidt (NBC), George P. Hixenbaugh (WMT-TV & WMT Cedar Rapids-Waterloo, Ia.), Thomas E. Howard (WBTV & WBT Charlotte, N.C.), Russell Pope (KHSL-TV Chico, Cal.), Wilson Raney (WREC-TV & WREC Memphis), Robert M. Silliman (Assn. of Federal Communications Consulting Engineers), Rudy N. Starnes (KDUB-TV & KDUB Lubbock, Tex.).

KNDO (Ch. 23) Yakima, Wash. is being sold by owner Ralph Tronsrud to Columbia Empire Bestg. Corp. in an assets-for-stock agreement. Buyers, headed by Tronsrud's son-in-law & station mgr. Hugh Davis, obtain stock and will lease land & facilities from Tronsrud for \$1,820 per month for 2 years and \$1,072 per month for an additional year. They also have an option to buy the equipment within 3 years for approximately \$15,000. Meanwhile, the buyers filed an application for Ch. 25 in Richland, Wash. which they intend to operate as a semi-satellite of the Yakima station.

Four FM concert network stations, owned by T. Mitchell Hastings, are reportedly being sought for purchase by the N.Y. *Daily News* (WPIX N.Y.). Hastings-owned stations in the hookup are WNCN N.Y., WBCN Boston, WHCN Hartford and WXCN Providence. Other concert network outlets include WDAS Philadelphia, WBVA Woodbridge, Va. and WNTW Mt. Washington, N.H.

TV & radio awards handbook, listing 102 prizes & citations given in the broadcasting field, has been compiled by NAB research mgr. R. M. Allerton for distribution to members. All phases of broadcasting—announcing, acting, advertising, education, editing, engineering, programming, producing, public service, scriptwriting, sportscasting—are covered in the 42-page booklet.

WTVW Evansville, Ind., reports sales-promotion dir. John A. MacGregor, is giving away 5,000 orchids, 20,000 Chinese fortune cookies, free stagecoach & steam-train rides, and has set up various window displays around town to supplement its 4-week saturation on-air campaign promoting the debut of its fall program season and its 4th anniversary of telecasting.

Copies of TASO reports, including the original document and supplemental analysis-&-theory and TV directional antenna test reports, may be ordered now by broadcasters at \$10 each from Dr. George Town, 104 Marston Hall, Iowa State, U., Ames, Ia. Checks should be made payable to the Television Allocations Study Organization.

"Saturday Review" will inaugurate a monthly communications supplement with its Oct. 8 issue. The new section will appear the 2nd week of each month thereafter, and will cover TV-radio, the press, advertising and public relations. The supplement will be edited by former *N.Y. Herald Tribune* staffer Richard L. Tobin.

WFIL-TV & WFIL Philadelphia are seeking purchase of 3½ acres on the east bank of the Schuylkill River for a new \$2-million hq.

Advertising

Code in the Chest: N.Y. Code Office dir. Stockton Helffrich last week, in a follow up to a recent report of NAB's Review Board subcommittee (Vol. 16:30 p2), resumed his NBC practice of directing witty, albeit prolix, "external memos" to the TV trade. In this first, he aired (among others) these thoughts on bra-&-girdle TV commercials:

"Hardly anywhere is the dichotomy in specific areas of subjective opinion more apparent, instant, and lively than in the neighborhood of what some have dubbed the American bosom fetish. Undergarments for the enhancement, containment, simple coverage and/or comfort of the female secondary sex characteristics are displayed in department store windows coast to coast, in all print media and, for some time now, on television. Yet only to my knowledge in the latter, a medium with audience locale and sex & age considerations peculiar to it, has controversy on TV treatment—let alone suitable, *i.e.*, acceptable treatment—ever sporadically flared up."

Helffrich also reported that in NYCO's (N.Y. Code Office) few months of existence, his office had: (1) Created "tighter liaison" with network ad copy clearance editors on such matters as depilatory commercials. (2) Been in contact with groups like 4-As, TIO, TvB, etc. (3) Worked with individual broadcasters desiring opinions on program proposals.

NAB's N.Y. TV Code office, now operating temporarily at 380 Madison Ave. (Vol. 16:32 p10), will have permanent quarters in suite 2110 of the Time & Life Bldg., 1271 Ave. of Americas (6th Ave.). The move into the new location—2 blocks from Madison Ave.'s ad agency center & within easy reach of the 3 TV networks' hq—will be completed by the end of Sept. Warren H. Braren, from Ted Bates, has been appointed asst. to Helffrich. Before he went into agency work, Braren had network experience in production & supervision of such shows as *Captain Kangaroo*, *Laramie*, *Perry Mason*, *Rawhide*.

Ratings down, homes up—that's been the trend for some time among top-rated national winners. Example, from A. C. Nielsen Co.: In Jan. 1955, the No. 1 show was *I Love Lucy*, with a 49.2 AA rating. In Jan. 1960, the top show was *Wagon Train*, with a 41.8 rating. However, the *Lucy* rating represented 15,547,000 homes (316,000 per rating point) as against 18,894,000 homes (452,000 per rating point) for *Wagon Train*. That's a gain of 43%, says Nielsen, in terms of what a national AA rating point delivers these days vs. what you got for it 5 years ago.

ANA's latest report on newspaper circulation & rate trends for the years 1946-60 (all over-50,000 dailies & Sundays) reports: Circulations are up 11.1% for dailies, 13.2% for Sundays. Rates (5,000 lines) have increased 84% for dailies, 62.9% for Sundays. And rates per million circulation have increased 66% for dailies, 44.3% for Sundays.

New TV "image" for cranberries will be fostered this fall by the National Cranberry Assn. to combat any lingering consumer memories of last fall's weed-killer cancer scare. The NCA plans a 60-min., one-shot network special sometime between late October & Christmas on behalf of its Ocean Spray cranberry products, backstopped by print media. Agency: BBDO.

Two stories regarding cooperative-advertising developments may be found on p. 10 column 1 & p. 15, col. 1 of this issue.

1960—\$12-Billion Year: Elaborating on its just-under-\$12-billion prediction for all U.S. advertising expenditures in 1960 (Vol. 16:33 p7), *Printers' Ink* last week released the full media breakdown for 1960 as compared with the final estimate of 1959 expenditures.

Final figures for last year, said the trade magazine, turned up better than the first estimates. This year's expected \$11.9-billion total—\$800 million better than 1959—represents a 7% increase (8% national, 6% local). The breakdown follows:

ESTIMATE OF 1960 ADVERTISING VOLUME
(BASED ON FIRST-QUARTER ACTIVITY)

Medium	Expected 1960 Total Ad Volume (\$ millions)	1959 Final Estimate (\$ millions)	1960 vs. 1959 % Change
Newspapers (national)	\$ 900.0	\$ 826.2	+ 9%
Magazines	985.0	866.2	+14
Television (network and spot)	1,360.0	1,245.0	+ 9
Radio (network and spot)	250.0	248.0	+ 1
Business Papers	610.0	569.3	+ 7
Outdoor (national)	135.0	130.4	+ 4
Other Investments by National Advertisers	2,990.0	2,828.4	+ 6
Estimated Total Investments by National Advertisers	7,230.0	6,713.5	+ 8
Estimated Total Investments by Local Advertisers	4,680.0	4,403.8	+ 6
Grand Total	\$11,910.0	\$11,117.3	7

They're 'Announcement Carriers': Objecting to the term "spot carriers" to describe magazine-concept network shows which are sold in participation slices, vp & dir. of research & promotion Daniel Denenholz of rep Katz Agency last week sounded off for a better terminology.

"Spot broadcasting," he said, "by accepted definition, is the use of non-network radio or TV. It is the spotting, or placing, of advertising in selected markets, on selected stations in those markets. In short, 'spot' is the name of a distinct advertising medium. It does not define the type or time duration of an advertising message. Accordingly, I submit that the correct phrase should be 'network participation programs' or 'network announcement carriers.'"

Meanwhile magazine-concept buying is quietly becoming a solidly-entrenched reality among the 3 networks—at least, so far as sponsorship of individual fall programs is concerned. A typical lineup last week was announced by NBC-TV for *Laramie*, a 60-min. sage-&-sixgun series produced by Revue in co-production with the network. Altogether, *Laramie*'s corral contains 9 advertisers, almost any one of which a few seasons ago was big enough to support a major TV series all by itself.

The list: Dow Chemical Company (Saran wrap)—MacManus, John and Adams. Pittsburgh Plate Glass Co.—BBDO. Simoniz Company—Dancer-Fitzgerald-Sample. National Carbon Co. (Prestone)—J. M. Mathes. The Nestle Company Inc.—William Esty. Colgate-Palmolive Co. (Colgate)—Ted Bates. *Reader's Digest*—J. Walter Thompson. Pan American Coffee Co.—BBDO. Ford div. of Ford Motor Co.—J. Walter Thompson.

Too little time in TV commercials to spell out just what is meant by a "guarantee" for a product gives advertisers no excuse to deceive the public, warns FTC Chmn. Earl W. Kintner. In a special statement in response to protests by sponsors that they can't work everything into a 10-sec. spot, Kintner said—in effect—that that's tough. Commercials which claim simply that products are "Guaranteed!"—when they aren't—just give FTC invitation to bring "adversary action" against the sponsors, Kintner said.

The FCC

BOSTON & MIAMI REVOLTS GROW: Protests by the wounded & bruised parties involved in FCC's sock-it-to-them decisions in the Boston Ch. 5 & Miami Ch. 10 "influence" cases (Vol. 16:29 p1 et seq.) reached a shrill pitch last week. No end of filings, counter-filings and litigation was in sight.

Following up petitions to the Commission & U.S. Court of Appeals by National Airlines' WPST-TV Miami to halt the loss of its Ch. 10 grant (Vol. 16:33 p5), the *Boston Herald-Traveler's* WHDH-TV moved in to protect its threatened Ch. 5 grant.

Lawyers for WHDH-TV challenged FCC's July 14 order which vacated the 1957 award. They said the order should be withdrawn, that FCC should reconsider it on the basis of earlier recommendations by special examiner Horace Stern. He had chided WHDH-TV principals for using back-door approaches to the Commission, but said the grant shouldn't be disturbed.

WHDH-TV also protested FCC's plan for a new competitive hearing for Boston Ch. 5 at which the *Herald-Traveler* could start all over again—along with its old competitors, Mass. Bay Telecasters, Greater Boston TV and Allen B. DuMont Labs.

This new-hearing proposal violated instructions by the Court of Appeals in its remand of the case to the Commission, WHDH-TV said, arguing that FCC is court-bound "to maintain the status quo until further order [by the] court."

Lawyers for Mass. Bay Telecasters indicated they are getting back into the Boston Ch. 5 fray, too. They planned an FCC filing to oppose the WHDH-TV maneuvering. There was no immediate word from Greater Boston or DuMont Labs. A 5th interested party—the *Boston Globe*—was reported undecided about doing anything.

There were these developments on the Miami Ch. 10 front meanwhile:

(1) L. B. Wilson Inc., the happy winner (by default) of Ch. 10 under FCC's decision that National Airlines' Public Service TV & 3 other original contestants were unfit, filed specifications with FCC for immediate operation under special temporary authorization (STA).

(2) Public Service TV promptly sent a letter to FCC admonishing it to pay no heed to the L. B. Wilson STA application. Wilson's request must be held up pending disposal of WPST-TV's Commission-&-Court protests, Public Service said.

(3) Elzey Roberts, former operator of radio KXOX St. Louis, who tried to get the Miami grant in 1958, was heard from again. Demanding that FCC reconsider its Ch. 10 ukase favoring L. B. Wilson, Roberts said he wanted to go after the grant once more. His petition asked that Ch. 10 be declared vacant & available to all comers, but that WPST-TV be permitted to carry on meanwhile.

(4) The Assn. of Maximum Service Telecasters filed opposition to L. B. Wilson's STA application, contending the proposed Ch. 10 antenna fails to meet minimum mileage separation requirements.

FCC political-quiz help is offered all stations by NAB in a worksheet designed for use with Commission's new questionnaire on broadcasters' election campaign behavior this year (Vol. 16:33 p5). Copies of the worksheet and an accompanying memorandum have been sent to TV & radio outlets—NAB members & non-members alike—by NAB,

City of Fresno's petition for FCC reconsideration of the Fresno deintermixture case (Vol. 16:33 p5) has been opposed by Triangle's KFRE-TV. It said the petition presents no new arguments and is at best "a mere restatement [which is] couched in descriptive terms designed to substantiate petitioners' contention" and should be thrown out. KFRE-TV also called attention to the fact that it has committed itself to pay out \$375,000 to switch from Ch. 12 to Ch. 30—for which the FCC approved specifications Aug. 12—and has already expended a substantial amount in order to meet the requirements of FCC's order. Also filing opposition was the Assn. of Maximum Service Telecasters, which protested the request for shorter mileage separations in the Fresno area. KJEO (Ch. 47) Fresno urged FCC to take "speedy and unequivocal action" on the petition and have done with the whole affair.

Never-say-die WVET-TV Rochester (Veterans Bestg. Co.) has filed a 25-page petition (with a 44-page appendix) with FCC asking reconsideration of its grant of Albany Ch. 10 to WTEN (Capital Cities). Seeking reopening of the much-contested case, which has been marked by charges that the award involved FCC favoritism to WTEN's Congressional stockholders (Vol. 16:30 p8), Veterans contended that Commission: (1) Denied many valid exceptions noted in the proceedings by WVET-TV. (2) Failed to give careful evaluation to proposals. (3) Avoided its responsibility to make a decision on comparative merits. (4) Obscured its decision for WTEN in technicalities.

Augmented Conelrad plan for insuring continuity of emergency broadcast service in the event of an enemy attack on the U.S. has been adopted by FCC. As worked out by Commission's National Industry Advisory Committee, the plan sets up a priority system for network & local transmission of war bulletins: (1) Presidential messages. (2) Local programming. (3) State & regional programming. (4) National programming & news originating from Cabinet officers, OCDM, an emergency all-media news pool, etc. Authentication procedures for the broadcasts will be provided by NIAC. Copies of the plan are being mailed by FCC to all stations & networks.

Tall-tower application of WHAS-TV Louisville should be turned down, FCC examiner Charles J. Frederick said in an initial decision agreeing with the Broadcast Bureau (Vol. 16:19 p7). He concluded that the proposed 1,856-ft. structure with its increased coverage would damage Lexington's 2 uhf outlets. Frederick also found that erection of the tower "would create a serious menace to air navigation," bringing a "very real possibility of the loss of human life." The WHAS-TV application was similarly disapproved in 1958 by the Washington Air Space Panel (Vol. 14:7 p8).

Ex-FCC Comr. Richard A. Mack, whose Miami Ch. 10 conspiracy retrial was postponed last winter while he underwent psychiatric observation (Vol. 16:18 p14), has been sued for a \$556.30 hospital bill. The mental institute at Miami's Jackson Memorial Hospital claimed he owed the money for treatment from Jan. 28 to Feb. 23. The 2nd trial of Mack & Thurman A. Whiteside on charges that they plotted to rig the Miami grant for WPST-TV is set now for Oct. 4 in U.S. District Court, Washington.

Revised schedule of FCC staff field meetings with booster operators (Vol. 16:33 p8) contains the following changes: Aug. 24, Denver in lieu of Pueblo. Sept. 1, Salt Lake City at 9 a.m. and Redmond, Ore., 1 p.m. Sept. 2, Pocatello, Ida., 11 a.m., and Grand Junction, Colo., 1 p.m. No meeting will be held Sept. 3.

Film & Tape

UNTAPPED FILM MARKET: TV syndicators & stations are overlooking a multi-million-dollar source of film revenue because most know little about the mechanics of manufacturer-dealer cooperative advertising. So asserted Lester Krugman in N.Y. last week. The ex-NTA vp for advertising has just opened an agency specializing in co-op advertising. "Something like 15% of all TV advertising today comes from co-op ad deals, which is far from being what it might be," he added.

A completely legitimate but relatively untried deal, Krugman explained, might shape up on these lines: A syndicator could take a new show around to a national advertiser, such as an auto or major appliance manufacturer. The manufacturer could sign for the show, then offer it to dealers or dealer groups with his customary (usually 50-50) split on local-level costs. Even the manufacturer's ad agency, and probably station reps, could be brought in for a slice, since commissionable media are involved.

Many co-op ad deals are just sitting around, waiting to be picked up by local stations and/or alert syndication salesmen, according to Krugman. One example he related: An alert TV salesman for a station in a major Southern seaport discovered that an outboard-motor dealer he knew had a co-op budget available, but never used it because "it's too small to do anything with." The TV salesman hustled around, talked to a dozen other nearby dealers in the same outboard line, and got them to agree to pool their funds in exchange for rotating TV dealer mentions. Then, he approached the manufacturer, got a green light for his project—and wound up with a dealer-group film-program sale.

Krugman, whose cooperative-advertising specialist firm is making its hq at 554 Fifth Ave., believes his "chief problem is providing adequate proof-of-performance information to clients" and that "print media are far ahead of TV in developing co-op deals." He hopes to correct much of this situation in TV, and to provide more exchange of successful-campaign information among advertisers.

Bob Hope's far-sighted demand, in the mid-1940s, that the rights to a quartet of Paramount-produced comedies should revert to him in 1960, is about to pay the comedian a nice TV dividend. Cal. National Productions last week announced it had acquired from Hope the TV distribution rights to 2 of the films—"Road to Rio" and "My Favorite Brunette," starring Hope, Dorothy Lamour and Bing Crosby. Still in the Hope chest are "The Great Lover" and "Lemon Drop Kid." CNP's 2-picture package was promptly snapped up by the 5 CBS-TV o&o's. WCBS-TV N.Y. had, some time ago, bought similar Hope comedies ("My Favorite Blonde," "Road to Morocco," etc.) in the MCA-distributed pre-1948 Paramount library—and wasn't about to let rival WNBC-TV N.Y. get its hands on them, despite its NBC family link to CNP. The package, CNP's first feature group, is now being syndicated to other markets. Paramount gets nothing in the deal. Wailed a Paramount N.Y. executive we queried on this point last week: "So, who was thinking about TV in 1945?"

Paramount & Columbia will consolidate their Canadian sales & distribution operations Oct. 1, to form a joint Toronto-based company for "greater efficiency & better service" to Canadian theater exhibitors.

NEW YORK ROUNDUP

TV-film anti-trust ruling against the govt. in the Columbia Pictures-Universal Pictures case, handed down in July in N.Y.'s U.S. District Court (Vol. 16:28 p12), may be appealed to the Supreme Court by the Justice Dept. "An appeal is under consideration, but no decision has been made on it," a Justice Dept. source told us. In the District Court decision, Judge William B. Herlands dismissed the govt.'s complaints that an exclusive agreement by Columbia's Screen Gems for TV distribution of 600-odd pre-1948 Universal movies violated the Sherman and Clayton Acts. If an appeal is carried to the Supreme Court, the Justice Dept. will try again to prove that: (1) The Columbia-Universal deal constituted a conspiracy in restraint of trade. (2) Acquisition by Screen Gems of the Universal movies was an unlawful acquisition of another company's assets which tended to lessen competition in the industry.

Creative Telefilms & Artists Inc., newly-formed distributor of Warner Bros. post-1948 features for TV, is being sued in N.Y. Federal District Court by the American Federation of Musicians, which contends that AFM members are entitled to share in the proceeds of TV licensing (Vol. 16:33 p6). Warners has leased over 100 films to CT&A, now name-changing to 7 Arts Corp., for \$11 million & an equal share of the profits. AFM stated in its complaint that, under the terms of its contract with producers, the films may not be shown on TV without the consent of the union. AFM Pres. Herman Kenin said "there has been a callous disregard on the part of WB" to work out an agreement with the union. He threatened similar court action if other film corporations pursue the same policy.

CBS Films' *The Brothers Brannigan* has been bought by WCBS-TV N.Y. This puts the series in 90 markets. . . . ITC reported last week that public utilities are leading the list of syndication advertisers on *Best of the Post*. Most recent sale was to Pacific Gas for 7 Cal. markets.

Ziv-UA's syndicated sales are reported 18% ahead of the company's sales totals at this time last year. Excluding sales of reruns through Ziv's Economee div, Ziv has scored 1,080 single market sales since Jan. The latest is to McKenzie's Pastry Shoppes, New Orleans (WWL-TV), the 24th food advertiser to buy the series.

Two major Canadian film producers have joined forces to develop a large combined film-tape operation in Toronto. Toronto International Film Studios Ltd. (N.A. Taylor) has acquired a substantial interest in Meridian Films Ltd., and the 2 firms plan a \$2-million video-tape center and expansion of Toronto International's Studio City from its present 2 sound stages to 6. Meridian currently operates Canada's only independent video-tape studio.

Program Sales Inc., newly formed production company headed by Ray Junkin (Vol. 16:31 p15), has announced production-distribution contract for 130 episodes of *Portraits & Profiles*, a 5-min. show featuring sportscaster Bill Stern. PSI is currently-launching sales on another 5-min. syndication entry, *Newsbreak*.

People: Russ Raycroft has been named special consultant for Official Films. . . . W. P. Laffey has joined Tele-screen Advertising div. of Screen Gems in charge of service and control. . . . Michael Nebbie has joined Elliot, Unger & Elliot as dir. of photography.

HOLLYWOOD ROUNDUP

"Clandestine recordings" of work of TV & radio performers would be forbidden by a new international copyright agreement drafted at a 16-country UNESCO conference at the Hague. "The most important principle of the draft convention is the idea that performers have a right to protection, especially those who work in TV & the phonograph recording industry," according to the U.S. National Commission for UNESCO. "The draft convention would prevent the use, without his consent or without payment of fees or royalties, of reproductions of a performer's work." The U.S. was represented at the Hague conference by Register of Copyrights Arthur Fischer & Deputy Asst. Labor Secy. Henry Wiens. The Hague convention will be sent to a 1961 conference of govts. for approval.

Cal. National Productions is launching a new Western series "planned as a novel departure from standard Western fare," called *The Lawless West—the Legend & the Men*. CNP is concentrating on authentic dramatic treatment in which the West's most famous characters, such as Wyatt Earp, Wild Bill Hickok, Doc Holliday and Billy the Kid, are examined through their history-making deeds. "We aren't trying to debunk fictionalized Westerns . . . We hope our accent on authenticity will serve rather to add new dimensions to these themes that are entrenched entertainment classics," said CNP. (For more on the new Western trend, see Vol. 16:32 p11.)

SAG-AFTRA "positive cooperative plan," alternative to proposed merger of the unions (rejected in a mail referendum by more than 82% of SAG members), got underway last week, via a series of joint committee meetings in N.Y., Chicago and Los Angeles. The meetings are going into AFTRA network negotiations and SAG TV-film-commercial contracts, as well as live & tape commercials and tape programs. The unions plan to meet again next month "in a mutually agreeable place."

