

WEEKLY Television Digest

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Advertising

SPOT TV CONTINUES STRONG PACE, reports TvB. Over \$160 million was spent by clients for gross spot TV time in 1961's second quarter (p. 8).

SPOT TV-RADIO DATA available to admen is being increased by a trio of new station-level research projects by Westinghouse's TvAR, CBS's KNXT Los Angeles and Henry I. Christal Co. (p. 8).

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WESTINGHOUSE LOSES AFFILIATION TAX CASE: A network contract has "an indeterminable useful life," hence can't be depreciated for tax purposes. So ruled Tax Court Judge Russell Train last week in rejecting Westinghouse Bcstg. Co.'s appeal of a 1957 Internal Revenue Service ruling (Vol. 16:22 p1). IRS has been demanding \$985,782 in back taxes for 1953-54 which WBC must pay unless it challenges & wins in Circuit Court of Appeals. Leonard Kust, top tax attorney for parent Westinghouse Electric Co., said decision hadn't been reached on seeking court appeal.

Many other station sales had been negotiated with allocation of part of price to network contract in hopes that WBC would win—eventually producing windfall in tax refunds. Judge Train also ruled against WBC on a 2nd issue—holding that TV spot-announcement contracts "purchased en masse" also have "an indeterminable useful life."

WBC had bought KYW-TV Philadelphia (then WPTZ) in 1953 for \$8.5 million. It allocated \$5 million to NBC-TV contract, depreciated it on 55-month basis on the assumption the contract would be renewed twice.

NBC-TV canceled contract within 31 months, when WBC & NBC swapped their Philadelphia & Cleveland stations, and WBC then sought 31-month depreciation. Judge Train's opinion stated, in part:

"Only 7 months remained of the then existing term when petitioner [WBC] purchased the contract. Yet petitioner claims it paid \$5 million for this contract. It is incredible that petitioner was not reasonably certain of renewals . . . Petitioner's witness stated that 'I don't think any prospective purchaser [of a TV station] would enter into a contract unless he felt he could get a renewal' . . . In fact, petitioner from the first treated this contract for depreciation purposes different from a contract for a term. Petitioner assumed the probability of two 24-month renewals, added that period to the remainder of the term in effect when petitioner purchased the contract, and took depreciation over a 55-month useful life. Even on petition and brief, petitioner expressly concedes that at least the one renewal that took place after it purchased the contract must be added to the useful life of this asset. In so doing, petitioner implicitly concedes that the renewed contract is not a new contract, with its own value and its own useful life, but is a continuation of [the] original contract . . ."

"The probability of future renewals is a question of fact. Respondent [IRS] has determined that the contract was reasonably certain of renewal indefinitely and the burden is upon petitioner to prove that determination in error. Petitioner must show more than uncertainty as to the length of the contract's useful life . . . We are not convinced that an industry practice as to valuation of a contract is a sufficient indication of that contract's probable useful life. Insufficient evidence was introduced from which could be calculated either the average useful life of network affiliation contracts or their usual life span."

"In form, the contract was perpetually renewable on the same terms without either party thereto taking any action or attempting to reach a fresh meeting of the minds."

Regarding the claim for depreciation of spot contracts, Judge Train held: "These contracts were not purchased as individual contracts. In fact, the letter purchase agreement did not specify the price for each contract nor even the total basis assigned to them. Petitioner purchased a mass asset whose value will fluctuate as contracts expire and as new contracts are signed. When confronted with this issue, this court has consistently held such a mass asset not depreciable because it did not have a determinable useful life."

CRIME REPORT DE-EMPHASIZES TV: Sex & crime on TV, which have won headlines for Sen. Dodd (D-Conn.) & his Judiciary Juvenile Delinquency Subcommittee in series of sensationalized hearings on network programming (Vol. 17:6 p6 et seq.), rate only slight space in his first formal report to Senate.

Rise in juvenile crime is "alarming," Subcommittee says in 17-page roundup review of its findings since Dodd took over chairmanship from late Sen. Hennings (D-Mo.), who died last September. But faults in "family life," schools and juvenile-court probation systems—rather than in TV—are blamed.

TV's bad effects on children are dismissed in one paragraph of document recounting what Dodd & his investigators have learned so far from witnesses at hearings and from answers to questionnaires sent to "psychiatrists, psychologists and criminologists." They were asked to weigh "possible effects of violence & lawlessness in TV programs & motion pictures" among other influences suspected of leading youth astray.

"Answers were not sufficiently documented for specific conclusions," Dodd concludes in Senate report signed by all 7 members of his Subcommittee. "However," report adds, "certain associations between the mass media & real crime were apparent."

Report leaves it at that, although Dodd has no intention of dropping TV subject, which has built-in guarantees of full newspaper coverage. He may resume TV hearings this month, picking up where he left off in July, when he suggested that network shows need FCC censorship (Vol. 17:31 p8). Special TV report may follow the new hearings.

Critical reception was given in House meanwhile to another official document dealing with TV—"Pogo Primer for Parents (TV Division)," published by Health, Education & Welfare Dept. (Vol. 17:35 p10). Pamphlet's cartooned suggestions that TV can be good for children—so long as sets aren't turned into baby-sitters by parents—were greeted with hoots by Rep. Gross (R-Ia.).

"What next?" Gross demanded derisively. "Of all the hundreds of thousands of pamphlets issued through the years by the federal govt., this by all odds must be the silliest & most useless." He said pamphlet "should be insulting to all parents," called for "house-cleaning" of HEW officials responsible for "idiotic" project, asked: "What next can we expect as we march to the new frontier—with our 'Pogo Primers' tucked neatly under our arms?"