NTA has realigned its sales operation into 2 main divisions, with hq in N.Y. & Beverly Hills. Heading up the Eastern div. will be vp E. Jonny Graff, and vp Berne Tabakin will take charge of the Western. Concurrent sales meetings in both cities were scheduled for last weekend.

20th Century-Fox shareholders will vote Oct. 17 on the proposed sale to Webb & Knapp, Inc. of the film concern's 267-acre tract in Los Angeles. TCF directors have approved the proposal.

Revue Studios began construction recently on 2 additional stages . . . Allied Artists has renamed its TV operation Informational Films Division, in place of Informational & Commercial Films Division, to eliminate the idea that it's involved in the production of commercials. The div. produces educational & industrial films and TV specials . . . Walt Disney Studios has begun production on a 2-part show, *Pop Warner Football*, for the *Walt Disney Presents* series next season . . . MGM-TV is expanding the pilot of its 60-min. *Asphalt Jungle* for showing in theaters abroad.

CBS Films Inc. program vp Robert Lewine is in Hollywood, seeking new TV properties . . . Max Factor has bought *The Tab Hunter Show*, which begins on NBC-TV in Sept., for viewing in Japan . . . Elbrook Productions has been formed by writer Peter R. Brooke and agent Hillard Elkins. It plans *The Big Wheel* as its first series.

ACTORS DOMINATE FILM PRODUCTION: Actors, given little chance to do more than act in movies, have assumed a role of transcending importance in TV film production. Some own their series, others own telefilm production companies, and in general they compose an important segment of Hollywood's production field.

The pioneers in this trend are that most successful triumvirate of Dick Powell, David Niven and Charles Boyer (who in 1951 formed Four Star Productions, now Four Star Television); Lucille Ball & Desi Arnaz (who started Desilu Productions the same year); and Jack Webb (whose Mark VII firm, which while now is virtually dormant, was once one of the leading companies).

Other current actor-producers: Danny Thomas owns Marterto Productions; James Arness, Arness & Co.; Ozzie Nelson, Stage 5 Productions; Robert Young & Eugene Rodney own the company which produced their successful *Father Knows Best*. Betty Hutton, too, owned her production company last season.

An ex-actor, William T. Orr, is vp & exec. producer of Warner Bros. TV. An ex-actress, Gail Patrick Jackson, is exec. producer of Paisano Productions, which produces *Perry Mason*. Loretta Young owns Toreto Productions. Edmund O'Brien is partnered with producer Jack Chertok in *Johnny Midnight*.

Unlike the movies, which trained executives for years before making them producers, TV film has drawn on a variety of fields for its executives, with actors dominant. Revue Studios, for example, is guided by an ex-agent, Alan Miller. MCA, which owns Revue, is headed by express agent Lew Wasserman. Desilu's exec. vp Martin Leeds was a practicing attorney. Four Star's production vp Tom McDermott is an ex-adman. And Pres. Peter Lavathes of 20th-Fox Television is also from Madison Ave.

Don Fedderson, who heads his own production company, was once a TV station manager. Screen Gems' Coast operation is headed by an ex-CBS Coast vp, William Dozier, and another SG executive—vp Harry Ackerman—is also an ex-CBS-TV Coast vp.

Writers who head their production companies include Rod Serling, Cayuga Productions; Blake Edwards, Spartan Productions; Ivan Tors, Ziv TV-United Artists TV producer who has his own unit; Joe Connelly & Bill Mosher.

Among today's producers are ex-actor Sheldon Leonard (Danny Thomas); ex-press agent Howie Horwitz (*77 Sunset Strip*); and a parade of writers—Nat Perrin (*Death Valley Days*), Sam Peckinpah (*The Westerner*), Aaron Spelling (*Dick Powell's Zane Grey Theater*), Everett Freeman (*Bachelor Father*), Sam Rolfe (*Hotel de Paree*), Charles Warren (*Rawhide*), Seeleg Lester (*Perry Mason*), Stanley Niss (*Hawaiian Eye*).

BBC-TV will join with ABC-TV in the production of the Sun.-night (10:30-11 p.m.) series planned around Sir Winston Churchill's memoirs. The series is budgeted at \$1.5 million, and is due to start on NBC Nov. 27. In return for a production investment & research cooperation, BBC will have TV exhibition rights in Britain & a share of the show's revenues. Actual producer of the series in the U.S. is Screen Gems.

UAA has announced a new package of post-1948 features for TV distribution, called Boxoffice 26. Titles include "The Barefoot Contessa," "King & Four Queens," "Bandido," "St. Joan," and "The Monte Carlo Story."

Programming

CBS radio is clearing out its block of veteran soap operas (*Ma Perkins*, *Young Dr. Malone*, etc.) to make room for music-&-feature formats this fall. Daytime personality shows (*Arthur Godfrey*, *Art Linkletter*, et al.) will be retained. The plan has been green-lighted by CBS radio affiliates. ABC radio, meanwhile, has invited N.Y. admen to an Aug. 22nd preview of *Flair*, which the network describes as "a plan rather than a program." *Flair*, once the title of a short-lived Cowles magazine, will center on various name personalities (Theodore Bikel, Toots Shor, Dick Van Dyke, among others) as well as subjects that will range "from baby care, gourmet cookery, beauty & fashions to physical fitness, Hollywood and table manners. NBC eliminated most radio entertainment features (apart from *Monitor*) in favor of music, news & comment more than a year ago.

ABC-TV is dropping Dick Clark's 7:30-8 p.m. Sat.-night show, effective Sept. 10, although Clark's *American Bandstand* show in late afternoons is remaining. Reason: A new 60-min. Warner Bros-produced property, *The Roaring 20's*, will occupy the 7:30-8:30 p.m. segment, starting Oct. 15. ABC tried to clear the 7-7:30 p.m. period for Clark, but couldn't produce a full lineup in station-option time and couldn't find another Clark berth at night. Beech-nut-Life Savers Inc. billings for the Sat.-night Clark show, via Young & Rubicam, amounting to some \$2 million annually, are however being transferred to the daytime Clark show, so there are no losses for ABC in the deal.

Analysis of one week's programming for Los Angeles's 7 TV stations, as listed in *TV Guide*, has been completed by the Rev. James A. Brown, S.J. for a USC seminar. Despite the common impression, Rev. Brown found that only 8½% of the 3,307 station quarter-hour periods during the week (April 30-May 6) were Westerns. Comedy & variety-comedy actually surpassed Westerns with a 13.8% figure. Crime-action took 20.7%. The categories of news reports, special events, public issues, public institutional, general information & information-instruction totaled to 14.8%. Religion got 1%. Music & variety-music ran 6.1%. Children's programs totaled 5.9%.

Network show for doctors is planned by Medical News Inc., N.Y. as a 15-min. Sun.-afternoon series starting Oct. 30 on NBC-TV under sponsorship of Ciba Pharmaceutical Products Inc. At the moment, the network is trying to clear a time period for the series, which will be produced by the editorial staff & medical consultants of *Medical News*, a biweekly newspaper for physicians published under Ciba auspices. The show has been TV-tested in 4 cities (Dallas, Kansas City; Miami and Binghamton).

Index of U.S. Home TV Usage

TV viewing per home increased slightly from June 1959 to June 1960—8 mins. per home, per day. This audience data chart was prepared for us by A. C. Nielsen Co.

	Day (10 a.m.-5 p.m.)	Night (7-11 p.m.)	Daily Avg. Hrs. Per Home, Per Day
June 1960	17.3 (7,820,000)	47.4 (21,425,000)	4 hrs., 19 mins.
June 1959	16.5 (7,343,000)	47.0 (20,915,000)	4 hrs., 11 mins.
May 1960	17.8 (8,046,000)	51.3 (23,188,000)	4 hrs., 36 mins.

Final NBC-TV Nielsen score for the Democratic convention brought just about the same victory margin as reported earlier by Arbitron (Vol. 16:30 p5). The Nielsen score: NBC—14.4 average audience, 6.5 million homes reached, 41.4% share of audience. CBS—10.7 rating, 4.8 million homes, 30.6% share. ABC—4.2 rating, 1.9 million homes, 12.2% share. Arbitron's relative ratings ran 1.37 to 1 in NBC's favor; Nielsen's, 1.35 to 1. Nielsen also reported that the Democratic convention was seen by "the biggest reported audience in TV history" during the week of July 11. A total of 38.7 million U.S. homes (86% of all TV homes) look in on the proceedings for 6 minutes or more. And the average time spent per viewing home was 9 hrs., 38 mins. During any average minute of the 3-network coverage, 13.2 million homes (29.3% of TV homes) were watching. Daily audiences ranged from a Wed. July 13, 1960 peak of 32.7 million homes to a low of 25.6 million on the closing day (July 15). Previously, Sindlinger & Co. had reported "up to 135% larger TV audiences" for the conventions, compared with 1956 (Vol. 16:33 p6).

Campaign service: KOLO-TV & KOLO Reno are devoting 3½ hours of prime time throughout this week to a program series, *Of Primary Interest*, introducing Washoe County, Nev. candidates for local & statewide office before the primary elections . . . WTIC-TV & WTIC Hartford are offering free time between Labor Day & Election Day for six 30-min. debates between major party candidates for the House of Representatives . . . WNHC-TV New Haven has asked both major Presidential candidates to supply the station with 5,000 copies of each party's platform. They will be sent to requesting viewers as part of the station's 8-month, "Study-Think-and-Vote" coverage of this election.

Live drama on ABC? Yes, indeed. In a surprise move last week, ABC-TV program vp Tom Moore announced that ABC's heavily-film programming next fall would be augmented by a quartet of 90-min. original drama specials, all in a serious vein & featuring feminine stars, to be produced by Fred Coe & directed by Arthur Penn. Two will be taped in London, and one will star Vivien Leigh. William Morris Agency represented Coe (who used to produce *Philco-Goodyear Playhouse* on NBC-TV) and Penn.

"Celebrities for Nixon" will recruit TV-movies-sports figures for campaign work—including personal appearances & broadcast performances—in behalf of the Republican Presidential ticket. Work of the "Celebrities" committee, headed by Hollywood producer Mervyn Le Roy & actress Helen Hayes, was officially launched at a press conference in the Vice President's Senate Office Building staff offices. Le Roy & actor George Murphy, active in GOP politics in Cal., said they expected to enlist some of the biggest names in show business for the Republican pool.

Deal to sell General Artists Corp., 3rd-largest talent agency (representing Perry Como in TV, among others), is reportedly in the works between GAC Pres. Lawrence Kanaga and Philadelphia industrialist Herbert Siegel. Siegel is chmn of the Seeburg jukebox concern. Principal owner of GAC is Mrs. Thomas G. Rockwell, widow of the talent agency's founder. Price is said to be "around \$1,750,000." GAC sources late last week admitted to us that "a deal was being discussed," but refused to say if it had been completed.

Radio WABC N.Y. is dropping 7 hours of paid religious broadcasts and will substitute 90 mins. of free time for the 4 largest organized religious groups in the N.Y. area. The station will continue to carry the ABC radio network's full religious schedule.

Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.

WALTER H. ANNENBERG, *President*

PUBLICATION OFFICE Radnor, Pa., MURRAY 8-3940, TWX: Radnor 1028

JAMES T. QUIRK, *Business Manager* MERRILL PANITT, *Editorial Director*
 HAROLD B. CLEMENKO, *Managing Editor*
 DAVID LACHENBRUCH, *Associate Editor*
 JAMES B. DELEHANTY, *Asst. Business Mgr.* HAROLD RUSTEN, *Associate Editor*
 PAUL STONE

WASHINGTON BUREAU

Wyatt Building
 Washington 5, D.C.
 Sterling 3-1755
 ALBERT WARREN, *Chief*
 WILBUR H. BALDINGER
 WM. J. McMAHON Jr.

NEW YORK BUREAU

625 Madison Ave.,
 New York 22, N.Y.
 Plaza 2-0195
 CHARLES SINCLAIR, *Chief*
 DIANE SCHWARTZ

WEST COAST BUREAU

6362 Hollywood Blvd.
 Hollywood 28, Cal.
 Hollywood 5-5210
 DAVID KAUFMAN

MARTIN CODEL
 Associate Publisher

TELEVISION DIGEST. Published Mondays. Subscription \$75 annually. For group rates & other subscription services, write Business Office.

TELEVISION FACTBOOK TV & AM-FM ADDENDA AM-FM DIRECTORY
 Published March & Sept. Published Saturdays Published in January
 Copyright 1960, by Triangle Publications, Inc.

Personals: Robert J. McAndrews, KBIG Los Angeles vp, appointed 1960-61 NAB radio public relations committee chmn. . . . Carlo Anneke named local sales mgr., KTLA Los Angeles, succeeding Bob Jones, resigned . . . Adm. Maurice E. Curtis named Pentagon telecommunications policy dir. . . . Donley F. Feddersen, ex-WTTW Chicago, named NET TV programming dir. . . . David J. Blackstead named operations mgr. of KXJB-TV Valley City & KXGO-TV Fargo, N.D.; James R. McGuire appointed commercial mgr.; William D. Brouse, promotion & merchandising mgr.

Obituary

Bond P. Geddes, 78, 1927-50 exec. vp & secy. of the Radio Mfrs. Assn. (now EIA), died Aug. 16 in Georgetown Hospital, Washington. Following his retirement in 1950, he worked as an industry consultant, but had been inactive in recent years. In his 23 years with RMA, he watched the industry grow from crystal-set days into the electronics age. Prior to joining RMA he was a Washington newsman in a career stretching back to 1911 & President Taft. At one time he was UP bureau mgr., later joining the AP, for which he was Capitol staff chief.

Dr. Charles Edward Kenneth Mees, 78, retired Eastman Kodak vp, died Aug. 15 at his home in Honolulu. Mees, considered an outstanding pioneer in modern photography, developed the infrared photographic plate. At his retirement in 1954 after 42 years with Eastman Kodak, he received the Franklin Institute's highest award, the Franklin Medal, for his contributions to the science of photography.

Col. A. G. Simpson, 67, World War II chief of the Army Signal Corps communications & liaison office, died Aug. 12 at his home in Clearwater, Fla. While U.S. forest service chief radio engineer before the war, he developed a portable radio transmitter-receiver, a forerunner of the Army's walkie-talkie.

Walter E. Carlson, 59, former member of the Tasty Yeast Jesters, radio trio popular in the 1920s, died Aug. 17 at his home in Bloomfield, Conn. At his death, Carlson was a salesman & artist for radio WHAY, New Britain, and was formerly with radio WJZ, N.Y.

Edward (Ted) Pope, 37, CBC TV producer, died in a sports-car wreck during a race at Harewood Acres, Toronto, August 13. He is survived by his wife, son and daughter.

Foreign

BBC-TV has distributed a hard-bound book promoting its new \$45-million London TV center to networks, the press, station groups, agencies etc. The center covers 13½ acres and is designed for the production of 1,500 hours of programming each year. Contents of the book include articles about BBC by dir.-gen. Hugh Carleton Greene and TV dir. Gerald Beadle, photo views of the building, and technical aspects of the plant & studios. BBC, which has plans to bid for the live programs export market in the U.S., is using the new publication, in part, as a promotion piece to potential program buyers.

Iraq's govt.-owned TV station (Ch. 8, 1-kw ERP), which has been accepting commercials since Feb., forwards us its rate card, indicating rates ranging from \$16.80 for a 10-sec. ID to \$224 for a 3-min. live commercial. Among the ground rules for advertising on the Baghdad station: "(1) Advertisements are telecast respectively as received with no priority. (2) A non-advertisement film with a one-min. sponsor advertisement costs only the rate for a one-min. advertisement. (3) No advertisements concerning drugs or alcoholic beverages are accepted." As of Aug. 1, there were an estimated 70,000 TV sets in the republic.

Russia projects TV production of 3,325,000 units by 1965 according to the *Wall St. Journal* in an analysis of USSR's increasing consumer goods output. The 1965 projection compares with 1959's production of 1,300,000 TVs, 84,100 in 1953, 11,900 in 1950. Notes the *Journal*: "During 1959, Soviet consumer goods output rose 10.3% but retail sales were up only 7.2%. The result, familiar to any capitalist, was a rise in inventory, estimated by the Soviets at 11%."

Revenue of Britain's program contractors jumped 29% to \$17,948,966 in April, compared with April 1959. Pacing the 12 contractors was A-R London, with time billings of \$3,785,096—up 16% from April-1959's \$3,255,960 volume, reports TV Press Agency. Percentage gains were scored by the 10 contractors who were operating last April. The gains ranged from Southern's 3% to Tyne Tees's 51%.

Future of British TV-radio broadcasting will be charted by a special committee of inquiry established recently by the Postmaster General. The study panel will explore a broad range of new broadcast services—including pay TV, closed-circuit, a 3rd channel—and recommend which services should be provided by tax-supported BBC and ad-supported ITA. The committee is headed by industrialist Sir Harry Pilkington.

Educational Television

KQED (Ch. 9) San Francisco and KVIE (Ch. 6) Sacramento are forming the Cal. Community TV Network, and plan to include other non-commercial, community-owned stations as they come into being in that state. (A Fresno station is currently being planned.) A 2-way microwave relay unit on Mt. Diablo will link the stations. The project, due to be completed by mid-October, is financed by the Ford Foundation for Adult Education.

"Key Audiovisual Personnel," a 1959-60 compilation by the U.S. Office of Education of sources of educational TV-radio-film-phono materials, is available for 25¢ per copy from the Govt. Printing Office, Washington. The directory lists 787 public & private agencies, 1,062 individuals.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

UPGRADING TV PRODUCT—THE PAYOFF: Emphasis on TV quality, furniture styling, new screen sizes is now showing up in sales figures. On basis of statistics available to date, we can now predict that 1960 will see:

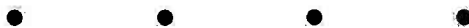
(1) Highest average TV set price since 1953, probably around \$150 at the factory—up smartly from last year's \$144.

(2) Highest proportion of console TV sales since 1953.

(3) Highest proportion of TV-phono combination sales since 1953.

(4) Portables & table models comprising less than 50% of TV sales for first time since 1953.

There's also good chance that dollar volume of factory TV sales will be best since 1955, even though unit sales are extremely unlikely to match 1956's 7.4 million.



Average factory price of a TV set for first 5 months of this year was \$138.01, nearly \$5 better than the \$133.05 registered for same 1959 period. Since average unit price of TV goes up in last half of year, figure of around \$150 is not unreasonable (last year's average unit price was \$141 for full year). For comparison, here's recap of average TV set unit factory price for each full year from 1947 through 1959:

1947	\$280	1950	\$180	1953	\$170	1956	\$127
1948	\$235	1951	\$177	1954	\$140	1957	\$130
1949	\$193	1952	\$172	1955	\$138	1958	\$136
						1959	\$141

Consoles & combinations already are having their best year since 1953—spang in the middle of the portable season. For first 6 months of 1960, consoles & combos accounted for 46% of retail TV sales, compared with less than 36% just a year ago. Here's how cabinet types stack up at retail counters for first half of this year vs. same year-ago period in terms of percentage of total:

	Table & Portable	Console	TV-Phono Comb.
1960.....	54.0%	33.4%	2.4%
1959.....	64.2%	42.9%	3.1%

Here are numerical figures for first-half 1960 retail sales (year-ago comparisons in parentheses): Total, 2,657,527 (2,263,957); table & portable, 1,433,885 (1,453,231); console, 1,141,082 (756,622); combo, 82,560 (54,104).

Percentage breakdown of consumer TV purchases by cabinet type for full years 1953-1959:

	Table & Portable	Console	TV-Phono Comb.
1953.....	46%	51%	3%
1954.....	55%	43%	2%
1955.....	57%	41%	2%
1956.....	64%	35%	1%
1957.....	60%	38%	2%
1958.....	56%	41%	3%
1959.....	57%	40%	3%

Traditionally heavier console sales in fall should push 1960 percentage close to 1953's mark—giving hefty boost to TV dollar sales. But this year, 2 added factors will be acting to spur 2nd-half sales prices still higher: (1) Intensified selling campaign for combos, sparked by heavy increase in offered sets. (2) Accelerating emphasis on 19- & 23-in. sets, more expensive than their 17- & 21-in. counterparts.

At least 60% of factory TV set sales in June were in the 2 new sizes. Exact percentage is hard to pin down. EIA is collecting some figures on the new sizes for first time (formerly 19s & 21s were lumped together in "19-21-in." group). Its definitions still aren't explicit in some categories, but here's percentage breakdown of total factory sales in June, by tube size & cabinet style:

Table models & portables—23-in. & larger, 6.2%; 21-in., 9%; 19-in., 21%; 17-in. & smaller, 21%.

Consoles—23-in. & larger, 32%; smaller than 23-in., 8%.

Combinations—all sizes, 3%.

Proportion of 19- & 23-in. sets will increase as manufacturers use up inventories of old-size tubes & associated components. Tube & glass makers report production of 17- & 21-in. sizes for new-set use dwindling to vanishing point.

PHONOS SPIN STRONG MIDYEAR GAINS: It was a good first half for phonos, official EIA retail & factory figures for Jan.-June show. Sparked by increasing interest in stereo, consumers purchased more than 330,000 more phonos than they did in Jan.-June 1959. Result: a 21.5% sales gain for retailers. Over-the-counter sales of stereo phonos soared 86.5% during first half, swallowing up a 43.7% decline in sales of monaural units.

Factory sales of phonos also increased 21% over first-half 1959. Noteworthy, too, is 33% gain in dollar sales, reflecting increased proportion of higher-priced stereo. Other noteworthy cullings from EIA:

Average factory price of phonos increased to \$96.60 from \$90.57 in first-half 1959.

Total dollar sales at factory increased to \$174,172,000 from \$131,397,000.

June figures show an upturn from traditional spring decline, with stereo retail sales up some 26,000 units, monaural 5,100.

Here are EIA's factory & retail figures, month by month, for first-half 1960, with 1959 comparisons:

PHONO FACTORY SALES

Month	1960			1959		
	Mono	Stereo	Total	Mono	Stereo	Total
January	118,400	341,329	459,729	184,147	177,336	361,483
February	90,854	324,666	415,520	164,873	188,750	353,623
March	63,264	242,523	305,787	119,075	168,117	287,192
April	30,606	142,409	173,015	47,153	125,111	172,264
May	36,793	144,474	181,267	33,356	89,827	123,183
June	69,293	198,407	267,700	44,976	152,900	197,876
TOTAL	409,210	1,393,808	1,803,018	593,580	902,041	1,495,621

PHONO RETAIL SALES

Month	1960			1959		
	Mono	Stereo	Total	Mono	Stereo	Total
January	150,688	368,964	519,652	231,429	159,214	390,643
February	100,268	347,860	448,128	171,127	156,477	327,604
March	61,249	249,497	310,746	139,577	140,075	279,652
April	41,147	152,141	193,288	94,226	118,197	212,423
May	39,734	139,378	179,112	70,228	82,765	152,993
June	44,925	165,339	210,264	66,979	100,982	167,961
TOTAL	438,011	1,423,179	1,861,190	773,566	757,710	1,531,276

TV-RADIO PRODUCTION: EIA statistics for week ended Aug. 12 (32nd week of 1960):

	Aug. 5-12	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV	89,430	116,682	149,314	3,436,778	3,401,910
Total radio	243,351	261,430	261,210	9,912,196	8,383,035
auto radio	82,720	88,166	69,288	3,821,217	3,263,398

FTC has broad powers to halt "knowing inducement" by dealers to obtain discriminatory advertising allowances from suppliers, the 5-man policing commission decided in a 4-1 policy vote. Acting in an unfair-practice case involving supermarket operator Grand Union Co., the FTC majority said the Robinson-Patman Act doesn't specifically outlaw such dealer inducements, but that the practice "clearly violates the spirit of the statute." Dissenting, Comr. Edward T. Tait said FTC should stick strictly to Robinson-Patman language, that he's "in vigorous disagreement with an approach to the law which has too much sail & too little anchor, or too much supplement & too little bolster." (For more on co-op promotion, see p. 10.)

RCA's associated company in Argentina, RCA Victor Argentina S.A.I.C., has been licensed by American Bosch Arma to produce & sell its automotive windshield-wiper motors & assemblies in that country, effective Jan. 1961.

Westinghouse credit-card system for service technicians is being established to facilitate their purchases of TV-radio-phono parts. K. H. Brown, hq service mgr. of Westinghouse TV-radio div., said the credit cards will eliminate a major complaint of technicians: "Having their money tied up to fulfill the manufacturers' warranty obligations." The cards also will enable new customers to obtain parts from Westinghouse distributors without credit-clearance delays.

Zenith's first strike ended Aug. 13 after a 4-day walk-out by 6,000 production workers at 4 Chicago plants (Vol. 16:33 p12). The new agreement with the Independent Radionic Workers of America provides wage increases of 6-to-9¢ an hour (depending on job classification), retroactive to July 18. Zenith's current contract with the union, which runs through June 30, 1962, was reopened 6 weeks ago for consideration of wages.

Admiral Vs. Japan: Admiral's Pres. Ross D. Siragusa stepped up his "Buy American" campaign last week by charging some merchandisers of Japanese radios with attempts to hide behind the U.S. flag and "delude the American public with highly questionable marketing practices." In a background memo on the Japanese electronics invasion, sent to members of Congress and other "interested Americans," Siragusa noted that one Tokyo firm is producing an "Americana" brand transistor radio, that an ad on Japanese radios in a U.S. trade publication is built around "a larger than half-page photographic illustration of the Mount Rushmore National Monument."

"The tidal wave of Japanese electronic products continues to flood U.S. markets," the Admiral white paper warned. "First-quarter statistics from the U.S. Dept. of Commerce indicate that electronic exports from Japan to this country were nearly double the level of last year. In some categories, first-quarter shipments were nearly as great as those during the entire year 1959.

"What are American manufacturers doing to combat the heavy Japanese electronic imports? Most of them have taken the line of least resistance and are buying components or complete Japanese radios for marketing under their own brand names (Motorola, Emerson, Bulova, GE)."

Warning that the stepped-up Japanese imports "cannot continue for long without inflicting serious & permanent damage on American suppliers," the Admiral memo concludes with the hope that "the administration in Washington will make an immediate re-appraisal of trade policies with Japan, especially in the area of electronics."

Commenting on a U.S. "invasion in the next few months" by Japanese TVs, Siragusa said he doubted they would encounter anywhere near the success enjoyed by Nippon radios. "Americans realize TV is a complex electronic instrument," he said. "When the consumer buys a TV set he wants to be certain he can get it repaired & obtain replacement parts should they be required."

* * *

Japanese electronic output shot up 53% to \$282.1 million in the first quarter this year, compared with the similar 1959 period, the Commerce Dept.'s Business & Defense Services Administration reported. Data supplied by the American embassy in Tokyo showed that Japan's production during Jan.-March 1960 was running at a seasonally-adjusted annual rate of \$1.4 billion vs. \$936 million during 1959. First-quarter electronic output was topped by semiconductors, up 67%, followed by electron tubes, up 63%. A 37% decline in TV-broadcast gear was noted, however.

* * *

Five Japanese broadcasters have purchased 12 of GE's low-light-level image-orthicon camera tubes for use in colorcasting which is slated to get underway next month. The purchasers: Radio Tokyo (3 tubes), Station NTV (3), Japan Bestg. Co. (4), Tokai TV (1), Chubu Nippon (1). GE said the orders were received shortly after Japan's Radiowave Control Board gave the green light to full-scale colorcasting, starting in September.

* * *

Hitachi New York Ltd. became the first Japanese firm to obtain a contract to supply electricity-generating equipment for a Federal power project. It was selected by the Interior Dept. last week to supply 2 turbines for \$664,860 on the basis of a bid which, in competition with U.S. suppliers, had more than the 6% differential required by the "Buy American" Act.

RCA Still Shifting: RCA's consumer-products operation underwent more changes last week—one geographic, others in personnel.

Sales Corp. Pres. Jack S. Beldon resigned that post and now awaits re-assignment within the RCA organization. His action comes less than 6 weeks after exec. vp P. J. Casella had been relieved of his consumer-products responsibilities for re-assignment within RCA (Vol. 16:28).

Group exec. vp W. Walter (Wally) Watts, who absorbed Casella's consumer-products duties, now takes on added responsibilities by succeeding Casella and Beldon as Sales Corp. chmn. & pres. respectively.

Delbert L. Mills, ex-ITT Federal div. pres. who joined RCA in January as home-instruments operations vp (Vol. 15:49 p19), will absorb Beldon's marketing duties in his new post as Sales Corp. operating vp. Mills also retains his home-instrument responsibilities, as div. vp-gen. mgr.

On the geographic front, RCA announced last week that it would shift the hq & production activities of its Cambridge, Ohio radio-phono plant to its Indianapolis, Ind. facility. The announcement followed on the heels of word that RCA's TV-radio-phono hq was slated for transfer to Indianapolis from Cherry Hill, N.J. (Vol. 16:33 p12). The Cambridge plant will continue its parts-production activities, will add new products later.

— ■ —

Herold In Chapter XI Action: Herold Radio & Electronics, organized 10 years ago as Herold Radio & TV Corp., last week filed in U.S. District Court in N.Y. a petition under Chapter XI of the Federal Bankruptcy Act. The petition, to effect a settlement with creditors, estimates the Yonkers, N.Y. firm's liabilities at \$6,853,000, assets at \$6,312,000. Vp-controller Shepherd Freedland said the assets include no cash, comprise accounts receivable, inventory, equipment. Herold will continue operations, he said.

Freedland asserted that Herold has been piling up losses from operations despite increased sales of its radios, phonos, tape recorders. For its 1960 fiscal year ended Feb. 29, there was a "substantial loss" on sales of \$8.2 million. The losses have continued in the current fiscal year, on \$2.7 million sales in the 4 months to June 30. Freedland attributed Herold's financial straits to last winter's sales-slowness steel strike, a jurisdictional labor dispute which affected employe efficiency, and unexpected expenses in consolidating its activities last year in a new Bronx, N.Y. plant (Vol. 15:38 p23).

— ■ —

Special EIA committee meets in N.Y. this week (Aug. 26) to establish a position on the Labor Department's proposed minimum wages for the electron-tube and related products industry. The proposed rates, announced by Labor Secy. James P. Mitchell last week: \$1.42 per hour for electron tubes (excluding TV picture tubes), \$1.35 for solid-state semiconductor devices. EIA's Walsh-Healey committee on tubes & semiconductors, chaired by Tung-Sol vp E. J. Danneberg, will consider both the acceptability of the proposed rates and Secy. Mitchell's "determination of prevailing minimum wages on a nation-wide basis" instead of regionally. Commented Danneberg: The national determination "is further evidence that the Secretary is continuing to pursue nation-wide wage policies which create serious economic hardship among manufacturers in economically depressed areas."

Stanford Research Institute's N.Y. office (Patrick M. Dowling, mgr.) has moved to 270 Park Ave., N.Y. 17.

National Video Booming: Chicago-based TV picture-tube producer National Video Corp. anticipates a "banner year" for its 1961 fiscal ending May 31, Pres. Asher J. Cole informed the N.Y. Society of Security Analysts last week. Profits for the first 2 months of fiscal 1961 (June & July) are nearly 600% ahead of the year-ago pace—to about \$200,000 from approximately \$30,000. In fiscal 1960, Cole said, earnings climbed to "between \$1.83-&1.85 a share" on sales of more than \$17 million, compared with \$1.65 a share on sales of \$14.8 million in the preceding year.

National Video, which makes & sells TV picture tubes to such major set manufacturers as Admiral, Motorola and Trav-Ler, is unable to keep pace with demand, Cole asserted. June's production of 93,000 kinescopes was "many more than ever before," he said, and the July output of 85,000 tubes compares with the normal output of 35-to-40,000. August orders already are 30,000 tubes ahead of the company's monthly production capacity of 110,000 units. Cole said that National Video last year produced nearly one million kinescopes, or about 16% of the industry's total 6½-million output. The company is planning a \$350,000 expansion program which will increase production capacity 10-to-15% by year's end, add warehouse space. Other Cole observations:

More than 80% of the cathode-ray guns used in National Video tubes are produced at its Puerto Rico plant, which employs about 130.

The company enjoys tax-free rights in Puerto Rico which will expire Feb. 1963. "However," Cole noted, "we are looking over other spots where tax exemptions are possible, and we probably will move out of Puerto Rico before the exemption there runs out."

Color TV will "require a new invention" to reduce the cost of the picture tube, he said, before there can be an "important market for color sets."

Factory sales of transistors during the first half gained 67% over the Jan.-June 1959 volume, buoyed by a 1.3-million gain in unit sales in June 1960 over the preceding month. Here are EIA's official figures on transistor unit & dollar sales month-by-month in the first half, with 1959 comparisons:

	1960		1959	
	Units	Dollars	Units	Dollars
January	9,606,630	\$24,714,580	5,195,317	\$13,243,224
February	9,527,662	24,831,570	5,393,377	14,550,056
March	12,021,506	28,700,129	6,310,236	18,117,560
April	9,891,236	23,198,576	5,906,736	16,864,049
May	9,046,237	24,714,580	6,358,097	19,007,293
June	10,392,412	27,341,733	6,934,213	18,031,593
TOTAL	60,485,683	\$152,932,961	36,098,026	\$99,813,775

Corning Electronic Components, moving into the low-cost resistor market, is preparing for volume production of ½-watt & one-watt film types at its Bradford, Pa. plant. Corning expects to hit peak production in less than 2 months, will market the devices at prices "in direct competition with composition resistors." The company estimates that 2 billion resistors with a dollar volume of \$50 million (about 25% of all resistor sales) are sold annually in the low-cost market, for uses ranging from TV & radio sets to missile-tracking systems.

Wescon highlights will be telecast in 5 cities known as centers of the electronics industry. Sponsored by International Resistance Corp., the 15-min. pickups from the Western Electronics Show & Conference in Los Angeles Aug. 23-26 will be aired by KTLA L.A., WPIX N.Y., WRCV-TV Philadelphia, WHDH-TV Boston and KPLR-TV St. Louis.

Magnavox's Big Picture: Magnavox held a N.Y. showing last week of its 1961 TV-radio-phono line. It had been broadened with drop-ins since its appearance in July at the Music Industry Show in Chicago (Vol. 16:29 p15). Among the new TVs: 2 basic 27-in. models and a 27-in. stereo theater—further evidence of Pres. Frank Freimann's big-picture plans.

Backing his conviction that the public wants larger screen sizes, Freimann declared: "We had steadfastly put our promotional efforts into the bigger pictures. Magnavox has been the leader in big picture TV for the past few years. Last year we sold more than one-third of all 24-in. sets sold by the whole industry. Now we have introduced a new 27-in. model with 400 sq. in. of picture—about 130 in. more than the widely publicized 23-in. tube." The Magnavox TVs also include 19-, 21-, 23-, and 24-in. models.

The 3 new 27-in. TVs: Model 410 console (\$359.50; remote version, \$399.50), which replaces the \$375 model shown in Chicago. Model 406 lowboy console with FM (\$399.50; remote version, \$449.50). Model 415 stereo theater (\$795).

Trade Personals: Seymour Mintz, formerly CBS-Columbia pres. and CBS Inc. vp, and Admiral Corp. mktg. vp, named to new post of vp-gen. sales mgr., Capehart . . . A. R. Gale named vp for Ampex's foreign mktg. & mfg. subsidiaries . . . Edwin W. Lasher, ex-Packard Bell & Electronica Mexicana, S.A., named consumer-products mktg. & mfg. dir., Motorola Overseas Corp.

Dean C. Bradford promoted from dir., ITT electron-tube lab, to mgr., ITT components div. Roanoke, Va. plant . . . Kenneth E. Glover, ex-Sanders Associates & GE, named to new post of new-business development mgr., Raytheon commercial apparatus & systems div.

Ralph T. Doshier Jr. appointed mgr., automation-products dept., Texas Instruments' geosciences & instrumentation div.'s instrumentation group . . . Caesar Frank Fiore, ITT asst. to the vp & mktg. & commercial development dir., appointed asst. dir. for mobilization planning, communications-industries div., Business & Defense Services Admin., U.S. Dept. of Commerce, on a temporary assignment.

Fred H. Nolke, ex-General Telephone & Electronics, joins Northrop's Page Communications Engineers as asst. telecommunication dir. Robert I. Barry Jr., from Defense Dept., named asst. construction & installation documentation dir. . . . Richard Kneipper, ex-Herold Radio Steelman-Roland div., appointed to new post of field sales mgr., Pentron Electronics Corp. . . . Eugene A. Horvath, ex-Bendix, named controller, Electronic Communications Inc.

John Spitzer, ex-Sperry Rand Corp., named ad & sales promotion supervisor, Sylvania semiconductor div. . . . Edward E. Booher, McGraw-Hill Book Co. pres., and Roland T. Carr, Washington banker, named dirs. of Washington's Capitol Radio Engineering Institute . . . Robert F. Hurleigh, MBS pres., awarded VFW's Gold Medal of Merit for outstanding contribution to communications.

J. M. Clifford, NBC's administration exec. vp, joins parent RCA Sept. 1 as staff vp, West Coast personnel, reporting to RCA personnel vp E. M. Tuft . . . David Z. Birnham named pres. of Telechrome affiliate Universal Transistor Products Corp. Other officers: vp George A. Bernstein, secy.-treas. Morris H. Sherman. Named dirs.: Birnham, Sherman, J. Raymond Popkin-Clurman, among others . . . Emmett B. Dunn, RCA Victor custom records mgr., named RCA budgets & planning dir.

Finance

Philco Profits Fall: Despite a 7.2% sales gain during the first half, Philco reports a 19% profit decline to \$1.9 million from the \$2.4 million of Jan.-June 1959 (see financial table). The decline quickened in the June quarter. Sales climbed to \$92.5 million from \$85.8 million in April-June 1959, but earnings skidded 61% to \$316,000 from \$787,000.

"Sales & earnings for the 2nd quarter & the first half reflected the mixed trends which have characterized the general business picture thus far in 1960," noted Pres. James M. Skinner Jr. "The softness which developed in the appliance field early in the year has persisted, while sizable increases have continued in our government & industrial group. The serious & unexpected industry-wide decline in appliance volume, particularly refrigerators & laundry equipment, had its effect on the sales & earnings of the consumer-products div."

Assessing the 2nd half optimistically, Skinner said Philco's 1961 TVs, radios, phonos and laundry equipment have "met with the most excellent reception by distributors & dealers. It is confidently expected that 2nd-half results in this division will show substantial improvement."

Transistor sales more than doubled during the first half, Philco reported, and volume increased 50% at its Western Development Labs in Palo Alto, Cal.

Jerrold Electronics anticipates that sales & revenues in its 1961 fiscal year will "about equal" the \$8,416,750 reported for fiscal 1960, ended Feb. 29. Addressing the Philadelphia Securities Assn., Pres. Milton J. Shapp declined to forecast fiscal-1961 profits, but noted that the recent sale of Jerrold's 9 CATV systems (Vol. 16:33 p8) would swell net income by at least \$2 million. He said proceeds from the sale will be used to acquire new CATV systems & small electronics firms. Commenting on the sale of the CATV systems—which last year brought in 62% of Jerrold's profit—Shapp noted: "We had an opportunity to make a large profit on the deal." He said the systems had been "pretty well [tax-] depreciated" when sold.

Avnet Electronics, Westbury, N.Y. producer of components, special tubes and other electronic products, has placed on the market, via Hemphill, Noyes & Co. and associates, \$2 million of 5½% convertible subordinated debentures due 1975. The debentures are priced at 100%, will yield 5.50% accrued interest. The proceeds will be used by Avnet to retire approximately \$600,000 in short-term loans and for expansion & general corporate purposes. The underwriters also are offering 150,000 shares of Avnet common stock (at \$17 a share) on behalf of selling stockholders. The company will not receive any of the proceeds.

TI Hits High: Texas Instruments rang the bell with record sales & earnings in both the first half & 2nd quarter (see financial table). Despite some market softening & pared-down estimates, it still expects volume & profit highs for the full year.

"A somewhat weaker condition of the general economy has increased competitive pressures in several of the company's marketing areas," Chmn. J. E. Jonsson & Pres. P. E. Haggerty notified stockholders. "These pressures, coinciding with the loss of production during our own & our customers' vacation periods in the 3rd quarter, probably will hold 3rd-quarter sales billed and net earnings to levels moderately lower than the record first & 2nd quarters. A strong 4th quarter is anticipated, however, and the year as a whole, while not up to previous forecasts, should be excellent, with sales billed between \$235-240 million and net earnings between \$16.5-17.3 million."

In 1959, TI had record earnings of \$14.1 million on a sales high of \$193.2 million. Earlier this year, the company had estimated 1960 earnings of \$17.8-18.8 million on sales of \$240-250 million.

Electronics Capital Corp., San Diego, the nation's first publicly-held (and largest) small-business investment company, reports for its first full year of operation (the fiscal year ended June 30) total income of \$892,580 and net earnings of \$145,334. Its total assets of \$16,950,670 at fiscal year's end included \$3,410,000 in subordinated convertible debentures, \$13,064,454 in govt. securities and \$116,786 in cash. The firm's investment portfolio now contains 10 companies, with commitments totaling \$6.3 million. Companies in which Electronics Capital now holds convertible debentures: Potter Instrument Co., General Electrodynamics, Vega Electronics, Cain & Co., Electronic Energy Conversion Corp., Duncan Electronics, Electro Radiation, Ultronix Inc., Remanco Inc., Craig Corp.

Reports & comments available: Zenith, comments, Bache & Co., 36 Wall St., N.Y. 5 • Paramount Pictures, memo, Auchincloss, Parker & Redpath, 2 Broadway, N.Y. 4 • Belock Instruments, comments, Cooley & Co., 100 Pearl St., Hartford 4, Conn. • AT&T, comments, Bruns, Nordeman & Co., 52 Wall St., N.Y. 5 • General Dynamics, review, John H. Lewis & Co., 63 Wall St., N.Y. 5 • *Solid-State Electronic Computers*, pamphlet report on 12 firms in field, Harris, Upham & Co., 120 Broadway, N.Y. 5.

Meredith Publishing Co. (WHEN-TV & WHEN Syracuse, WOW-TV & WOW Omaha, KPHO-TV & KPHO Phoenix, KCMO-TV & KCMO Kansas City, Mo., radio KRMG Tulsa, *Better Homes & Gardens, Successful Farming*) registered strong revenue & profit gains in its 1960 fiscal year ended June 30 (see financial table). Meredith's broadcasting interests produced \$11,563,275 of the total \$59,407,814 revenue, compared with \$10,771,057 of fiscal-1959's total \$51,817,401.

More reports & comments: Magnavox and General Instrument, comments, Goodbody & Co., 115 Broadway, N.Y. 6 • ITT, study, Oliphant & Co., 61 Broadway, N.Y. 6 • Metropolitan Bcstg., study, Carl M. Loeb, Rhoades & Co., 42 Wall St., N.Y. 5 • Speer Carbon, analysis, Reynolds & Co., 120 Broadway, N.Y. 5 • AB-PT and Burroughs, discussions, Laidlow & Co., 25 Broad St., N.Y. 4 • MCA, analysis, Herzig, Farber & McKenna, 39 Broadway, N.Y. 6 • Amphenol-Borg, profile in Aug. 17 *Financial World*, review in *Investor's Reader*, Merrill Lynch, Pierce, Fenner & Smith, 70 Pine St., N.Y. 5.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
AT&T	Q	\$0.82½	Oct. 10	Sep. 9
Cons. Electronic Ind. ...	Q	.25	Oct. 3	Sep. 15
Walt Disney	Q	.10	Oct. 1	Sep. 16
Famous Players Canada	Q	.37½	Sep. 9	Aug. 24
Federal Pacific Elec. ...	Q	.20	Sep. 15	Sep. 1
Globe-Union	Q	.25	Sep. 10	Sep. 2
Hazeltine	Q	.20	Sep. 15	Sep. 1
Meredith Publishing ...	Q	.45	Sep. 9	Aug. 26
Paramount Pictures ...	Q	.50	Sep. 23	Sep. 6
Time Inc.	Q	.75	Sep. 12	Aug. 26
Wometco "A"	Q	.17½	Sep. 15	Sep. 1
Wometco "B"	Q	.06½	Sep. 15	Sep. 1

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
American Basch Arma	1960—6 mo. to June 30	\$65,686,052	—	\$1,008,822	\$0.51 ¹	1,885,254
	1959—6 mo. to June 30	64,356,724	—	2,422,380	1.26 ¹	1,876,414
Babcock Radia Engineering	1960—year to May 31	6,539,945	—	399,870	.73	548,276
	1959—year to May 31	2,594,742	—	178,595	.40	448,276
Beckman Instruments	1960—year to June 30	54,257,282	\$6,282,915	3,092,915 ²	2.24	1,380,123
	1959—year to June 30	44,872,768	3,486,689	1,771,689	1.30	1,363,094
Bendix	1960—9 mo. to June 30	606,009,118	35,827,009	17,359,408	3.23 ³	5,367,801
	1959—9 mo. to June 30	504,553,048	38,451,283	17,745,590	3.31 ³	5,099,137
	1960—qtr. to June 30	206,972,416	—	5,682,715	1.06 ³	5,367,801
	1959—qtr. to June 30	181,062,617	—	6,818,788	1.27 ³	5,099,137
British Industries	1960—6 mo. to June 30	2,904,767	—	156,025	.43	—
	1959—6 mo. to June 30	3,804,849	—	248,008	.68	—
Buckeye Corp.	1960—year to April 30	17,767,911	(1,207,671)	(940,978) ¹⁴	—	1,023,252
	1959—year to April 30	11,877,401	414,052	190,052	.27 ¹	638,299
Clarostat Mfg.	1960—6 mo. to June 30	4,489,652	—	197,600	.45	437,868
	1959—6 mo. to June 30	4,325,759	—	118,585	.28	417,993
Cohu Electronics	1960—6 mo. to June 30	3,211,945	—	13,632	.01	1,414,441
	1959—6 mo. to June 30	4,432,803	—	535,103	.53	1,005,971
Electronic Associates	1960—year to June 30	17,808,000	—	935,000	1.29	722,665
	1959—year to June 30	10,728,000	—	350,000	.50	701,362
	1960—6 mo. to June 30	6,485,000	—	435,000	.60	722,665
	1959—6 mo. to June 30	3,159,000	—	303,000	.43	701,362
General Transistor	1960—5 mo. to May 31	5,365,958	591,402	317,402	.36	889,964
	1959—5 mo. to May 31	3,832,432	532,002	258,485	.30	870,574
International Resistance	1960—25 wks. to June 26	10,701,409	—	1,045,972	.75	—
	1959—25 wks. to June 26	9,673,118	—	927,601	.67	—
Meredith Publishing Story on p. 18	1960—year to June 30	59,407,814	8,688,030	4,421,030	3.34	1,321,876
	1959—year to June 30	51,817,401	8,561,770	4,255,770	3.28	1,298,975
National Union Electric Corp.	1960—6 mo. to June 30	16,490,622	791,727	417,727	.07 ⁴	5,747,579
	1959—6 mo. to June 30	15,878,198	626,704	446,704	.08 ⁴	5,747,579
Paramount Pictures	1960—6 mo. to June 30	—	—	3,732,000 ⁵	1.06 ⁵	1,673,231
	1959—6 mo. to June 30	—	—	5,260,000 ⁷	1.45 ⁵	1,714,116
	1960—qtr. to June 30	—	—	2,033,000 ⁸	.50 ⁷	1,673,231
	1959—qtr. to June 30	—	—	1,615,000 ⁸	.69 ⁵	1,714,116
Philca Story on p. 18	1960—6 mo. to June 30	194,280,000	4,094,000	1,931,000	.43 ¹	4,090,207
	1959—6 mo. to June 30	181,345,000	5,169,000	2,386,000	.54 ¹	4,069,629
	1960—qtr. to June 30	92,499,000	680,000	316,000	.06 ¹	4,090,207
	1959—qtr. to June 30	85,787,000	1,778,000	797,000	.17 ¹	4,069,629
Reeves Saundcraft	1960—6 mo. to June 30	2,894,000	39,000	19,000 ⁹	.01	3,030,990
	1959—6 mo. to June 30	2,498,000	(41,000) ¹⁰	(21,000) ¹¹	—	2,867,325
Sonotone	1960—6 mo. to June 30	11,133,000	—	302,693	.25 ¹	—
	1959—6 mo. to June 30	11,674,000	—	480,250	.41 ¹	—
Technicolor	1960—28 wks. to July 9	15,017,332	627,783	258,243	.14	2,036,235
	1959—28 wks. to July 11	14,125,578	(153,225)	(74,569) ¹²	—	2,031,570
Texas Instruments Story on p. 18	1960—6 mo. to June 30	116,051,000 ¹³	16,352,000	7,921,000 ¹³	2.00 ¹	3,923,687
	1959—6 mo. to June 30	94,199,000	13,554,000	6,305,000	1.62	3,894,388
	1960—qtr. to June 30	59,853,000 ¹³	7,862,000	3,991,000 ¹³	1.01 ¹	3,923,687
	1959—qtr. to June 30	51,468,000	7,109,000	3,322,000	.86	3,894,388

Notes: ¹ After preferred dividends. ² Includes non-recurring net gain of \$446,751 (32¢ a share) from April-1960 sale of Shockley Transistor Corp. ³ Based on 5,367,801 shares outstanding June 30, 1960. ⁴ Based on 5,747,579 shares outstanding June 30, 1960. ⁵ Based on net income from operations. ⁶ Includes installments on sale of pre-1948 film library: \$1,201,000 (72¢) for qtr., \$1,955,000 (\$1.17) for 6 mo. ⁷ Includes \$2,767,000 (\$1.62) profit on Jan.-1959 sale of investments in Metropolitan Bestg. ⁸ Includes \$440,000 (25¢) profit on sale of foreign investments. ⁹ Does not include special credit of \$972,000 (31¢) reflecting gain on sales of investments. ¹⁰ Before \$20,000 tax credit. ¹¹ Does not include special credit of \$75,000 (2¢) reflecting gain on settlement of fire claim. ¹² After \$78,656 tax credit. ¹³ Record. ¹⁴ After \$266,693 tax credit.

DuMont Emerson Corp., Emerson's sales & marketing subsidiary, has contracted with 106-year-old commercial factoring firm James Talcott Inc. to provide inventory financing for nearly 10,000 DuMont and Emerson dealers, and sales financing for approximately 200 regional distributors. The new financing plan marks the first time Talcott has agreed to finance the distribution of non-income-producing goods at the wholesale level.

Radio Shack Corp., Boston distributor of electronic products (including Japanese imports) ranging from industrial components to ham radio equipment, plans a public stock offering of 200,000 common shares, price undisclosed. An SEC registration application (File 2-16917) lists Granbery, Marache & Co. as principal underwriters. Of the 200,000 shares, 150,000 would be offered by the company, 50,000 by present holders.

Officers-&Directors stock transactions as reported to SEC for July:

Admiral. Joseph E. Dempsey bought 3,100 through Dempsey & Co., held 3,100 in Dempsey & Co., none personally.

Allied Artists. Roger W. Hurlock bought 100, held 19,600. Albert Zugsmith bought 7,600, held 160,700.

Ampex. John Jipp exercised option to buy 500, sold 800, held 700 following 3-for-1 stock split Feb. 1.

Amphenol-Borg. G. Marshall Borg sold 800, held 666 personally, 2,666 in trust, 43,000 in estate. Harold R. Egenes sold 300, held 500. Carl J. Seifert sold 500, held 500.

Audio Devices. Joseph K. McCammon sold 600, held 13,206.

Avco. A. B. Newton sold 2,000, held 5,666. Henry J. Oechler sold 4,100, held 1,000. Curry W. Stoup exd. option to buy 2,650, held 9,730.

Avnet Electronics. Lester Avnet sold 100, held 169,907. Arnold Weinstein exercised option to buy 400, held 614.

Belock Instrument. Harry D. Belock sold 6,000, held 225,545. Jack J. Fischer sold 2,000, held 33,771. Donald C. Walton sold 1,000, held 18,171 personally, 1,743 for wife.

Cinerama. Nicolas Reisini bought 4,800 through Robin International Inc., held 7,300 in Robin International Inc., 350,000 personally.

Clarostat. George J. Mucher sold 900, held 10,294. Arthur Richenthal sold 1,500, held 3,650 pers., 300 for wife, 100 for C. J. Goldstein.

Collins Radio. Lester E. Bessemer exercised option to buy 780, sold 2,400, held 1,360 personally, 353 in trust. J. G. Flynn Jr. sold 800, held 706. C. J. Lynch transferred 169 from trust, held 7,054 personally, none in trust. L. M. Schoon exercised option to buy 260, held 520. Sveinn J. Storm exercised option to buy 300, sold 700, held 1,042.

Columbia Pictures. Louis J. Barbane sold 3,900 through Fico Corp. in which he & 10 others have interests, held 117,862 in Fico Corp., none personally. Lacy W. Kastner sold 586, held none. Abraham Schneider bought 500, held 16,022.

Consolidated Electronics Industries. Arthur W. Haydon exercised option to buy 12,500, held 12,625. Arie Vernes bought 125, held 3,825.

Corning Glass. Rollin Van Hadley sold 500, held none. John F. G. Hicks sold 250, held 4,000.

Electronic Specialty. James A. Marsh sold 500, held 5,134.

Electronics Capital. David Salik bought 200, held 15,756.

Electronics Corp. Harlow F. Avery sold 5,000, held 85,000. Lawrence D. Sibley bought 2,000, held 2,000.

GE. F. J. Borch sold 1,400, held 9,319. George L. Haller sold 600, held 100. Clarence H. Linder bought 6,890, held 16,900. Samuel Littlejohn sold 1,729, held 4,211. H. A. MacKinnon exercised option to buy 2,500, held 9,827. George F. Metcalf sold 400, held 2,537 personally, 242 in profit sharing plan. Jack S. Parker sold 2,000, held 5,100. Harold F. Smiddy exercised option to buy 1,875, held 13,125. Glenn B. Warren received 150 in incentive compensation, sold 1,000, held 9,481.

General Instrument. Monte Cohen exercised option to buy 12,000, held 12,718. S. W. Gross exercised option to buy 10,000, held 10,500. Louis Scadron exercised option to buy 5,850, held 8,378.

General Precision Equipment. G. C. Whitaker sold 1,000 from trusts, held 24,062 in trusts, 5,926 personally.

General Telephone & Electronics. Carl D. Brorein sold 1,200, held 123. Ralph D. Heusel sold 100, held 2,200. Don G. Mitchell exchanged 1,000 for Walden Inc. shares, sold 1,000 in private transaction, held 5,500 in Walden Inc., 15,223 personally. R. Parker Sullivan sold 300, held 3,975.

Globe-Union. Ralph W. Conway exercised option to buy 300, held 2,400. Harold M. Sauters exercised option to buy 200, held 654 personally, 1,970 for wife. Remington H. Warner exercised option to buy 100, held 560 personally, 280 for wife.

Hazelint. Philip F. LaFollette sold 500, held 500. Wilfred M. McFarland sold 1,000, held 534. Henry Reeve sold 400, held 20,000.

Hoffman Electronics. Bruce L. Birchard exercised option to buy 100, held 2,000. M. E. Paradise exercised option to buy 5,000, held 5,133.

Indiana General. A. J. Astrologos sold 2,000, held 2,057. J. H. Bouwmeester sold 1,265, held 11,192 following 2-for-1 stock split June 10. Ivan A. Dickey sold 500, held 1,500. Stephen M. Kellen sold 800, held 11,000 following 2-for-1 stock split June 10. Harold F. Linder sold 1,382 and 1,192 more from Trust A, 950 from Trust B, 1,332 from Trust C, held 4,000 personally, 4,000 in Trust A, none in Trust B, 2,000 in Trust C following 2-for-1 stock split June 10. Robert F. Smith sold 1,060, held 2,500. Christopher L. Snyder sold 971, held 8,200 following 2-for-1 stock split June 10.

IBM. J. J. Kenney exercised option to buy 545, held 2,045. William J. Mair sold 150, held 2,808. H. M. Sibley sold 200, held 1,200. McLain B. Smith sold 100, held 95. Bernard F. Wiegand sold 200, held 671.

International Resistance. Charles Weyl bought 100, held 93,750.

ITT. Herbert I. Miller exercised option to buy 4,000, held 5,042. Paul F. Swante sold 100, held 3,364. C. D. Webb sold 400, held 2,399.

Lear. James P. Brown sold 200, held 846. Albert C. Keske exercised option to buy 400, held 1,571. Richard M. Mock exercised option to buy 1,500, held 16,310.

Litton Industries. Norman H. Moore sold 3,075, held 27,401. Henry E. Singleton sold 100, held 5,516.

Loew's Theatres. James Bruce bought 650, held 1,000.

Loral Electronics. Leon Alpert sold 16,600, held 112,900. O. Arthur Koteen sold 100, held 195.

Magnavox. Frank Freimann sold 2,500, held 101,467 personally, 61,946 in trust. Richard O'Connor sold 4,977, held 93,954. Gerard M. Ungaro sold 1,000, held 11,829.

P. R. Mallory. G. A. Godwin bought 1,561, held 6,793 personally, 1,560 in trust.

MGM. John L. Sullivan bought 2,000, held 2,050.

Microwave Associates. Joseph C. Bothwell Jr. bought 120, held 5,900. Lawrence Gould sold 100, held 750. George S. Kariotis sold 1,200, held 2,750. Julian Pathe sold 600, held 1,400.

Minneapolis Honeywell. P. H. Wernicke exercised option to buy 550, held 2,375. Alfred M. Wilson sold 300, held 4,729. John J. Wilson sold 500, held 36,100.

Minnesota Mining & Mfg. Carl E. Barnes disposed of 1,500 acquired through a 3-for-1 stock split, held 30. SEC correcting error in June report (Vol. 16:28 p17). Herbert P. Buetow sold 4,500, held 76,863. Bert S. Cross sold 400, held 38,052. Joseph C. Duke exercised option to buy 4,500, held 101,097. Irwin R. Hanson sold 278, held 2,500 personally, 360 in joint tenancy. William L. McKnight sold 30,000, held 2,742,922. Robert W. Mueller bought 3,000, held 14,022. Clarence B.

Sampair sold 1,500, held 20,970. George W. S. Swenson sold 1,500, held 13,094. Robert L. Westbee sold 2,000, held 14,546. Louis F. Weyand sold 800, held 222,975.

NAFI Corp. John G. Bannister sold 2,000, held 2,333. Kenyon Brown sold 900, held 10,576. Paul V. Shields bought 7,452, sold 12,000, held 14,977 personally, 149,386 in corporation.

National Theatres & TV. William J. Friedman bought 1,000, held 1,000. Jack W. Ostrow sold 300, held 7,503 personally, 74,025 in corps. Packard-Bell. Neil H. Jacoby sold 100, held 614.

Paramount Pictures. Randolph C. Wood sold 4,000, held 11,100.

Pentron Electronics. Raymond W. Durst sold 3,663, held 1,200. Marshall Peires sold 830, held 9,400. T. Rossman sold 1,334 and 1,719 more from trusts, held 121,000 personally, 10,800 in trusts. Henry H. Strauss sold 3,000, held 47,001.

Philips Electronics. James J. Colt sold 600 through corporations and 100 more for wife, held 43,587 in corporations, 8,727 for wife, 10,839 for daughter, 3,834 personally.

RCA. Meade Brunet sold 100, held 1,015. Frank M. Folsom sold 300, held 10,100. Donald H. Kunsman sold 201, held 3. Arthur L. Malcarney exercised option to buy 500, held 842 personally, 204 jointly with wife. Edward M. Tuft sold 655, held 1,406.

Raytheon. N. B. Krim sold 472, held none. W. E. Stevenson sold 500, held 3,088.

Sangamo Electric. Robert C. Lamphier exercised option to buy 2,000, held 4,060 personally, 187,034 in trust. George E. Sangster sold 200, held none.

Servomechanisms. J. J. Dempsey exd. option to buy 400, held 400. Siegler. John G. Brooks exercised option to buy 4,680, held 35,806.

Texas Instruments. Cecil H. Green sold 200, held 286,010. Mark Shepherd Jr. sold 989, held 1,618. Bryan F. Smith sold 900, held 9,671 personally, 159 in trust. H. J. Wisemann sold 1,000, held 4,922.

Thompson Ramo Wooldridge. H. L. George sold 1,700, held 30,235.

Trans Lux. Harry Brandt bought 100 & 400 more through Brapic Inc., held 161,000 personally, 3,000 in Brapic Inc., 17,000 for wife, 100 in Barvic Theatres Corp., 400 in Bilpam Corp., 200 in Marathon Pictures, 1,400 in Pamela Amusement Co., 35,380 in foundations.

20th Century-Fox. Francis T. Kelly sold 600, held 450.

Varian Associates. James B. DuPrau sold 100, held 48. Clifford V. Heimbucher sold 1,200, held 31,683. Richard M. Leonard sold 600, held 28,357. Sigurd F. Varian sold 1,500 from community property, held 75,748 in community property, none personally. Merle R. Zinser sold 2,000, held 3,673.

Westinghouse. C. H. Bartlett exercised option to buy 1,600, held 2,150. R. D. Blasier sold 1,200, held 1,536. Buford M. Brown exercised option to buy 3,400, held 4,000. Tomlinson Fort sold 600, held 2,018. W. E. Knox bought 486, held 2,200. Leslie E. Lynde sold 2,000, held 3,806. L. B. McCully sold 1,500, held 5,100. A. C. Monteith bought 7,000, held 7,006 personally, 2,000 in trust. Carlisle P. Myers bought 200, held 704. John E. Payne sold 603, held 2,540. Gwilym A. Price exercised option to buy 19,000 held 20,000. A. W. Robertson sold 600, held 500. John W. Simpson sold 741, held 185. Fergus M. Sloan sold 1,000, held 1,452. W. W. Sproul Jr. sold 500, held 2,807.

Zenith. Francis W. Crotty exercised option to buy 420, held 450 personally, 270 for wife as trustee. Hugh Robertson sold 500, held 8,208. Leonard C. Truesdell exercised option to buy 1,500, held 1,600. Joseph S. Wright, exercised option to buy 1,500, held 5,280.

**OVER-THE-COUNTER
COMMON STOCK QUOTATIONS**
Thursday, Aug. 18, 1960

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bld	Asked	Stock	Bld	Asked
Acoustica Associates	28 1/4	30%	Magnetics Inc.	10 1/2	12 1/2
Aerovox	9 1/2	10 1/2	Maxson (W.L.)	8 3/4	9 1/4
Allied Radio	22	23%	Meredith Pub.	40 1/2	44
Astron Corp.	2 1/2	2 5/8	Metropolitan Bcstg.	19 1/2	21
Baird Atomic	38	40%	Milgo Electronics	22	24 1/2
British Industries	13 1/2	15 1/2	MPO Videotronics	6 3/4	7 1/2
CGS Labs	10	12 1/2	Narda Microwave	6 1/4	7 1/8
Control Data Corp.	38 1/4	40%	Narda Ultrasonic	4 1/4	5
Cook Elec.	15 1/4	16 1/2	National Co.	30 1/4	32 3/4
Craig Systems	18 1/4	19%	Nuclear of Chicago	32 1/2	35 1/4
Dictaphone	39 1/4	42 1/4	Official Films	1 1/2	2 1/4
Digitronics	22	24 1/4	Pacific Automation	8 3/4	9 1/4
Eastern Ind.	13 1/2	14%	Pacific Mercury	8 3/4	9
Eitel-McCullough	27 1/4	29%	Perkin-Elmer	42 1/2	45 1/2
Elco Corp.	20 1/4	22 1/4	Philips Lamp	173 1/2	179 1/4
Electro Instruments	38 1/2	42 1/4	Pyramid Electric	2 1/4	2 5/8
Electro Voice	14	15%	Radiation Inc.	24 1/2	26 1/4
Electronic Associates	28 1/2	30%	Howard W. Sams	47	50%
Erie Resistor	8 1/4	9 1/8	Sanders Associates	47	51%
Executone	28 1/4	31 1/2	Sorban Engineering	25 1/4	27 1/4
Farrington Mfg.	39 1/2	42 1/2	Soundscriber	14 1/2	16 1/4
Fischer & Porter	17 1/8	18%	Speer Carbon	23 1/2	25 1/4
FXR	49 1/2	54	Sprague Electric	55 3/4	59 1/4
General Devices	15 1/2	17%	Taft Bcstg.	13	15 1/4
G-L Electronics	11 1/2	13%	Taylor Instrument	82	88 1/4
Granco Products	5 1/2	6 1/4	Technology Inst.	10	11 1/2
Gross Telecasting	18 1/4	20%	Telechrome	13	14 1/4
Haydu	1/8	3/16	Telecomputing	8 1/4	9
Hewlett-Packard	80 1/4	84 1/4	Telemeter	15	16 1/4
High Voltage Eng.	137	149	Time Inc.	65	68 1/4
Infrared Industries	23	25 1/2	Tracerlab	11 1/2	12 1/2
Interstate Engineering	27 1/4	29 1/4	United Artists	6 1/2	7 1/4
Itek	69	73 1/4	United Control	25 1/4	27 1/4
Jerrold	9 1/4	10 1/4	Universal Trans.	1 1/4	2 1/4
Lab for Electronics	49	52 1/2	Vitro	14 1/2	15 1/2
Lel Inc.	5 1/4	6%	Vocaline	3 1/4	4 1/4
LFE Inc.	11 1/2	14%	Wells-Gardner	17	18 1/4
Ling Altrec Electr.	24 1/2	26 1/4	Wometco Ent.	13	14
Magna Theater	2 1/4	3-3/16			

WEEKLY **Television Digest**

August 29, 1960

© 1960 TRIANGLE PUBLICATIONS, INC.

Vol. 16: No. 35

The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Congress

PAYOLA & SEC. 315 BILLS PASSED, Senate beating down attempt to toughen TV-radio reforms, President signing Nixon-Kennedy equal-time suspension (pp. 1, 3 & 4).

LEE FEARS RED SABOTAGE of broadcasting in national emergencies, urges enactment of Walter bill to bar FCC radio operator's licenses for communists (p. 5).

Film & Tape

90-MIN. FILMS NEXT? Hollywood TV film companies developing near movie-length series for 1961 season (pp. 2 & 6).

FOREIGN-QUOTA FILM FIGHT is shaping up, with the TV Program Export Assn.'s Pres. John McCarthy traveling abroad to talk a firm line with foreign buyers (p. 2).

FCC

MIAMI CH. 10 REPRIEVE granted by Comr. Lee to National Airlines' WPST-TV in "influence" case. He sets Sept. 30 as new date for surrender of CP (p. 5).

Advertising

BEECH-NUT'S BIG BUY on NBC-TV includes 18 shows (half at night). NBC has scooped up much of the food firm's Dick Clark ABC-TV Sat.-night billings, plus \$4 million in new budget money (p. 9).

Consumer Electronics

TV PRICES may go up in wake of increases announced last week by Sylvania and Hoffman; our roundup indicates industry is studying situation (p. 11).

TOP TV BRANDS-IN-USE in 21 markets shown in 1960 Consolidated Consumer Analysis; RCA retains status as most widely used brand in 20 markets (p. 11).

OLYMPIC FORMS sales subsidiary to consolidate all marketing activities (p. 12).

WATTS COOKING? GE starts mass production of heat-to-electricity converter that produces one watt of power from heat applied at 1,100° C; available in October at \$300-to-\$350 (p. 12).

DROP-IN PARADE begins as RCA adds 16 new TVs, others introduce new models to fill out lines (p. 13).

COLOR TV IN JAPAN picks up as 9 manufacturers turn out color sets; current prices range from approximately \$1,100-to-\$1,400; \$400 price tag foreseen by 1964 (p. 14).

Finance

MERGERS & ACQUISITIONS show stepped-up tempo; 6 reported this week (p. 15.).

Other Departments

AUXILIARY (p. 6). **PROGRAMMING** (p. 8). **NETWORKS** (p. 9). **STATIONS** (p. 10). **PERSONALS** (p. 15).

PAYOLA & SEC. 315 BILLS PASSED: TV & radio were given votes of censure & confidence in Congress last week. The Senate approved the modified—but still sweeping—version of the industry-reform bill previously voted by the House (see p. 3). And the House approved—and President Eisenhower signed—the Senate resolution lifting the equal-time yoke from broadcasters for Presidential campaign (see p. 4).

Broadcasters could congratulate themselves on both votes. Anti-payola reform measure represented legislative monument to more than 2 years of headlined House exposes of TV & radio evils—and it was much less monstrous than some members of Congress wanted to make it. Suspension of Communications Act's Sec. 315 for Presidential tickets represented acknowledgment by usually-suspicious Congress that broadcasters may be trusted to be politically fair on air.

Congress will do nothing more for or against industry this session. It's too late for anything else in 86th Congress. But it's never too late for industry's critics on Capitol Hill to talk about what they're planning to do—and next session will bring fresh legislative threats.

Industry's behavior under new laws in coming months will do much to determine what 87th Congress will do. Senate & House Commerce Committees and FCC will be keeping wary watch on how broadcasters conform to the new restrictions in payola bill and how they handle their new freedom from Sec. 315. Their warning to TV & radio is: "Watch your step."

Biggest immediate test of industry—and networks in particular—will be in upcoming "Great Debate" series of TV appearances by Presidential candidates. If networks bring it off successfully—with no recriminations from Republicans or Democrats—they will achieve political miracle on air. And broadcasting medium may well be on way toward freedom-of-press equality with newspapers.

Ground rules, formats & schedules for non-equal-time performances by Vice President Nixon & Sen. Kennedy hadn't been set at last week's end. And Nixon's Aug. 25 bit on NBC-TV's "Jack Paar Show" scarcely counted as sample of what country can expect. Teams of Washington negotiators—led by Treasury Under Secy. Fred C. Scribner Jr. for Nixon and J. Leonard Reinsch (from Cox stations) for Kennedy—held series of indecisive huddles. They will meet again this week, hope to be ready then with agreement for prime-time negotiations in N. Y. with networks, whose agreement must be obtained in turn.

General Nixon-Kennedy agreement on these TV format points was reported, however: (1) At least 3 & perhaps 5 joint appearances. (2) Debates between 2 candidates interspersed with news interviews at which both would be questioned. (3) Topics—such as foreign relations, domestic economy, civil rights—roughed out in advance. (4) No prepared speeches. (5) Simulcasts on all networks.

90-MIN. FILMS NEXT? Several Hollywood production companies and at least one network—NBC-TV—are quietly working on 90-min. weekly film series for the 1961-62 season. Extra-long length involves many problems aside from obvious one of budget, but nonetheless a highly-placed network source told us flatly: "You can bet at least one or 2 such series will be on TV in 1961." (For more details, see p. 6.)

FOREIGN QUOTA FILM FIGHT: Watch for stiffer U.S. resistance to arbitrary, out-of-line telefilm pricing overseas and a govt.-level campaign against quotas that virtually freeze U.S. telefilms off foreign TV screens. Indication that U.S. producers (to whom foreign market can sometimes mean difference between profit & loss in TV) have just about had it came to us this month in discussion with John McCarthy, recently named pres. of the TV Program Export Assn., telefilm's first overseas lobby group.

McCarthy lists three major problem areas that need correction as soon as possible—Japan, United Kingdom, and major South American TV markets. McCarthy, who's now en route to Japan, has already completed exploratory trip to Britain to discuss that country's quota system with Board of Trade Pres. Reginald Maudling, cabinet minister for information media Dr. Charles Hill, ITV Chmn. Sir Robert Fraser, and others.

Britain discriminates against U.S. telefilms in 2 ways, according to McCarthy: (1) Union-backed quotas (86% British film on ITV, 90% British on BBC-TV), and (2) Preferential prices for British-produced telefilms that are "50-to-100%" above prices paid for comparable American telefilms.

Japanese situation is even worse, McCarthy says. Nippon TV market now constitutes some 5 million homes, has no quota as such, but pays only \$500 per 30-min. telefilm. In both Britain & Japan, commercial broadcasters buy choice U.S. telefilms at rock-bottom prices, reap a fortune (up to 25 times the film purchase price) from TV ad revenue. Situation is not new (Vol. 16:22 p4), has long plagued overseas syndicators.

Get-tough policy may involve economic reprisals, McCarthy indicated. Japan is in sensitive position of drawing attention by invading U.S. electronics market (Vol. 16:34 p16) while giving U.S. telefilm producers a hard time financially. Britain would be vulnerable to a sharp U.S. quota on British import cars fostered by Detroit auto unions, or a limitation on textiles, whisky, or even British TV shows. None of these McCarthy wants. ("Quotas are a Frankenstein monster," he said.) But McCarthy, who used to be U.S. Minister for Economic Affairs in Paris, isn't hesitating to sit down with top foreign govt. officials who are more aware of dangers of reprisal quotas than are the foreign broadcasters who are getting rich on the present situation.

Quotas breed quotas in TV field by imitation. McCarthy told us of a proposed quota in Brazilian TV, where local film unions have demanded a not-more-than-20% level on U.S. telefilm from 7-11 p.m., and a 30% U.S. level at other times. "Supposedly," said McCarthy, "this is to protect domestic telefilm industry, but who are they kidding? There is virtually no such industry there." Latin America, incidentally, will get McCarthy's next lobbying trip.

It's easier than foreign broadcasters think for U.S. firms to fight back. There is the immediate threat of "film sanctions" by the 11 members of TVPEA—the withholding of telefilms, and possibly theatrical films, from difficult markets. William Morris, a TVPEA member, handles British film talent & producers. And so on. Whether such a fight will develop is up to foreign TV buyers.

Congress

More about

SENATE PASSES PAYOLA BILL: Suppressing a one-man floor revolt by Sen. Proxmire (D-Wis.), the Senate last week approved a softened version of the House-written TV-radio-FCC anti-payola legislation (S-1898) which sets up fines for misbehavior by stations.

The Senate's acceptance of the modified measure meant that it was as good as enacted. The amended bill was quickly returned to the House, where concurrence in the changes was promised by Commerce Committee Chmn. Harris (D-Ark.), principal author of the tougher House provisions. And there was no question that President Eisenhower would sign it.

It took floor cries of "vote, vote," to end the rebellion by broadcasting critic Proxmire, however. The measure, as rewritten by the Senate Commerce Subcommittee headed by Sen. Pastore (D-R.I.), was finally passed Aug. 25 without a change in word or comma. But Proxmire threatened for a time to tie up the Senate—and the bill—with a series of new & harsher amendments.

Lashing out at the industry & FCC, Proxmire argued long & loud that the Senate's bill was much too soft. He proposed: (1) Restoration of House-voted license-suspension penalties against stations, which Pastore's Subcommittee cut out. (2) FCC regulation of networks, which the House had rejected. (3) A "conflict-of-interests" section preventing FCC from favoring Congressional stockholders when Commission weighs qualifications of license applicants—Proxmire's pet subject (Vol. 16:33 p4).

Proxmire's license-suspension amendment was voted down overwhelmingly. He grudgingly withdrew the other 2—but only after he won assurances from Pastore, the measure's floor manager, that network regulation & FCC's alleged favoritism to members of Congress would be explored at the next session.

Javits Challenges Forfeiture Penalties

During 2 hours allotted for floor debate, Pastore also ran into criticism that the bill was too rough.

"I was appalled, as were all other Senators, by the disclosures [of quiz-rigging & payola] which have resulted in the bringing of this measure before us," said Sen. Javits (R-N.Y.).

But Javits challenged the measure's provision authorizing FCC to impose \$1,000-per-day forfeitures (up to \$10,000) against licensees for infractions of rules.

"The small radio stations, the small run-of-the-mine stations in the smaller places may have incomes of \$20,000 a year," Javits said. "Hence, a fine of \$1,000 a day could be a crushing burden. And I believe that cruel & inhuman punishments, even for acts which we consider very immoral & against the public interest, are to be avoided."

Pastore replied that he hoped "the Commission would not use that power as an implement of confiscation." And at another point in the debate, he assured the Senate the bill was a "strong but not a punitive bill and was not intended to harass or embarrass the broadcasting industry."

Sen. Engle (D-Cal.), speaking for Hollywood TV film-making constituents, said he was worried that the bill's prohibitions against payola & plugola would hamper legitimate TV-program production.

"I would hope that the Federal Communications Commission would not use the new law in order to harass or to embarrass anybody," Pastore said. He read an Aug. 24 letter from FCC Comr. Lee on implementation:

"It would seem appropriate that, if the bill becomes law, the Commission would in the near future arrange informal conferences with interested parties to discuss what is a reasonable approach to the implementation of this bill. Later, appropriate rulemaking would be undertaken and formal comment would be considered before final rules are adopted."

Engle wanted to know whether TV-film producers would be required from now on to acknowledge publicly that an automobile—for instance—had been furnished free for use in a show.

Pastore had no sure answers. "We cannot, in a law, begin to write in exceptions," he said. "After all, if it is payola for a disc jockey to receive records free and to be paid on the side for plugging a record, it would be just as much payola for an executive of a studio to be given a Cadillac to run around in because every once in awhile, when the studio makes a picture, the car is shown in the picture. Payola is payola."

Robert A. Bicks' chances of winning Senate confirmation as Asst. Attorney General against Democratic stalling tactics (Vol. 16:34 p5) were dimmed further last week by Judiciary Committee Chmn. Eastland (D-Miss.). Testimony in behalf of Bicks was heard by a Judiciary Subcommittee at another hearing for him, but Eastland told reporters he doubted that a vote on the nomination would be reached before Congressional adjournment. For one thing, Eastland said, he had no plans to call the full Committee together for action on confirmation. Support for Bicks came at the hearing from bar leaders, including incoming Pres. Whitney North Seymour of the American Bar Assn., who has been special NAB counsel. He said Bicks had been "assiduous in the performance of his duties" as the Justice Dept.'s anti-trust chief. Republicans in the Senate—particularly Sens. Dirksen (Ill.) & Keating (N.Y.)—meanwhile tried to set fires under the Commerce Committee to get last-minute action on the stalled nomination of FTC Chmn. Earl W. Kintner. But Chmn. Magnuson (D-Wash.), who has kept Kintner's appointment from coming to a Committee vote, continued to appear unmoved.

Faulty legislative language in a continuity-of-agency-service bill, (S-1965) revised by the House Commerce Committee and enacted in July (Vol. 16:29 p7), has forced Chmn. Harris (D-Ark.) to do some end-of-the-session re-write jobs. He introduced—and his Committee quickly approved—2 new bills (HR-13066 & HR-13067) to correct errors in provisions of the amended measure which covers extensions of terms of FPC & SEC members whose time in office runs out before appointments of successors are confirmed. Provisions in the new law covering extensions of expired FCC terms weren't affected.

TV-radio "watchdog" monitoring by the Senate Commerce Freedom of Communications Subcommittee (Vol. 16:34 p4) headed by Sen. Yarborough (D-Tex.) may be stepped up during the election campaign. Commerce Committee Chmn. Magnuson (D-Wash.) has introduced a housekeeping resolution (S. Res. 374) seeking an additional \$150,000 in Senate funds for Yarborough. The money would be spent for field work by staffers investigating complaints that stations are unfair to candidates.

Equal-space bill: Rep. Harmon (D-Ind.), has proposed a law (HR-13145) forcing newspapers to give equal space to all political candidates. This would correct a bad imbalance of political coverage by the Republican-dominated press, he said.

More about

SEC. 315 SUSPENDED: The House went through the motions of searching the broadcasting industry's always-suspect soul last week. It then shouted approval of a Senate-passed measure clearing the legal way to non-equal-time TV & radio debates between 1960 candidates for President & Vice President.

The special legislation was signed into law Aug. 24 by President Eisenhower. He told his press conference that it would allow the networks to perform a fine public service during a political campaign in which costs of presenting issues & personalities have risen sharply.

Questions about broadcasters' political programming integrity were raised on the House floor. But there was no audible dissent when Speaker Rayburn (D-Tex.) called for a quick voice vote Aug. 22 on the measure (S. J. Res. 207), which suspends application of the Communications Act's Sec. 315 to major nominees during this year's campaign.

Proceeding according to Rayburn's suspension-of-rules plan to expedite final passage of the resolution and speed it to President Eisenhower for his enacting signature (Vol. 16:34 p1), the House made Sec. 315 its first order of business at its first post-convention back-to-work session.

Nobody opposed lifting the equal-time requirement so that Republican & Democratic tickets could get free TV network exposure. House Commerce Committee Chmn. Harris (D-Ark.) floor-managed the measure. He pointed out that the parties would save a total of about \$5.5 million which they otherwise might have had to spend to buy time equivalent to the 24 prime hours offered by the 3 networks.

Question Broadcasters' Political Integrity

"I realize there is some serious question in the minds of many members with respect to this resolution," said Harris. He argued that it was only "an experiment for this election year," that "a sword of Damocles will be hanging over the heads of the broadcasting industry," that in any event the industry can't hope to have Sec. 315 repealed entirely by the next Congress.

"Let us remove the shackles for this year, give it a trial, and see how it works out," Harris told the House.

Rep. Bennett (R-Mich.), the Committee's ranking minority member, said he was voting for the resolution—but not "with any great amount of enthusiasm." He maintained the equal-time suspension "delegates too much authority to the broadcasting industry to make decisions on broadcasts that will be seen & heard throughout the U.S."

Bennett also took advantage of the occasion to promote his favorite legislative proposal—FCC regulation of the networks. "In my opinion," he said, "passage of this resolution demonstrates that the real power to discriminate is in the networks, and therefore the networks, along with the individual stations, should be held accountable under the Communications Act."

Rep. Moss (D-Cal.) said he was supporting the resolution "most reluctantly & with serious reservations." Moss indicated he wasn't so much worried about how the networks would behave themselves politically as about the "increasingly partisan operation of some broadcasters."

Moss told the House he's been "increasingly concerned over the number of complaints that I have received from persons of both political parties over the abuse of editorializing by licensees." It's reaching proportions of "purely propaganda of the most partisan type," Moss said. He urged that the Commerce Committee have a look next session at editorials as well as candidates' political appearances on the air.

Rep. Springer (R-Ill.) said Sec. 315 will need reappraisal next year "in view of the ever-growing power of TV & radio where exposure of a candidate can be most valuable to the candidate's prospects of success." At the same time he expressed confidence that "the networks are going to do a good job" in this campaign under the Sec. 315 suspension.

Rep. Avery (R-Kan.) said he was bothered by fears "by minority parties & groups that they are going to be disbarred or discriminated against" when the networks put Republican & Democratic candidates on the air. Harris conceded that there may be justification for such fears, but pointed out that under other provisions of Sec. 315, "fairness & balance would still be required of [broadcasters] in their handling of political events & personalities."

For the record, Harris also reported answers he had received from CBS Inc. Pres. Frank Stanton, NBC Pres. Robert E. Kintner, ABC vp John Daly and MBS Pres. Robert F. Hurleigh when they were asked by him about sponsorship plans for appearances by Presidential tickets. Stanton said CBS wouldn't accept sponsors for debates. Kintner said the answer for NBC was up to the candidates themselves. Daly said ABC plans no sponsorship unless the candidates "expressly wish it." Hurleigh said MBS plans "un-sponsored public-service programming."

Harris added that in his "humble judgment, what we intend here is public service to the American people without any sponsorship and I think we should expect all of the networks & the stations to carry out that policy."

CBS's Stanton watched the proceedings from the House gallery, said on leaving the Capitol: "We're pleased & most grateful to the Congress that we are now given the unprecedented opportunity to bring to the American people the candidates & issues of this vital campaign."

Last words on the equal-time issue may not have been spoken in the House or by the networks, however. In Chicago, Lar (America First) Daly, the country's most persistent candidate & equal-time seeker, started buzzing again. Daly said he planned to file a "prime test" case in a U.S. District Court to challenge Congressional action on the Sec. 315 resolution.

* * *

At network hq in N.Y., the news came as a welcome victory. Deep in plans for political programming, the 3 networks would have been out on a limb had the House voted any other way. At CBS it was recalled that as far back as May 1955, Pres. Frank Stanton had urged revision to permit free prime evening time during the 1956 campaign for a "modern-day electronic version of the Lincoln-Douglas debates." Said NBC Chmn. Robert W. Sarnoff: "A test of how well we can fulfill the responsibility of using this long-sought opportunity fairly and effectively . . . I am confident we will meet this challenge." Added ABC vp for news, special events & public-affairs John Daly: "Clears the way for the proposed TV-radio debates . . . TV-radio media eagerly await this opportunity to further expand their service."

* * *

Nixon appearance boosted *The Jack Paar Show* ratings sharply Aug. 26 during the Mid-12:30 a.m. period, an overnight Arbitron revealed last Friday. During the period of the Vice-President's guest appearance, the 7-city rating was a 16.4 (which, projected nationally, would indicate a 7.5 million-home, 12 million-people audience). In a normal week, the comparable Arbitron rating for the period is a 7.8.

LEE FEARS RED SABOTAGE: Properly-equipped foreign agents could easily disrupt the Conelrad national emergency communications system and set up radio beacons to guide enemy planes in time of war, FCC Comr. Lee warned last week.

Endorsing a bill (HR-12852) to prohibit Commission from granting radio operator's licenses to persons who refuse to answer questions about communist connections (Vol. 16:34 p5), Lee said such a law would be a "useful tool" in minimizing sabotage threats.

He was lead-off witness on the measure at 2-day House Un-American Activities Committee hearings at which a half-dozen holders or former holders of radio licenses—including an NBC studio engineer—invoked the 5th Amendment against self-incrimination when they were asked if they were Communist Party members.

Committee Chmn. Walter (D-Pa.), who introduced the bill in June, had said 100 "security risks" now hold FCC permits and that "a number" of suspect applicants were trying to get licenses (Vol. 16:27 p6). But he closed the hearings without developing evidence of broad infiltration of radio by communists.

The Committee was expected to send the measure to the House floor with a recommendation that it be passed, but there was little likelihood of a vote there this session. It would amend the Subversive Activities Control Act of 1950 by tacking on a section which in turn would amend the Communications Act's Sec. 303, covering "general powers of the Commission."

The balky witnesses at the hearings included David J. Gould of West Hempstead, N.Y., who said he held an operator's license some years ago and now was assigned to studio equipment-placement work by NBC in N.Y. He refused to answer the Committee's stock question: "Are you now or have you ever been a member of the Communist Party?"

They Took the 5th

Others who took the 5th Amendment—all identified by the Committee as license-holders—were Murray Goldberg, Syracuse; Philip Boothroyd, Sparta, N.J.; Stanley Blumenthal, Brooklyn; Wayne P. Paschal, Issaquah, Wash.; Harold O. Townsend, Bayside, N.Y. Ex-communist Michael Minion, now on the staff of the AFL-CIO's Anti-Communist Communications Workers of America, took the stand to testify that in 1938 Boothroyd had been introduced to him as a party member. Committee staff dir. Richard Arens said Paschal had been identified at a 1954 Un-American Activities hearing as a communist.

In addition to Comr. Lee, witnesses urging enactment of HR-12852 included MBS vp Joseph F. Keating, Air Force Lt. Col. Harry F. Smith and American Cable & Radio Corp. vp Wilson McMakin.

Keating said communists or communist sympathizers could "play havoc" with Conelrad. Smith said panic could be spread by a subversive agent giving false information over the air. McMakin said communist technicians in strategic radio spots could copy govt. codes, disrupt international communications.

Under the Walter bill, FCC would be required to turn down or revoke the operator's license of "any individual" who refuses to answer questions by any federal agency concerning: (1) "The membership of such individual, or any other individual, in the Communist Party." (2) "The activities of such individual, or any other individual, as a member of the Communist Party." (3) "The participation of such individual, or any other individual, in activities conducted by or under the direction of the Communist Party or any member thereof."

The FCC

Miami Ch. 10 Reprieve: National Airlines' WPST-TV Miami has won a 2-week respite from FCC's sentence that it must surrender its Ch. 10 grant Sept. 15.

Acting as a one-man board for the vacationing Commission, Comr. Lee postponed the effective date for setting aside WPST-TV's CP to Sept. 30 "to allow sufficient time for consideration by the full Commission of pleadings filed relating to the proceedings" (Vol. 16:34 p9).

"It is anticipated that other pleadings will be submitted," acting FCC secy. Ben F. Waple said in an understatement in announcing Lee's order. In its July 14 decision, FCC gave Ch. 10 to L. B. Wilson Inc., ruling out other contestants WKAT Inc. and North Dade Video Inc. and National Airlines' subsidiary Public Service TV Inc.

* * *

At the same time Lee set a new deadline of Sept. 27 for filings of briefs in FCC's rough-&-tough Boston Ch. 5 "influence" decision. This had taken the grant from the *Boston Herald-Traveler's* WHDH-TV and given another chance to it and competitors Mass. Bay Telecasters, Greater Boston TV Corp., and Allen B. Du Mont Labs.

The Boston briefs deadline had been Sept. 12. But Lee said the full Commission will need time after it gets back from vacation this week to study pleadings in the Ch. 5 case, too. Lee pointed out that WHDH-TV has moved for a stay of FCC's ruling pending disposal of its petition for reconsideration.

Briefs & memoranda in both "influence" cases continued to pile up at FCC offices meanwhile.

L. B. Wilson filed opposition to Public Service TV's petition for a stay of Commission's Miami ruling. Wilson reported it was working at top speed to try to get going on Ch. 10, but had found it impossible to make a deal to acquire or lease WPST-TV facilities because Public Service claims its physical assets to be worth about 5 times their book value—or \$6 million.

Mass. Bay opposed WHDH-TV's motion for a Boston stay. It said the *Herald-Traveler* station was just trying to rehash everything in the case.

Greater Boston urged FCC to put WHDH-TV under trusteeship pending a final decision in the case. It would be wrong, said Greater Boston, to permit WHDH-TV to "reap the enormous financial benefits flowing from the station and to use the money derived therefrom to press its application to the detriment of other applicants."

In the Miami case, the office of FCC gen. counsel Edgar W. Holtz filed legal opinions opposing North Dade Video's application for a rehearing & reconsideration, and objecting to an attempt by one-time Ch. 10 applicant Elzey Roberts to get back into the contest.

— ■ —

FCC's deadline for comments on its short-spaced vhf allocation proposal (Vol. 16:27 p12) has been advanced from Sept. 1 to Sept. 30 at the request of the Assn. of Federal Communications Consulting Engineers. The deadline previously had been pushed forward from June 20. The engineers said they want to study TASO reports on directional antennas, and they don't have printed copies yet. Meanwhile the National Grange opposed the Commission's plans. KCEN-TV Temple, Tex. filed supplemental comments opposing the proposal—but saying that if FCC grants waivers of the rules, there should be planning to determine a limited number of markets for waivers.

FCC-proposed legislation expanding Commission's regulatory authority to include common-carrier microwaves & other point-to-point circuits has finally been approved by the House Commerce Committee—one year after the Senate voted for it. The Committee headed by Rep. Harris (D-Ark.) agreed belatedly to send the bill (S-1740) to the House floor for concurrence with Senate action in Aug. 1959 (Vol. 15:34 p4). The measure, amending Sec. 202 of the Communications Act, was one of several legislative odds & ends acted on by the Committee at an executive session convened Aug. 23 by Harris.

FCC's all-uhf Fresno plan won't "serve the public interest," according to Rep. Sisk (D-Cal.). Claiming he spoke for "approximately 1 million TV viewers in the San Joaquin Valley," Sisk wrote Chmn. Ford that the Commission's much-debated deintermixture action (Vol. 16:34 p9) is "concerned only with commercial aspects of the TV operation." He called on FCC to reconsider & vacate its July 7 order, pay attention to "99% of TV viewers" in the area instead of "persons & companies in the TV business," and make Fresno, Bakersfield and San Luis Obispo all vhf. Opposition to reconsideration of the order was filed by ABC.

NBC-RKO swaps (cont.): Petitions by KRON-TV San Francisco for a general FCC hearing on the complex series of NBC-RKO station deals (Vol. 16:27 p7) were opposed last week by NBC, RKO and KTVU San Francisco. They said in replies to the Commission that KRON-TV has no interest in the Boston & Philadelphia phase of the transactions, that charges by KRON-TV that trafficking & payoffs were involved hadn't been supported by any facts, that such a proceeding would run endlessly. No objections were raised, however, to KRON-TV's request for a hearing on the proposed sale of KTVU to NBC.

USIA's budget for the Voice of America & other overseas informational programs has been reduced by Congress to \$102,557,300 for fiscal 1961. The agency had asked for \$105.8 million for stepped-up operations (Vol. 16:4 p12), but ran into a barrage of Congressional criticism (Vol. 16:26 p11). The Senate had proposed a \$103,557,300 appropriation; the House, \$101,557,300.

Western Union rates for govt. & public telegrams were raised 16.5% & 8.2% respectively Aug. 17, following refusal by FCC Comr. Lee to intervene. Acting for the Commission, Lee rejected a plea by the General Services Administration to suspend the rate raises, holding that Western Union had established its need for additional revenue. An increase of about 8% in press rates went into effect Aug. 26.

Admitted TV-quiz fixer Daniel Enright and his partner Jack Barry, owners of radio WGMA Hollywood, Fla., have sold the station for \$265,000 to Kingsley Murphy Jr. & Carroll E. Crawford, owners of KOTE Fergus Falls, Minn. Enright & Barry, fearing a prolonged & costly FCC hearing into Enright's "character qualifications," which were questioned by FCC last Dec. (Vol. 15:49 p7), decided to sell.

Auxiliary Services

TelePrompTer Corp. has added another CATV system to its growing string (Vol. 16:26 p4). Latest acquisition is Abar TV Cable Co., Eugene, Ore., which claims nearly 5,000 subscribers in its 5th year of operation. Purchase price: \$384,000 plus an undisclosed number of TelePrompTer stock shares. Blackburn & Co. was the broker in the deal. Said TPT Pres. Irving B. Kahn: "It has a definite place in our plans for development of participation or so-called 'subscription' TV." W. D. Elkins & R. F. Siegenthaler, who originated Abar in 1955, continue to manage the system.

Film & Tape

More about

90-MIN. FILMS COMING: Hour-&-a-half weekly film series for 1961-62 are being quietly developed at Warner Bros., Paramount and MGM-TV. NBC-TV, too, which had hoped to start one this season, is working up a 90-min. series for next year (it may expand one of its current 60-min. series) and the Mirisch Co. is seeking such a series.

It's logical & easier for the major movie studios to undertake such ventures, because they can release them abroad as theatrical movies, thus recouping a good part if not all of their costs. For the independents, it's a much more hazardous venture.

One executive developing a 90-min. series told us the problem is not only in the budget (he estimates an average 90-min. show will cost \$150,000), but in sponsorship. Said he: "It will be impossible to find one sponsor to back such a series. This means we will have multi-sponsors & a lot of commercials, which, if not wisely handled, will break up story continuity."

Outlook for Foreign Movies: With Hollywood's post-1948s now freed for TV circulation, what is likely to happen to film distributors syndicating packages of European-made or other foreign films that had picked up much of the product slack in the feature market? Some film industry sources feel that foreign films, even those dubbed in English, may be relegated to a kind of "art house" status, much as they are in theatrical circuits. But at least one distributor, Flamingo Telefilm Sales—which has just launched a new European-filmed package—disagrees.

The entrance of American post-1948s on the TV scene may enliven the feature market, stimulate sales in general for features, and be good business for us," stated Flamingo sales vp Peter Jaeger. Hollywood-made post-1948s, Jaeger predicted, will cost "at least double per picture the price of foreign film packages," giving foreign product a price advantage. There's even a growing audience taste for foreign movies in cities where people formerly never attended such films in theaters. "In the past few years our films have drawn such high ratings that we were able to build a following for our stars & for European productions which should continue into the future," Jaeger explained.

Another factor adding to Flamingo's present security is the relatively slow pace at which American post-1948s will invade the TV market. "If all major movie firms were to suddenly dump their recent films into the TV market, it would be a different story," Jaeger stated.

Flamingo's newest "imperial" package of 52 post-1948 dubbed films is now in 20 markets.

AFTRA's New Demands: When AFTRA begins negotiations for a new contract with the TV & radio networks in mid-September, it will emphasize improvement of working conditions. While the union will seek a 15% wage hike, its primary concern is plugging up what it considers loopholes in the present contract, which expires Nov. 15.

AFTRA sources tell us they want consecutive working days for their actors. Under the present contract, an actor receives a fee for the show & 10 hours of rehearsal, but, while the rehearsals must be within a specified number of days, they are not necessarily consecutive.

HOLLYWOOD ROUNDUP

William Talman, who used to play District Attorney Hamilton Burger on *Perry Mason*, finds it a "fantastic irony" that he cannot get his old job back despite the fact that he was recently acquitted of the charge made against him by Los Angeles police last March. "The heart & essence of the *Perry Mason* show," he told Joe Hyams, "is that every week someone always ends up falsely accused of murder and is proved innocent of the charges." Talman has been writing TV scripts under another name and trying to get acting assignments again.

NBC-TV program executives are in Hollywood for a look at new pilots as insurance against any soft spots which may develop next season. Program vp David Levy, program administration vp Alan Courtney, talent relations vp David Tebet, and dir. of creative services Ross Donaldson are here, in session with NBC-TV coast program vp Felix Jackson and Hal Kemp, vp of live nighttime programming, Pacific div.

Although U.S. movie attendance in Jan.-July 1960 ran 6.5% behind the same period of 1959, reports Sindlinger, theater gross had already reached the movie industry's peak year (1946). Reason: The average admission price in 1960 is 69¢ (vs. 60¢ in 1959 and 35¢ in 1946). Added Sindlinger: In the last week of July, movie theaters played to more people than at any time in the last 4 years.

Showcase Enterprises has been reactivated by Hal Roach Jr. and Carrol Case, to produce TV series & movies. Roach and Case were partnered in the production of *Racket Squad* & *Public Defender* under the Showcase aegis. This marks Roach's first TV venture since his abortive partnership with Alexander Guterman.

Joseph M. Schenck Enterprises and 20th Century-Fox TV will co-produce a series of filmed specials, *The Jules Verne Theater*. There will be a minimum of six 60-min. films, some of which may be expanded for movie theaters.

Warner Bros. TV production hit an all-time high last week with 20 telefilms before the cameras. Warners will have completed 41 films in August—the highest monthly figure since the studio entered TV in 1955.

20th Century-Fox TV in co-production with ABC-TV is planning a new series, *Margie*, based on the 20th-Fox movie which starred Jeanne Crain. It's a teen-ager story.

People: MGM-TV dir. of business affairs Leon Mirell has resigned to join ABC-TV in an administrative position. . . . Jaime del Valle has been named exec. producer of MGM-TV's *The Islanders*. Richard Bare has bowed out as producer . . . Warner Bros. has signed Peter Breck to a TV contract . . . Ex-*Markham* producer Warren Duff has joined CBS-TV as a staff producer . . . MGM-TV has signed E. Jack Neumann as a staff writer and to develop an action-adventure pilot project . . . Byron Ellerbrock named administrator of the Screen Actors Guild-Producers pension & welfare plans . . . Steve Allen has been named a member of the advisory board of San Fernando State College at Northridge, Cal. . . . Harris Clayton named dir. of business affairs for MGM-TV, West Coast, and asst. to TV production vp Robert M. Weitman . . . Walter Bien has formed his own company to produce industrial films in association with Paramount.

NEW YORK ROUNDUP

UAA will mark its 3rd TV "local special" of the 1960 season with "Noah's Ark," a silent film written by Darryl F. Zanuck in the late 20s. The oldie was re-released theatrically 2 years ago with new sound track & other modernizations. UAA's previous TV specials: "The Adventures of Mark Twain" and "Olympic Cavalcade." Continuing sales are being scored for UAA's old U-I "Sherlock Holmes" features, 11 new markets having taken the series last week.

General Industry Advisory Committee (GIAC) of FCC's \$2-million N.Y. uhf project (Vol. 16:33 p4) will meet in Washington Sept. 2. Transmitter Industry Advisory Committee (TIAC) met in N.Y.'s Empire State Bldg. Aug. 18 and discussed possible antennas which might be suitable for the project.

WGN-TV-produced syndicated series, *Great Music from Chicago*, received its first airing last week over WNTA-TV, N.Y. The 60-min. taped telecast is one of 26 concerts featuring the Chicago Symphony Orchestra with conductors Fritz Reiner, Sir Thomas Beecham, Andre Kostalantetz, Arthur Fiedler and others.

ITC claimed a syndication-first last week in using a national magazine ad to kick off a campaign for *Best of the Post*. The double-page ad in the *SatEvePost* is the first in a series of *Post* promotion features, estimated to attract "over 13,000,000 readers." In 3 weeks of selling, the TV series has racked up 71 markets.

Jack Paar's *I Kid You Not*, will bring a small fortune to the performer. The book is now being published as a paper-back by Pocket Books Inc. The rights cost a record amount—\$165,000. Paar will split the loot 50-50 with the publisher, an unusually high author's percentage.

ABC Films says it has received "overwhelming" interest in its public-service syndication offering, *John Gunther's High Road*. The ex-ABC-TV documentary series had received "over \$100,000 worth of orders" before it was publicly announced for syndication.

NBC program development dept. is planning a new 60-min. colorcast adventure series, *Panama*, for possible prime-time airing during the 1961-62 season. The show will begin location filming in February. No casting yet.

NTA's *Play of the Week* will produce Samuel Beckett's controversial tragicomedy, "Waiting for Godot," with Burgess Meredith, Zero Mostel and Kurt Kasner taking lead roles. The play will be taped Sept. 2-4.

Felix the Cat Creations Inc. is now completing 3 new animated cartoon pilots—*The Kewpies*, *Don POCO* and *Albert & Cholmondeley*—for showing to networks & ad agencies this fall.

Robert D. Graff has been appointed producer of ABC-TV's new fall Winston Churchill series, replacing Edgar Peterson, resigned.

Cal. National Productions' *R.C.M.P.* has picked up 8 markets to a total of 71.

People: Ben Elrod has been named UAA Western div. mgr. . . . ITC national sales mgr. Charles W. Goit has resigned, with no replacement announced . . . TV writer S. Lee Pogostin has signed to write & co-produce a 60-min. drama pilot for producer Frank Atlass.

Royalty Plan Committee Ruckus: Completion of a TV-film fact-finding committee to establish a royalty plan for writers came closer when the council of Writers Guild of America West approved appointment of a permanent, paid representative to such a group. WGAW's council thus met a demand of its negotiating committee, but still refused that committee's recommendation that one of its members, Samuel Newman, be made the representative. The council specifically prohibited any writer from being on the committee. Management has named Alliance of Television Film Producers Pres. Richard Jencks to the committee, but intra-guild politics & strife have delayed its formation. The council, meanwhile, accepted the resignation of WGAW exec. dir. Michael Franklin "with regret," and named a committee to seek a successor. Franklin resigned chiefly because of policy differences with the membership & negotiating committee.

The council's action on the industry committee was followed by circulation of petitions (75 signatures needed) for recall action against WGAW's TV-radio board & officers. Petitioning writers contended that the present board does not reflect the majority membership view as expressed during & after the recent strike, and that the council had ignored a membership recommendation that Newman be named to the industry committee. On another front, the membership of Musicians Guild of America ratified their contract with the Alliance by a 206-12 vote.

Screen Actors Guild membership has voted approval (by a 96% majority) of the new TV-film contract with the Alliance of Television Film Producers and Assn. of Motion Picture Producers. A total of 5,362 actors ratified the contract, while only 207 opposed it. N.Y. members voted 87% for the contract despite a special letter sent by SAG's N.Y. branch council to members terming the contract "unsatisfactory when taken in its entirety."

KRCA Los Angeles has bought 587 movies & TV-film reruns for \$920,000.

Programming

Levy Discusses NBC-TV Shows: NBC-TV program vp David Levy, in Hollywood last week, told us he has bought no new pilots as yet, but is seeking replacements in case some new starters should fail to click. Reiterating NBC's cut to under 100 specials (Vol. 16:10, 21, 28) and its 40-to-60% hike in color programming (Vol. 16:30 p7), Levy also said he saw no evidence of a particular trend next season. "There is a slight decline in Westerns, made up by an increase in action-adventure series. Also there's an increase in situation comedies, mainly at CBS-TV, with some at ABC-TV," he amplified.

Other Levy observations:

Better quality TV doesn't require more money; it needs dedicated people. The ranks of talented people have thinned out.

A 3-hour special to be produced by Jerry Wald is expected to materialize. Economics may cut it to 2 hours.

While producer Dore Schary's contract with NBC-TV to produce Civil War specials has terminated, NBC-TV is still interested in his projects.

NBC-TV moved into prime-time public-service programming via *World Wide 60* long before any pressure from Washington. Same for its new public-service series, *The Nation's Future*.

NBC-TV is negotiating for Henry Jaffe to produce 6-to-8 *Magical Monarch of Mo* specials, which may become a regular series.

Siegel Acquires GAC: The deal we reported last week (Vol. 16:34 p12) to acquire control of General Artists Corp. (which ranks only behind MCA and William Morris as a TV-theatrical-film talent agency) was confirmed Aug. 24. GAC now becomes, for a reported \$2 million in stock & cash, a subsidiary of the publicly-held Centlivre Brewing Corp. of Ft. Wayne, Ind. The chairman of Centlivre—which, more than a beer company, is actually a corporate umbrella for interests ranging from Seeburg jukeboxes to flexible packaging materials—is Herbert J. Siegel, 32.

Siegel's announced plans for the unusual Centlivre diversification are broad: "Expansion programs in selected phases of the entertainment field, including the eventuality of pay TV and its specific requirements, and the rapidly growing areas of showmanship for industry, and to make possible a far greater scope of activities on behalf of its major roster of leading creative & performing clients."

GAC, however, will be permitted to go pretty much its own way under its present executives. Pres. Lawrence Kanaga remains, and will continue to make his hq in N.Y. Exec. vp Milt Krasny (he's also pres. of GAC-TV, the agency's subsidiary) also stays and will make his hq in Beverly Hills. The agency, said Siegel, "will be operated with the same policies as heretofore, plus the additional advantages possible with added capital & financial sponsorship." Additionally, there will be stock-option deals in the parent company for present GAC executives. Siegel indicated that there are still no plans for GAC to enter TV production directly, such as MCA's operation with Revue Productions.

In recent TV seasons, GAC has become something of a specialty house in providing big-name musical artists for network shows. These include: Perry Como, Frankie Laine, Julius La Rosa, Pat Boone, Nat King Cole. Having the Como and Boone TV shows under its wing has given GAC a chance to showcase other young artists getting a talent-agency buildup. Representation of bread-&-butter TV shows has been minor, but its sale of TCF-TV's "The Many Loves of Dobie Gillis" (TCF is now repped by William Morris) has been a major success. (For details of other talent agencies in TV, see Vol. 15:42 p3.) Earlier this year, GAC acquired Baum-Newborn Associates (Don Ameche, Richard Boone, Buster Keaton, Janet Blair, Janis Carter, *et al.*) and is now—according to Actor's Equity records—placing more actors in Broadway shows than any other agency. It is also active in packaging industrial shows, concert tours and motion pictures.

Decision on new Oscar awards network contract is expected to be reached at a meeting Monday (Aug. 29) of the board of governors of the Academy of Motion Picture Arts & Sciences. After the Motion Picture Producers Assn. dropped industry sponsorship of the annual event, the Academy had opened it to commercial sponsorship. Initial bids by ABC-TV and NBC-TV were rejected last week on the grounds that their formulas were too complicated, and they were asked to submit new bids with clarification on several points. The Academy said CBS-TV's bid had been lower than the others; it was therefore not invited to re-submit.

Jerry Lewis and NBC-TV ended their contract last week in what was described as an "amicable" parting. Lewis was to have starred in 6 specials next season, none of which has been sold to date. Network sources confided the split was due partly to Lewis being busy with movies, partly to the network's inability to sell his specials. Lewis's ex-partner, Dean Martin, will star in 2 specials on NBC-TV next season.

Advertising

Beech-Nut's Big Buy: Most of the as-yet-unsold time segments in NBC-TV's fall show lineup were swept away last week in a \$7.5 million, 18-show deal between NBC and Beech-Nut Life Savers Corp. NBC is thus picking up much of the budget money turned loose by ABC-TV's decision to drop the Sat. 7:30-8 p.m. *Dick Clark Show* (Vol. 16:34 p12), plus nearly \$4 million in new TV-budget money allocated via Young & Rubicam by the food-confectionery firm. What's left of the former Beech-Nut Clark billings, possibly as much as \$1 million according to ABC, will be shifted to Clark's *American Bandstand* afternoon show.

Beech-Nut billings at NBC, as one sales executive at that network put it happily last week, "are all over the network map." Included in the deal are 9 nighttime shows (8 programs plus participations in the *Jack Paar Show*) and participation segments in 9 daytime shows. The nighttime shows (*Shirley Temple*, *Laramie*, *Dan Raven*, *The Westerner*, etc.) are all one-third-sponsorship buys starting in Oct., and ranging from purchases of 9 to 22 thirds. Daytime shows (*Price Is Right*, *From These Roots*, *Lone Ranger*, etc.) involve a total of 221 quarter-hour segments.

Two interesting elements of the Beech-Nut buy caused cocktail conversation among network & agency sources in N.Y. last week. For one thing, it's generally felt that the food firm's late-in-the-season deal produced a bumper crop of attractively-priced NBC buys, with program (but not time) charges marked down to a minimum. For another, Beech-Nut still believes that the bobby-sox set is a good market, and is reachable by TV dj's (tucked away in the firm's daytime NBC list is a new show, *The NBC Saturday Prom*, similar to the Clark format, to be televised on Sat. afternoons).

Hard-sell auto-mileage claims in TV-radio commercials for U.S.-made compacts are coming under the scrutiny of FTC. It's not that they're phoney; it's just that some of those "up to 30 miles per gallon" claims were scored, it seems, by well-groomed cars in test runs held under what amounted to laboratory conditions. So far, FTC has quietly warned auto manufacturers, who have in turn warned their ad agencies in N.Y. & Detroit. With network continuity depts. acting as watchdogs, the outlook is for a toning-down of mileage figures in auto-sponsored network shows—which this coming season are expected to pass \$80 million in time-&-talent costs (up \$10 million from 1959-60 season).

New reps: KHOU-TV Houston to H-R Television Sept. 16 from CBS Spot Sales • WSJS-TV Winston-Salem to Peters, Griffin, Woodward Sept. 1 from Headley-Reed • WSEE Erie to Devney-O'Connell Aug. 1 from Young • WRDW-TV Augusta to Avery-Knodel July 1 from Branham.

Anti-segregation demonstrators at Glen Echo amusement park on the outskirts of Washington have protested to FTC that TV commercials for the park are "false & misleading" because they don't disclose that Negroes aren't admitted. Lawyers for the pickets sent a copy of their FTC complaint to FCC, suggesting that "this matter is doubtless of interest to your Commission and may be within its present jurisdiction."

Ad People: Harry Bressler, ex-Ted Bates, appointed vp & TV copy dir., Leo Burnett. Robert Leonhard and Robert Noel named vps at that agency . . . Lawrence R. McIntosh, ex-Grant, named Young & Rubicam vp.

Networks

That CBS News shakeup we predicted recently (Vol. 16:32 p8) is now a reality. Last week, CBS circulated a new table-of-organization chart to network executives in which the following changes were noted with no fanfare: General news exec. Sam Zelman succeeds TV news dir. Malcolm Johnson, with Johnson moved over as election-news coordinator. William Crawford succeeds CBS News managing editor James Burke, who now becomes one of several news editors. Ralph Paskman succeeds CBS News assignment mgr. Frank Donghi, who now becomes assignment expeditor reporting to Paskman. Still unchanged: CBS News Pres. Sig Mickelson and vp John Day, although Zelman now reports to Day as No. 3 man.

Canada's Board of Broadcast Governors is slated to hold public meetings this week (Sept. 1 & 2) on conditions & regulations for licensing & operating private TV networks (Vol. 16:28 p7).

NETWORK SALES ACTIVITY

ABC-TV

- The Paul Winchell Show, Sun. 4-4:30 p.m., full sponsorship eff. Dec.
Hartz Mountain Products (G. H. Hartman)
- Robert Taylor in *The Detectives*, Fri. 10-10:30 p.m. full sponsorship eff. Sept.
Procter & Gamble (Benton & Bowles)
- American Bandstand, Mon.-Fri. 4:30-5 p.m., participations eff. Sept.
Lehn & Fink products (Ted Bates)
Hazel Bishop (Raymond Spector) eff. Aug.
- Bugs Bunny, Tue. 7:30-8 p.m., alt. half hrs. eff. Oct.
General Foods (Benton & Bowles)
- Hawaiian Eye, Wed. 9-10 p.m., participations eff. Oct.
Whitehall Labs. (Ted Bates)
- Naked City, Wed. 10-11 p.m. participations eff. Jan.
Ludens (J. M. Mathes)
E. I. Du Pont (BBDO)
- Adventures in Paradise, Mon. 9:30-10:30 p.m., participations eff. fall.
E. I. Du Pont (BBDO)
Ludens (J. M. Mathes)
- Daytime programming, Mon.-Fri. participations eff. fall.
Adolph's Ltd. (McCann-Erickson)
Hartz Mountain Products (G. H. Hartman)
- Tournament of Roses, Sun. Jan. 2, full sponsorship.
Quaker Oats (Lynn Baker)

NBC-TV

- Shirley Temple Show, Sun. 7-8 p.m., co-sponsorship eff. Sept.
Radio Corp. of America (JWT)
Beech-Nut Life Savers (Young & Rubicam)
- The Tall Man, The Westerner, Laramie, Thriller, Michael Shayne, Outlaws, Dan Raven, all nighttime shows, one-thirds, eff. 1960-61.
Beech-Nut Life Savers (Young & Rubicam)
- Daytime programming, 9 programs, participations eff. 1960-61.
Beech-Nut Life Savers (Young & Rubicam)
- Laramie, Tue. 7:30-8:30 p.m., thirds eff. fall 1960.
R. J. Reynolds (William Esty)
- Outlaws, Thu. 7:30-8:30 p.m., Riverboat, Mon. 7:30-8:30 p.m., Dan Raven, Fri. 7:30-8:30 p.m., one-thirds eff. fall 1960.
Brown & Williamson (Keyes, Madden & Jones)

Stations

Two major broadcast-publishing concerns, Philadelphia-based Triangle Publications, Inc. and the Times-Mirror Co. of Los Angeles, have announced preliminary agreement to form a Cal. corporation to engage in the graphic arts & related fields. The joint venture appears to be the first of its kind in the broadcast-publishing field. The new firm—to be known as Times Mirror-Triangle Co.—establishes an East Coast-West Coast working relationship for the investment of capital between the companies and includes among its directors Triangle Pres. Walter H. Annenberg and Times-Mirror Pres. Norman Chandler. First action of the new company was acquisition of the California Rotogravure Co. Samuel A. George continues as gen. mgr. of that plant and has also been elected pres. of the Times Mirror-Triangle Co. by the board of directors. Triangle publishes the *Philadelphia Inquirer* and *Daily News, Seventeen* magazine, *TV Guide*, TELEVISION DIGEST, owns & operates WFIL-TV & WFIL Philadelphia; WNBF-TV & WNBF Binghamton, N.Y.; WFBG-TV & WFBG Altoona, Pa.; WLYH-TV Lebanon, Pa.; WNHC-TV & WNHC New Haven; KFRE-TV & KFRE Fresno. Times-Mirror Co. publishes the *Los Angeles Times* and *Mirror News*, owns & operates KTTV Los Angeles.

Timebuyer guesses in a "true-false quiz" (staged by Westinghouse Bestg. Co. earlier this month during an all-day outing at New York's Freedomland Amusement Park) presented WBC with a problem. Ten agency men (& women) had perfect scores in a tricky, 11-question quiz about the WBC-TV-radio markets. WBC therefore draw 3 winners from a hat last week for top prizes (transistor radio, clock radio, electric can opener), sent the other 7 electronic hot dog cookers. The lucky 3: Virginia M. Conway, McCann-Erickson buyer; Tim O'Leary, Reach-McClinton buyer; George McCoy, N. W. Ayer buyer. Consolation prize for non-winners: a "Freedomland" record album.

"So what?" was the retort by AFM & AFTRA representatives in Washington to testimony at an FTC payola hearing that record-distributor Schwartz Bros. Inc. had made payments to "the union" (Vol. 16:34 p7). Nothing sinister about such transactions, said AFM's Sam Jack Kaufman & AFTRA's Evelyn Freyman. They explained it was common practice for unions to collect fees from record firms for TV & radio disc-jockey-show appearances by recording artists. The unions merely act as clearing houses for the fees, and no payola is involved, they said.

Public ownership of airwaves was sharply challenged by TIO Dir. Louis Hausman at Syracuse U.'s seminar on broadcasting's responsibilities. Comparing public spectrum ownership—a favorite retreat of many a TV critic—to civil aviation, in which planes don't fly until private enterprise puts them there, Hausman suggested that the basic function of FCC is simply to keep signals "from bumping into each other" and that FCC, as a representative of the public, should keep out of TV programming altogether. Hausman also scored critics who feel that "good" TV programming must be given to viewers whether they want it or not.

NAB convention planning for Washington sessions next May 7-11 will be started Oct. 6 by the broadcast-engineer-in-conference committee. This group, headed by Virgil N. Duncan of WRAL-TV Raleigh, will meet in Washington to review responses to 100 requests of manufacturers, networks and others for engineering agenda suggestions.

New NAB series of 9 spots extolling virtues of FM has been distributed to FM members for promotional use.

Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.

WALTER H. ANNENBERG, President

PUBLICATION OFFICE Radnor, Pa., Murray 8-3940, TWX: Radnor 1028

JAMES T. QUIRK, Business Manager
MERRILL PANITT, *Editorial Director*
HAROLD B. CLEMENKO, *Managing Editor*
DAVID LACHENBRUCH, *Associate Editor*
JAMES B. DELEHANTY, *Asst. Business Mgr.*
HAROLD RUSTEN, *Associate Editor*
PAUL STONE

WASHINGTON BUREAU

Wyott Building
Washington 5, D.C.
Sterling 3-1755

ALBERT WARREN, Chief
WILBUR H. BALDINGER
WM. J. McMAHON Jr.

NEW YORK BUREAU

625 Madison Ave.,
New York 22, N.Y.
Plozo 2-0195

CHARLES SINCLAIR, Chief
DIANE SCHWARTZ

WEST COAST BUREAU

6362 Hollywood Blvd.
Hollywood 28, Cal.
Hollywood 5-5210
DAVID KAUFMAN

MARTIN CODEL
Associate Publisher

TELEVISION DIGEST. Published Mondays. Subscription \$75 annually. For group rates & other subscription services, write Business Office.

TELEVISION FACTBOOK TV & AM-FM ADDENDA AM-FM DIRECTORY
Published March & Sept. Published Saturdays Published in January

Copyright 1960, by Triangle Publications, Inc.

Personals: Donald M. Hine, ex-KNXT Los Angeles, named programming & public-affairs dir. of Transcontinent TV (WGR-TV & WGR Buffalo, WROC-TV & WROC Rochester, KFMB-TV & KFMB San Diego, KERO-TV Bakersfield, WNEP-TV Scranton-Wilkes-Barre, WDAF-TV & WDAF Kansas City).

Arch Robb appointed special programs dir., NBC-TV . . . Richard O'Leary named general sales mgr. of KABC-TV Los Angeles . . . Thomas G. Roderick Jr., asst. gen. counsel of USIA, named general counsel, succeeding Harry T. Carter, resigning Sept. 1 to enter private practice . . . Rudy Behlmer named exec. producer of KCOP Los Angeles live & tape programs.

Benjamin J. Conroy Jr., Uvalde TV Cable Corp., pres.-mgr., elected pres. of new Tex. CATV Assn. . . . Philip J. Stomberg retires as Nielsen vp . . . Freddie Field has resigned as MCA-TV vp-dir. to form his own TV, theatrical & business-management organization . . . Tom Chauncey, pres.-gen. mgr., KOOL-TV & KOOL Phoenix, appointed to Ariz. Gov. Paul Fannin's study committee to examine state's narcotics problem . . . Norman Kraeft, farm director of *Chicago Tribune's* WGN-TV & WGN, resigns to join Presidential campaign staff of Sen. Kennedy (D-Mass.) for agricultural PR work.

Robert L. Nelson named sales research mgr., KNXT Los Angeles and CBS-TV Pacific network . . . Anton J. (Tony) Moe, ex-radio KSO Des Moines, named exec. vp of Midcontinent Bestg. Co.'s WKOW-TV & WKOW Madison, Wis.; Frank McGiven, ex-radio WLOL Minneapolis, replaces Moe as KSO gen. mgr. . . . David C. Stewart, asst. dir. of Joint Council on Educational TV, named exec. dir. to succeed Ralph Steetle, who resigned to join Ore. state school system (Vol. 16:24 p14).

Griffing missing: The Federal Aviation Agency supervised a widening air-&ground search last week for pay-TV experimenter & CATV operator Henry S. Griffing, missing since Aug. 16. He took off from Teterboro, N.J. in his light plane with his wife & 2 children on a presumed flight to his Oklahoma City home, but was unreported along the route. Head of Vumore Co. (14 CATV systems in 5 states) & Video Independent Theaters Inc. (200 movie houses & 12.5% of KWTU Oklahoma City), Griffing ran the 9-month Bartlesville, Okla. cable-theater project which was dropped in June 1958 (Vol. 14:21 p20).

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

TV PRICES GOING UP? Round of TV price rises may be in offing, in wake of increases hoisted last week by 2 major set-manufacturers—Sylvania and Hoffman. Sylvania's complete 23-in. line, effective Sept. 16, will retail at \$10 more per model, reflecting a 2-to-5% increase at factory. Hoffman will effect an average 3% increase on 4 basic TV models Sept. 1. Sales vp Paul E. Bryant reports that "the change in our price structure affects mostly the middle & lower end of our present line, with little change in the higher end."

General industry reaction was one of mild surprise & thoughtfulness. Spot check we made of 6 manufacturers (Admiral, GE, Motorola, Philco, RCA, Westinghouse) elicited unanimous response, expressed in essence by Westinghouse TV-radio mktg. mgr. Charles J. Urban: "We are studying the situation, but have no plans for price increases at this time."

"Principal reason" for Sylvania's price increase, Home Electronics Corp. Pres. Peter J. Grant told us, is the adoption of reflection-free picture tubes as standard for complete Sylvania line. Sylvania introduced reflection-free kinescopes in April in 19-in. tables and some 23-in. furniture consoles, decided to go full line in view of "tremendous popularity" of reflection-free feature. Grant also noted that price rise was keyed to increasing labor & material costs, asserted it was "a positive step toward restoring TV pricing to an area where dealers & distributors can earn a more reasonable return on investment."

TOP TV BRANDS-IN-USE IN 21 MARKETS: Unique comparisons of TV set brands-in-use in 21 different markets have again been made available to us by Consolidated Consumer Analysis, a newspaper ad-promotion survey of consumer buying habits.

CCA surveys cover wide variety of consumer products, from griddle-cake mix to girdles. Results of TV survey in 21 markets, reprinted below, show 13 brands of TV sets with percentage of total households owning them in each of these markets, and ranking of brands according to number owned.

Study covers all sets owned—not just recent purchases. Accordingly, relative sales of various brands last year are reflected only in minor measure. Consumer Analysis surveys are conducted on a sampling basis by local newspapers in the 21 markets. The 1960 survey, made in Jan. by most member newspapers, covered 63,427 households in metropolitan areas containing 4,789,890 households.

Median set saturation in the 21 markets was 96.3% in 1960, up from 94.4% in 1959, 94.5% in 1958.

RCA ranked first in number of sets-in-use in 20 of the 21 sampled areas. Admiral was No. 1 in Chicago. This represented little change from previous surveys. For comparisons of how each manufacturer's percentage has changed in each market in last 4 years, 1960 figures may be contrasted with our Consumer Analysis tabulations in each of these years—1957 (Vol. 13:40 p10), 1958 (Vol. 14:28 p12), 1959 (Vol. 15:26 p16).

More detailed information on brands-in-use in home-electronics field will be found in Consumer Analysis tabulations published by each of the CCA member newspapers. Not only are additional breakdowns on TV supplied for each market surveyed, but some individual-market surveys have similar tabulations, by brands, of hi fi, FM radios, transistor radios.

Milwaukee Journal's tabulations for its own area, for example, have data on both single & multiple TV set owners; data on ownership of stereo-sound systems (8.8% saturation, leading brands: RCA, Magnavox, Motorola, Silvertone, in that order), FM radios (Zenith, RCA, GE, Admiral, Philco are first 5), transistor radios (Zenith, Emerson, GE, RCA, Philco first, although "miscellaneous brands" outpulled them all). Individual area tabulations, valuable to company market researchers, are available on request from member newspapers or their national representatives.

These newspapers participated and have Consumer Analysis studies for their own markets: Chicago Daily News and Sun-Times, Columbus Dispatch and Citizen-Journal, Denver Post, Duluth Herald and News-Tribune, Fresno Bee, Honolulu Star-Bulletin, Indianapolis Star and News, Long Beach (Cal.) Independent and

Press-Telegram, Milwaukee Journal, Modesto (Cal.) Bee, Newark News, Omaha World-Herald, Oregon Journal, Phoenix Republic and Gazette, Providence Journal-Bulletin, Sacramento Bee, Salt Lake Tribune and Deseret News, San Jose Mercury and News, Seattle Times, St. Paul Dispatch and Pioneer Press, Wichita Eagle.

Television Set Ownership in 21 Markets, 1960

(For story, see preceding page.)

Copyright 1960, Consolidated Consumer Analysis Newspapers. Reprinted by Permission.

City	% of Owners	Bought new in past 12 months %	Rank %														
			Victor	Admiral	GE	Motorsola	Zenith	Philco	Silver-tone	Emerson	Westinghouse	Sylvania	Magnavox	Hoffman	Packard Bell		
Chicago	96.1	13.5	2. 18.2	1. 20.2	6. 8.5	4. 12.5	3. 14.7	5. 8.8	7. 6.5	11. 2.5	12. 2.4	15. 1.8	8. 4.0	—	—	—	—
Columbus	98.5	25.7	1. 28.1	3. 14.8	6. 8.5	4. 11.0	5. 8.8	2. 18.2	—	—	10. 3.0	8. 4.9	10. 3.0	—	—	—	—
Denver	96.9	11.7	1. 17.3	2. 11.2	5. 9.3	3. 10.4	4. 9.8	6. 8.0	13. 2.9	9. 4.3	14. 2.8	17. 1.7	14. 2.8	10. 3.4	7. 5.6	—	—
Duluth-Superior	96.6	9.6	1. 20.2	3. 9.9	2. 15.5	9. 4.9	6. 7.4	5. 8.0	12. 2.2	4. 8.5	7. 6.7	15. 1.4	13. 1.6	—	—	—	—
Fresno	93.8	13.7	1. 15.9	10. 4.3	5. 9.1	2. 10.6	3. 10.2	4. 9.8	6. 7.2	9. 6.3	12. 3.0	11. 3.7	12. 3.0	6. 7.2	8. 6.7	—	—
Honolulu	91.2	21.7	1. 17.7	7. 7.0	3. 11.1	5. 8.2	2. 13.9	6. 7.1	4. 10.8	8. 5.4	11. 2.9	9. 5.0	15. 1.6	14. 1.7	10. 4.5	—	—
Indianapolis	95.0	17.8	1. 22.7	2. 16.3	7. 7.9	5. 8.7	4. 9.8	3. 11.5	9. 4.0	11. 2.9	8. 5.8	6. 8.6	12. 2.6	—	—	—	—
Long Beach	96.7	14.7	1. 18.4	2. 11.0	5. 8.6	10. 4.8	5. 8.6	8. 8.2	7. 8.4	12. 2.8	14. 2.2	16. 1.7	9. 7.3	4. 9.9	3. 10.6	—	—
Milwaukee	96.8	15.3	1. 27.9	2. 19.0	5. 7.4	4. 9.3	6. 7.0	3. 10.2	7. 4.7	10. 2.7	9. 3.0	11. 2.5	8. 3.5	19. 1.2	—	—	—
Modesto	89.1	16.5	1. 15.2	9. 4.7	7. 7.1	6. 7.8	3. 11.2	5. 9.5	4. 9.9	10. 4.0	14. 1.7	12. 2.4	13. 1.9	2. 11.3	8. 6.4	—	—
Newark	97.8	16.3	1. 30.1	2. 15.7	6. 6.9	10. 4.1	7. 6.8	3. 10.2	11. 3.5	4. 9.2	8. 5.6	12. 3.2	9. 4.8	—	—	—	—
Omaha	98.5	11.2	1. 24.2	6. 8.4	4. 9.7	3. 10.9	5. 9.0	2. 16.1	8. 4.1	7. 5.0	8. 4.1	—	—	10. 3.3	—	—	—
Phoenix	95.1	16.3	1. 11.3	2. 9.4	3. 8.8	5. 7.0	4. 7.1	9. 4.6	7. 5.6	6. 6.9	8. 4.7	13. 3.4	12. 3.7	9. 4.6	11. 4.4	—	—
Portland, Ore.	93.9	16.4	1. 16.6	3. 10.8	5. 7.8	6. 7.7	2. 11.9	4. 8.0	8. 5.6	13. 2.2	10. 3.6	11. 2.4	13. 2.2	7. 6.5	8. 5.6	—	—
Providence	97.2	15.0	1. 13.8	3. 10.7	7. 6.4	5. 8.3	6. 7.4	2. 13.2	12. 2.4	4. 10.6	8. 4.3	10. 3.0	9. 3.5	—	—	—	—
Sacramento	94.9	16.3	1. 19.5	9. 6.3	2. 10.2	8. 6.7	4. 8.4	3. 9.7	7. 6.8	10. 5.2	11. 3.6	16. 1.6	12. 3.3	6. 7.5	5. 8.1	—	—
Salt Lake City	96.6	15.0	1. 15.2	4. 10.8	2. 12.3	5. 7.7	6. 6.6	3. 11.2	11. 3.6	15. 2.4	7. 6.1	12. 3.5	10. 4.0	8. 5.6	9. 5.4	—	—
San Jose	94.4	18.8	1. 16.2	3. 10.0	8. 6.4	5. 8.8	2. 10.7	4. 9.0	5. 8.8	10. 5.4	12. 3.9	13. 2.1	11. 4.5	9. 6.0	7. 8.7	—	—
Seattle	94.9	15.4	1. 19.3	8. 7.8	2. 9.8	6. 8.0	4. 8.4	5. 8.3	6. 8.0	12. 2.8	10. 4.8	11. 4.7	9. 5.0	12. 2.8	3. 8.7	—	—
St. Paul	98.1	15.1	1. 23.1	2. 11.9	3. 10.7	4. 10.2	6. 9.2	5. 9.7	—	—	13. 2.5	12. 2.9	—	—	11. 3.1	—	—
Wichita	96.3	12.3	1. 14.5	2. 12.4	4. 8.7	6. 7.4	3. 12.3	5. 8.6	8. 4.1	19. 1.5	7. 5.0	15. 1.9	10. 4.0	11. 3.6	—	—	—

TV-RADIO PRODUCTION: EIA statistics for week ended Aug. 19 (33rd week of 1960):

	Aug. 12-19	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	119,916	89,430	138,758	3,556,694	3,539,584
Total radio	244,600	243,351	274,526	10,156,796	8,657,763
auto radio	76,054	82,720	83,041	3,897,271	3,346,417

Olympic's Sales Corp.: The trend to autonomous marketing subsidiaries in the consumer-electronics industry (Vol. 16:5 p19) has enlisted Siegler Corp.'s Olympic Radio & Television div., which established subsidiary Olympic Radio & Television Sales Corp. at its Long Island City, N.Y. hq. Olympic div. Pres. Morris Sobin wears a 2nd hat as chairman of the sales subsidiary. Morton M. Schwartz, Olympic consumer-products sales vp, becomes pres. of Sales Corp.

Olympic also reported last week that first-half sales were above the year-ago level, that 85% of the gains came from consumer products. Noted Sobin: The gains continue "an uninterrupted 5-year growth which has tripled Olympic's consumer sales and catapulted us into a prominent position in the industry." Some of the gains: TV sales, up 19½%; radios, 12½%; TV-radio-stereo combos, 74½%.

Watts Cooking? The hot subject of thermionic converters heated up last week with the announcement by GE that it was mass-producing a heat-to-electricity generator that produces one watt of power from heat applied at 1,100° C. The compact device—about the size of a silver dollar, with wires—is expected to reach the market in October, with a price range of \$300-to-350. (An experimental thermionic converter was announced by RCA in July, Vol. 16:29 p17).

GE reported that it's operating with a pilot production line that turns out 60 converters a week. With minor modifications, the line's output capacity can be stepped up to 100 units weekly. GE also reports it is working on larger converters with outputs ranging up to 500 watts, for industrial, consumer and space-project applications. An immediate application of the one-watt converters is seen in space satellites, for the conversion of solar heat to energy—to derive from the sun the power to actuate devices to send messages back to earth.

New recording tapes, to be distributed by Ampex's United Stereo Tapes subsidiary and independent distributors: Ampex, a premium-brand tape, and Irish 300, a low-priced version of Irish tape. Both are made by Ampex's Orr Industries subsidiary.

Sylvania's Waltham Labs has won a \$3.2-million Navy contract for electronic data-processing equipment.

DROP-IN PARADE BEGINS: RCA last week signaled the start of the drop-in procession by introducing a bevy of added starters to its 1961 TV-radio offerings. Several other set makers added TVs and/or radios to fill & broaden their lines. More drop-ins are in the offing. Among them: Admiral's entry in the reverb derby.

RCA added 16 new TVs, 11 of which feature the "New Vista" tuner introduced in a single model 3 months ago (Vol. 16:22 p18). The 5 other newcomers: 2 color consoles, a 17-in. portable (The Trouper), a 19-in. portable (The Heather, with a \$199.95 guide price), a 23-in. console which features push-button pre-selection of up to 12 hours of TV.

The nuvistORIZED tuner "already has proved that it has the power to pull in TV signals in areas where TV viewing never before was possible, including outlying areas of the Hawaiian Islands," reports RCA product-planning & development vp James M. Toney. The 11 new TVs with the tuner: two 19-in. portables, one 23-in. table, five 23-in. consoles, three 23-in. TV-stereo combinations.

RCA also introduced a flock of new radios: 5 tables, 5 clocks, an AM-FM table, a gift kit comprising a shirt-pocket transistor radio, earphone, leather case, battery & windup alarm clock. Sales vp R. W. Saxon asserted: "It is entirely possible that the radio industry may top 10-million unit sales this year—highest since 1948. Sales are running nearly 18% ahead of last year, when the industry sold 8,897,500 home sets. Sixty percent of the more than 10 million radios expected to be sold this year will be in the table & clock categories, despite all the attention being given to transistor portables."

RCA also extended its stereo line with the addition of 18 console models, in 6 different series. A novelty of the line is an optional reverb unit, in kit form, for installation in the (2-models-each) Mark 8, Mark 4 and Henredon fine furniture series. The reverb unit is priced at approximately \$50, installation extra.

* * *

Other drop-in activity last week:

Zenith introduced an FM-AM clock radio that features "drift-free" tuning, a "dial-it" wake-up alarm control, and a suggested retail of \$89.95. The "Sandman" increases Zenith's FM line of table radios to 8 basic models. Commented Sales Corp. Pres. L. C. Truesdell: "During the first 6 months of 1960, unit sales to dealers of Zenith FM-equipped table & portable sets topped those in the corresponding period in 1959 by over 70%."

Packard Bell added a 9-ounce (with battery), 6-transistor portable (Model 6RT-4) with a \$29.95 price tag. It's shirt-pocket size and features all-topside controls for in-pocket tuning.

Grundig-Majestic dropped in a variety of new TVs, radios and phonos, including: 3 AM/FM/SW radio-phono combos; a 23-in. TV consolette; a lowboy with 23-in. TV, stereo phono and AM/FM/SW radio (remote tuner optional); and a deluxe, \$2,995 combo featuring 24-in. TV, AM/FM/SW radio, stereo, 2-speed tape deck, 6 speakers.

Toshiba has come up with what is described as the world's first 3-way transistor portable-table radio. Richard B. Stollmack, gen. mgr. of distributor Transistor World Corp., says the 7-transistor unit will be ready for distribution in about 10 days. The 2-in-1 unit comprises a shirt-pocket portable & a battery- or AC-operated table. The pocket radio, complete with batteries, earphone and carrying case, will retail for \$39.95. The table-model speaker cabinet, complete with an AC converter, will sell for \$19.95. The speaker cabinet houses its own batteries.

Electronic Mergers Hit: A trend toward mergers & acquisitions in the electronics industry was sharply criticized last week by David Packard, pres. of Hewlett-Packard. He told the Western Electronic Show & Convention at Los Angeles that it was a serious problem. A record 35,000 scientists, engineers, electronics executives and students attended the event at the Sports Arena, which contained 987 exhibits of advanced electronic & space-age equipment.

The mergers, said Packard, are spurred by "the attraction of the exorbitant price-to-earnings ratios which the investment community has generated out of their enthusiasm for our performance. There is no evidence which will stand critical examination to indicate our industry is any stronger as a result . . . I have seen many cases where, when the pride of ownership & the opportunity for truly free individual decision were lost, the enterprise which was acquired, lost, rather than gained productive capability."

Packard also urged the industry to resist pressures of governmental control, acknowledging that this is difficult when there is reliance on the government for such a large proportion of business.

Other Packard observations: More effort should be put into improving the U.S. educational system . . . The anticipated influx of Japanese TV sets will be not as severe as the Japanese transistor-radio invasion . . . Russia is not ahead of the U.S. in electronics. Packard was presented with the Western Electronic Medal of Achievement.

Awards of industrial design excellence were presented to 4 manufacturers: Ampex, for its FR-600 magnetic tape recorder; Beckman Instruments, Fullerton, Cal., for its potentiometric recorder and the 210 high-speed data-processing systems; Librascope div. of General Precision, Glendale, Cal., for its RPC 40,000 electronic computing system; and Eitel-McCullough, for the Eimac X762B power triode.

Other awards: The 1960 achievement award of IRE 7th region to space-scientist Dr. Eberhardt Rechin . . . The newly-established \$1,000 De Forest scholarship in the future-engineers competition, to Dwight Jaeger, 17-year-old Los Alamos, N.M. high school senior.

* * *

Electronics companies in the 11 Western states will account for 22% of 1960 U.S. electronic sales—up from 20% a year ago. The forecast is from Western Electronic Manufacturers Assn. Pres. S. H. Bellue, who said Western firms will bill nearly \$2.3 billion of 1960's estimated total \$10.2 billion, compared with \$1.9 billion last year. The figures do not include broadcast, service and distribution revenue. Bellue added that by the end of this year there will be 840 electronic firms in the West, an increase of 70 firms; employment will rise from 155,000 to 167,000. Los Angeles & nearby Orange County account for more than half of the West's total sales. Electronic companies in these 2 counties expect sales approaching \$1.4 billion this year—up 19% over last. Sales by electronic companies in the San Francisco Bay area are expected to reach \$530 million—up 21% over last year.

Zenith's budget for Sept.-Oct. daily newspaper advertising has been increased to 100% over the year-ago level, reports Sales Corp. Pres. L. C. Truesdell. The expanded ad schedule embraces Zenith's 1961 lines of TVs, radios and stereo phonos.

Standardized electronics terms approved by IRE & other professional organizations are included in *Electronics & Nucleonics Dictionary*, published at \$12 by McGraw-Hill. More than 13,000 terms are defined in the 543-page book.

Color TV In Japan: Nine Japanese manufacturers are now turning out color-TV sets for home consumption, reports Tokyo-published *Radio & TV*. Adds the trade magazine: "At present the price of color TV averages between 400,000 & 500,000 yen [about \$1,100-to-1,400], rather high, but manufacturers say that the price [for 21-in. sets] will be lowered to 150,000 yen [around \$400] by 1964, the year of the Tokyo Olympic Games. They presume that by this year color TV will have attained its peak."

The 9 color-TV manufacturers: Mitsubishi, Matsushita, Sanyo, Hayakawa, Yaou, Nippon Electric, Nippon Columbia, Hitachi, Toshiba. "Of these 9," reports the magazine, "only Toshiba has an exclusive factory for color TV. Hitachi, Mitsubishi and NEC, who were outstripped by Toshiba and National [Matsushita] have a keen interest in the new TV. Hitachi and National are intending to invest large funds [for plant expansion] . . . Each company faces severe sales competition."

"Color TV is emphatically fulfilling the prophecy made 6 years ago by RCA Chmn. David Sarnoff that 'the future of TV is in color,'" RCA Pres. John L. Burns asserted last week in the role of guest business-columnist in the *N.Y. Herald Tribune*. He added: "Today [color TV's] vast & varied activities add up to more than a \$100-million-a-year business at retail. Over 60% of this total comes from sales of color receivers. Some 15% is accounted for by broadcast equipment, tubes and parts; another 15% by servicing activities; and the rest by independent local broadcasting . . . Color TV has positioned itself as a \$100-million-plus venture in only half the time it took the American automobile industry, one-quarter the time it took the aircraft industry."

"Color TV shows concrete signs of real mass-market sales this fall," RCA Sales Corp. Chmn.-Pres. W. Walter Watts told distributors in Chicago last week. "RCA's sales are currently running 60% ahead of last year, with weekly increases of more than 100% ahead of 1959 during the past few months." Watts also declared that the company "is more optimistic today about the future of the electronic consumer-products business than we have been since the height of the b&w TV boom in the early 1950s." Some of the optimism-producing factors: color TV, the nuvistorized TV tuner, "excellent position regarding inventories." On the basis of these & other factors, Watts said, "we confidently look forward to 1960 ending up as one of RCA's most successful in home-instrument marketing—both in unit & dollar volume."

Color-TV set was voted 6th most-wanted item on a list of 16 in a Pulse survey which asked 1,000 persons how they would spend an unexpected gift of \$1,000. As reported in *Television Age*, 5.5% would buy a color set with the windfall—although 49.2% of the respondents had never seen a color-TV program. Asked if they had 1960 buying plans for color TV, 95.3% of 508 respondents who had viewed color TV said no. Major reasons: Too expensive (48.2%), not perfected (27.3%), satisfied with b&w (15.1%).

Admiral's manifesto against "the tidal wave of Japanese electronic products" exported to the U.S. (Vol. 16:34 p16) was cited by Rep. Dent (D-Pa.) in a 30-min. Aug. 24 House speech on foreign trade policy. He called for tariff revisions to protect U.S. industries from foreign encroachments which he said were spreading unemployment here:

Trade Personals: R. H. Coffin named ad & sales promotion staff vp, RCA, in a consolidation of the institutional and staff ad & sales promotion activities . . . C. Wesley Michaels, ex-GE, named to new post of planning & mkt. research mgr., RCA industrial electronic products . . . Nicholas De Falco named to new post of gen. mgr., Du Mont Labs industrial electronics div.

Raymond T. Leary promoted from gen. sales mgr. to mktg. vp, Cornell-Dubilier . . . William H. Herrman, ex-Hoffman Electronics, named ad & sales promotion mgr., Stromberg-Carlson's electronics div. . . Donald W. Gunn promoted from sales vp, Sylvania electronic tubes, to regional vp, Sylvania Electric Products, headquartering in Burlingame, Cal. William O. Spink succeeds Gunn.

Andrew T. O'Rourke appointed Eitel-McCullough controller . . . Charles L. Hasseman named PR dir., Fischer & Porter . . . Thomas J. Kelly named to new post of international services asst. dir., Raytheon.

Edward R. Wagner, ex-RCA, joins Page Communications Engineers as vp and maintenance & operations dir. . . Robert P. Sumberg and E. Douglas Kenna named vp's Avco Corp. advanced development div. . . R. W. Harbison, Lear service div. gen. mgr., elected a vp . . . Harry G. Bowles named vp & controller and financial planning committee chmn., Burroughs Corp. . . Theodore Bloom named vp-gen. mgr., Olympic of Southern New England . . . K. A. Ray, ex-Caltech, named solar product mgr. of Hoffman Electronic semiconductor div.

Melvin L. Russell, ex-Teleregister, named Adler Electronics military products div. contract administrator . . . John W. Hillegas, ex-Standard Electronics, named Southeast field sales representative.

RCA veteran L. S. Thees, gen. commercial mgr. of the electron-tube div., will be honored by the purchasing-agents div. of the United Jewish Appeal's TV-radio-electronics-industry group. The testimonial, at UJA's Oct. 11 dinner, is to Thees's years of service to the industry & his "deep interest in the welfare of his fellow men."

RCA Chmn. David Sarnoff will be honored by the N.Y. Board of Trade at its 14th annual gold awards dinner Oct. 6.

New plants & expansions: RCA broke ground in Palm Beach Gardens, Fla. recently for a \$4-million production plant for electronic data-processing equipment. The 180,000-sq.-ft. facility is expected to be operative by January—and to employ several hundred persons • GE will begin construction next year of a \$3-million lab in Schenectady, N.Y. for the study of advanced manufacturing methods. The lab will be completed in 1961 • GE also announced a \$2,860,000 expansion program for its Owensboro, Ky. receiving-tube plant. The expansion will add 2 buildings (one of 128,500 sq. ft., the other 19,500 sq. ft.), increase engineering equipment • GT&E Labs has established temporary Western hq at 1177 University Drive, Menlo Park, Cal. pending completion of a new research facility on a 75-acre tract in Palo Alto • Bulova Watch has opened a warehouse in Berkley, Cal. to handle distribution of its radios, stereo phonos, and electric razors to retail jewelers in 7 Western states.

Obituary

Joseph Sanders, 82, Washington banker who as a youth worked with his uncle Emile Berliner in developing the first disc-record talking machine (subsequently trademarked "His Master's Voice" by Victor), died Aug. 20 in Georgetown Hospital. Surviving are 2 sons, a daughter, 3 sisters.

Finance

Mergers & Acquisitions: Transitron Electronics and Thermo King, Minneapolis maker of refrigeration equipment for trailer trucks, have signed a preliminary merger agreement. Subject to further study, satisfaction of certain conditions, and stockholders approval, Transitron would issue 9 of its common shares in exchange for each 10 of Thermo King. • ITT has acquired the electromagnetic vibration equipment unit of Los Angeles-based L. C. Miller Co. ITT's industrial products div. will produce & market electromagnetic shaker & calibration equipment for testing electronic components & systems • America Corp. (formerly Chesapeake Industries) has acquired Pricemetal Corp. of Belmont, Cal., will operate it as the V.M.P.-Pacific div. of subsidiary Virginia Metal Products Inc. America also announced 2 new firms: Pathé Sound Services Inc. of N.Y., a wholly-owned unit of subsidiary Pathé Labs, and Pathé-DeLuxe of Canada Ltd., a jointly-owned company established in Montreal by Pathé with 20th Century-Fox subsidiary DeLuxe Labs • Philips Electronics and Pharmaceutical Industries Corp. (a 66.7%-owned subsidiary of Consolidated Electronics Industries Corp.) has acquired Columbus Pharmacal Co., Columbus, O. • Minnesota Mining & Mfg. and Warner-Lambert Pharmaceutical have agreed tentatively to merge, subject to further discussions & approvals by directors & stockholders of both companies. Under the proposed merger, one share of Warner-Lambert common would be exchanged for one-half share of 3M common, plus one share of a special Class A voting stock still to be authorized • Electric & Musical Industries has acquired the rights to the Top Rank label from Rank Organization subsidiary Rank Records Ltd. • Itek Corp. and Seeburg have resumed their on-again-off-again merger talks, and announcement of tentative agreement is anticipated shortly after Labor Day.

Lab for Electronics anticipates "the highest earnings & sales in the company's history" in its 1961 fiscal year ending next April 30. Pres. Henry W. Harding reports that volume & profit for the initial quarter are the best for any comparable period. In its 1960 fiscal, Lab for Electronics earned \$1,225,880 (\$2.23 a share) on \$38,526,334 sales. "We are very optimistic about the future," Harding said, noting that the order backlog had jumped to \$40 million on June 30 from \$28.4 million at the close of the fiscal year 2 months earlier. Stockholders will vote Sept. 13 on a proposal to increase the authorized common stock to 1,250,000 from the present 750,000 shares. The added shares, Harding said, would "provide the board with the flexibility to take advantage of opportunities for acquisition requiring prompt & decisive action."

SEC hearing for Re, Re & Sagarese, N.Y. broker-dealer accused of violating securities laws in transactions involving Skiatron Electronics & TV stock (Vol. 16:32 p15), has been postponed in Washington from Sept. 7 to Sept. 19 at the firm's request.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Amphenol-Borg	Q	\$0.35	Sep. 30	Sep. 16
Andrea Radio	New	.12½	Sep. 15	Sep. 1
Arvin Industries	Q	.25	Sep. 30	Sep. 6
Electronics Investment	Q	.25	Sep. 30	Sep. 22
Hoffman Electronics	Q	.15	Sep. 30	Sep. 16
Sprague Electric	Q	.30	Sep. 14	Aug. 31
Textron Inc.	Q	.31¼	Oct. 1	Sep. 15

Ampex earnings dropped sharply in fiscal-1961's first quarter ended July 31, despite an 11% sales gain (see financial table). Pres. George I. Long Jr. forecast improvement in both volume & profit in the current quarter, but indicated that earnings for the half would run behind the year-ago net. He told stockholders that fiscal-1961 sales are expected to top fiscal-1960's \$68,113,000 level, and that earnings will compare favorably with the 55¢ a share earned in the preceding fiscal (Vol. 16:25 p20). Long reported that the proposed merger of Ampex and Telemeter Magnetics, Culver City, Cal. maker of precision electronic components and core-memory products, was still under active study by the boards of both firms. A decision on the merger proposal is anticipated within several weeks. If the directors favor a merger, stockholders will be called to a special meeting to vote on the proposal.

Desilu Productions reports a net loss for its first quarter of fiscal 1961 (see financial table). Pres. Desi Arnaz attributed the loss to a late start in production, caused by the 5-month Screen Writers Guild strike. He anticipates that profits in the 2nd & 3rd quarters will be "greater" than in the year-ago periods. Arnaz said Desilu is exploring acquisition of companies producing & filming TV shows.

Reports & comments available: Transitron, discussion, Laidlaw & Co., 25 Broad St., N.Y. 4 • Corning Glass, report, White, Weld & Co., 20 Broad St., N.Y. 4 • Television-Electronics Fund, booklet-prospectus, Hallowell, Sulzberger, Jenks, Kirkland & Co., Philadelphia National Bank Bldg., Philadelphia 7 • Pacotronics Inc., prospectus, Myron A. Lomasney & Co., 39 Broadway, N.Y. 6 • Motion Picture Industry, profile in Aug. 24 *Financial World*.

**OVER-THE-COUNTER
COMMON STOCK QUOTATIONS**

Thursday, Aug. 25, 1960

Electronics TV-Radios-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers, Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked	Stock	Bid	Asked
Acoustica Associates	28½	30%	Magnetics Inc.	10½	12½
Aerovox	9½	10½	Maxson (W.L.)	10%	11¾
Allied Radio	22½	24½	Meredith Pub.	40	43½
Astron Corp.	2½	2%	Metropolitan Bcstg.	19½	20%
Baird Atomic	36	38½	Milgo Electronics	22½	25½
British Industries	13¾	15½	MPO Videotronics	6%	7%
CGS Labs	9	11½	Narda Microwave	5¾	6%
Control Data Corp.	45	48¼	Narda Ultrasonic	3½	4¼
Cook Elec.	16¼	17½	National Co.	32¼	34%
Craig Systems	18¼	19%	Nuclear of Chicago	33½	36½
Dictaphone	41	44	Official Films	2	2%
Digitronics	23¼	24%	Pacific Automation	8	9
Eastern Ind.	14%	15½	Pacific Mercury	8	8¾
Etel-McCullough	28½	30%	Perkin-Elmer	44¼	47½
Elco Corp.	18½	20%	Philips Lamp	178¾	184½
Electro Instruments	37	40¼	Pyramid Electric	2%	3-1/16
Electro Voice	13	14%	Radiation Inc.	26	28¼
Electronic Associates	30¼	32¾	Howard W. Sams	49	53¼
Erie Resistor	9½	10	Sanders Associates	57	61½
Executone	32¼	35%	Silicon Transistor	6¾	7%
Farrington Mfg.	45½	48¾	Soroban Engineering	25¼	27¼
Fischer & Porter	21	23	Soundscribe	14½	16
FXR	54	58½	Speer Carbon	23	25½
General Devices	16	17½	Sprague Electric	55¾	59¾
G-L Electronics	10	11½	Taft Bcstg.	14¼	15¾
Granco Products	5½	5%	Taylor Instrument	82	88¾
Gross Telecasting	18¼	20%	Technology Inst.	11¼	12%
Haydu	¼	5/16	Teledrome	14%	16¼
Hewlett-Packard	83¾	87½	Telemeter	7¾	8½
High Voltage Eng.	137	148	Time Inc.	66½	70
Infrared Industries	22	24½	Tracerlab	11%	13%
International Rect.	24½	26½	United Artists	6%	7%
Interstate Engineering	26½	28½	United Control	24%	26%
Itek	68	72½	Universal Trans.	1½	2½
Jerrold	8%	9%	Vitro	14½	15½
Lab for Electronics	49¼	52¼	Vocaline	3½	4
Lel Inc.	6	6%	WJR Goodwill Station	9	—
LFE Inc.	11½	14¼	Wells-Gardner	17¼	18¼
Ling Altec Electr.	26%	28%			
Magna Theater	2%	3-3/16			

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Ampex Story on p. 15	1960—qtr. to July 31	\$16,400,000	—	\$ 344,000	\$0.05	7,275,920
	1959—qtr. to July 31	14,800,000	—	826,000	.11 ¹	2,209,308
Andrea Radio	1960—6 mo. to June 30	3,718,889	\$ 250,738	131,953	.53 ²	250,700
	1959—6 mo. to June 30	2,936,777	260,396	136,388	.55 ²	250,700
Audio Devices	1960—6 mo. to June 30	3,251,954 ⁹	283,012	143,012	.17	828,119
	1959—6 mo. to June 30	2,930,414	(40,976)	(14,676) ³	—	800,820
Consolidated Electronics Industries	1960—6 mo. to June 30 1959 ⁴	46,487,749	4,311,372	2,009,811	.72	2,810,750
Desilu Productions Story on p. 15	1960—13 wks. to July 30	2,558,778	(428,697)	(201,397) ¹⁰	—	1,155,000
	1959—13 wks. to Aug. 1	3,799,974	432,550	265,050	.23	1,150,000
Esquire Radio & Electronics	1960—6 mo. to June 30	1,706,531	—	36,693	—	—
	1959—6 mo. to June 30	1,396,231	—	(4,401)	—	—
Four Star Television	1960—44 wks. to April 30	13,945,332	—	301,814	.63	480,000
	1959—43 wks. to April 25	7,025,182	—	275,140	.57	480,000
National Video	1960—year to May 31	17,047,104	1,425,169	1,131,869	1.84	616,667
	1959—year to May 31	14,853,531	1,468,996	1,018,996	1.65	616,667
Philips Electronics & Pharmaceutical	1960—6 mo. to June 30	17,385,984	1,497,880	851,896	.43	1,993,275
	1959 ¹	—	—	—	—	—
Sonar Radio	1960—year to June 30	1,115,212	—	137,251	.33	410,940
	1959—year to June 30	806,483	—	57,137	.24	230,940
Victoreen Instrument	1960—6 mo. to June 30	6,093,307	530,963	260,770	.16 ¹¹	1,594,249
	1959—6 mo. to June 30	3,629,259	475,465	219,465	.14 ¹¹	1,458,483
Warner Bros.	1960—9 mo. to May 28	66,392,000	9,077,000 ⁵	4,577,000	3.05	1,499,900
	1959—9 mo. to May 28	62,084,000	11,899,000 ⁶	7,249,000 ⁷	4.57 ⁸	1,585,196

Notes: ¹Adjusted for Feb.-1960 3-for-1 split. ²Based on 250,700 shares outstanding June 30, 1960. ³After \$26,300 tax credit. ⁴Comparison invalid because of major consolidations in Oct. 1959. ⁵Includes \$430,000 profit on sale of capital assets. ⁶Includes \$797,000 profit on sale of capital assets. ⁷Does not include special credit of \$6.5 million (\$4.10 a share), representing profit on sale of ranch. ⁸Based on net from operations. ⁹Record. ¹⁰After \$227,300 tax credit. ¹¹Based on 1,594,249 shares outstanding June 30, 1960.

Pacific Industries has disposed of 3 of its 7 operating divisions, will now concentrate in fields allied with electronics & scientific instruments, reports Pres. Henry L. McIntyre. Jettisoned are the tannery, ship repair and mining divs., which had a combined net loss of about \$300,000 for the 11 months to July 31 of fiscal 1960. The 4 remaining divs.: General Film Labs, Hollywood processor of motion picture & TV film; Custom-Aire Products, manufacturer of furnaces & wall heaters; Computer Measurement Co., maker of precision-electronic equipment, and Midland Mfg. and Wright Electronics, producers of quartz crystals. McIntyre said their combined quartz production "is the nation's largest for the electronics industry."

NAFI Corp., whose diversified interests run from textiles & boat-building to broadcasting (KPTV Portland, KCOP Los Angeles, radio KXYZ Houston), plans a public offering of \$7.5 million of convertible subordinated debentures due 1980. An SEC registration statement (File 2-16947) listed Shields & Co. and Lehman Bros. as principal underwriters, said the interest rate & price of the debentures would be supplied in an amendment.

Litton Industries, Beverly Hills, Cal. manufacturer of electronic components, equipment and tubes, rolled up a sales gain of nearly 50% to \$185 million in its 1960 fiscal year ended July 31. Chmn.-Pres. Charles B. Thornton, in a preliminary report, said that profits (undisclosed) also gained, commensurate with the sales rise. Final profit figures are expected to become available shortly.

Indiana General Corp. was listed for trading on the N.Y. Stock Exchange last week. Symbol: IGC.

Technology

Bow-mounted TV cameras helped navigate the atomic submarine Seadragon on its history-making cruise charting a new Northwest Passage from the U.S. East Coast to Alaska. Fixed-position TV has been used by other nuclear-powered subs in Arctic exploits, but the Navy reported that movable cameras aboard the Seadragon provided new help to crew, scientists & technicians in watching the ocean around the sub, the bottom below, the ice above.

IRE professional group will join with the U.S. Committee for the International Scientific Radio Union in Dec. 12-14 technical sessions at the National Bureau of Standards' Boulder (Colo.) Labs. Main subjects for the meeting: Tropospheric & ionospheric radio propagation, radio noise of terrestrial origin, radio waves & circuits. Oct. 10 is the deadline for submission (to Boulder Labs' A. H. Shapley) of titles & 100-to-200-word abstracts of proposed papers.

Experimental "dial control system" developed by Westinghouse permits operation of home electrical appliances via dial telephone anywhere in the country. Consumer products vp Chris J. Witting said Westinghouse has no immediate plans to carry the device beyond its present experimental stage, although it is incorporated in an electronic oven which is now on tour as part of a Westinghouse products display. The system is built around a relay box. When the housewife goes out, she puts the equipment on automatic. From any phone in the U.S., she can call her home number, then dial another code number to connect her with the specific appliance she wishes to control.