"Pogo" cartoon book had at least one defender in House, however. Rep. Blich (D-Ga.), whose district embraces "Pogo's" Okefenokee Swamp, asked for Rep. Gross's copies to send to her constituents. She told Gross that TV producers "could create nothing so entertaining & so good for the morals of both young & old as the 'Pogo' program for TV."

Note: There were sporadic outbursts against TV programming in Aug. 30 House floor debate preceding passage of legislation (amended S-279) setting up 3-year \$30-million matching-grant fund to help communities solve juvenile-delinquency problems through counseling services & demonstration projects. Rep. Bolton (R-O.) said TV was among "channels of youth training" for crime. "We ruin our eyes looking at faulty TV," Rep. Gubser (R-Cal.) complained. Probation officers must compete with "poisonous TV shows," said Rep. Lindsay (R-N.Y.). "Violence on TV has a great deal to do with this condition," said Rep. Smith (D-Ia.).

FCC ANALYZES 1960 TV FINANCIAL FIGURES: Steady improvement all along the line—profits up 9.8%—characterized TV industry in 1960, according to final financial data released by FCC last week. Total revenues rose 9% to \$1.2686 billion, expenses 8.8% to \$1.0245 billion. Profits were \$244.1 million.

Increases were across the board. Network time sales improved 5.8% to \$471.6 million, spot up 8.3% to \$459.2 million, local up 7.6% to \$215.8 million. (Balance of revenues came from sale of talent & programs.)

Networks and their 15 o&o's garnered \$640.7 million revenues, up 11.2%, profits of \$95.2 million, up 8.3%. Our recent report (Vol. 17:33 p1), reflecting industry financial experts' judgment that o&o's are carrying more & more of network load, was borne out by FCC's figures. Network profits were \$33.6 million, up only slightly from 1959's \$32 million, but their o&o's produced profits of \$61.6 million vs. \$55.9 million in 1959.

Commission's figures also document sharp increase in network programming costs. Of their \$461,170,000 expense in 1960, programming took \$376,943,000—compared with 1959's \$406,535,000 total expenses and \$316,097,000 for programming. Noteworthy is fact that network employment actually dropped from 10,127 to 9,610 while total TV employment rose slightly from 40,270 to 40,612.

Of non-network-owned vhf stations, 81.1% were profitable. The 93 pre-freeze vhfs netted \$98.5 million, the 346 post-freeze vhfs \$50.1 million. And the uhfs, as a group, finally turned the corner, showing profit of \$300,000—though exactly half of the 76 reported losses.

Median profit of the 389 reporting profits was \$166,000, compared with \$165,000 year before. For the 118 losers, median loss was \$44,000, compared with \$55,000 in 1959. Thirteen stations had profits of more than \$3 million; 9, \$2-3 million; 10, \$1.5-2 million; 35, \$1-1.5 million. Two stations had losses of more than \$800,000. There was one loser which grossed between \$6 & 8 million—obviously an independent in N.Y. or Los Angeles.

FCC never reveals individual station figures. Closest it comes to it is to lump figures of markets with 3 or more stations and report them market-by-market, breaking down revenues, expenses & profits. Full table, covering 80 such markets, is reproduced on p. 5. For 1959's table, see page 23 of TV Factbook No. 32. Digest of all FCC-TV & radio financial reports since 1946 is carried on page 22 of the Factbook.

MCA-REVUE DIVORCE NEAR? Indications are mounting in Hollywood that MCA, world's largest talent agency, is planning to spin off its Revue Productions, largest TV-film production company. Signs that a divorce is in the air come in the midst of an intensified investigation by Justice Dept., whose agents have been quizzing Hollywood TV-film, network & agency executives about ramifications of huge MCA operation.

Moving to Revue Productions would be top MCA officials—Pres, Lew Wasserman & Chmn. Jules Stein, along with Revue Pres. Taft Schreiber. All 3 now have their offices at MCA's Beverly Hills hq. New administration building is blueprinted at Revue, and a studio source told us its plans call for offices for them.

As for Music Corp. of America, the talent agency which gave birth to Revue, it's the belief in the trade that it will be operated by its veteran agents such as George Chasen, M. C. Levee and Ed Henry.

An MCA "spin-off" of Revue would be a case of the tail spinning off the dog, because MCA-Revue's TV-film business now far outweighs its talent-agency business in gross & profit. Out of MCA's \$67.3 million gross last year, only \$8.7 million came from agency commissions, the remainder from TV-film production & studio rental. Thus "flesh-peddling" actually produced only 13% of MCA's 1960 gross income. If anything, that percentage is likely to drop this year although total gross income is almost certain to rise considerably. MCA is now taking in almost as much annually from producer rentals on its Universal City lot (Revue Studios) or from syndicated sales of the Paramount pre-1948 backlog as it is from old-fashioned agency commis-

sions. Situation in a nutshell: What with all those hard looks from Washington, MCA's talent representation has lately been looking more like the Ancient Mariner's albatross than the goose that laid the golden egg.

MCA Pres. Wasserman declined to confirm or deny the reports of an impending separation, but it's believed that Revue will expand into movie production when & if the move is completed. More stages are planned to take care of the increased production. Universal-International, which sold its studio to MCA several years ago, rents space from Revue now.

Revue is the giant in the TV-film industry, and has 16 series before the cameras this season, far ahead of its nearest competitors, Screen Gems and Warner Bros., which have 8 each. Revue was formed by MCA a decade ago, when there was a void in the TV-film production field. Off to a wobbly start with one series filmed at space rented at the then-Eagle-Lion studios (now Ziv-UA), Revue has steadily prospered and moved to larger & larger quarters, until acquisition of the Universal City lot. But as MCA's production has increased, agency commissions have become relatively static—partially because MCA can't collect 10% from MCA talent appearing in MCA-produced or co-produced shows.

Just how the spin-off would affect the company makes for interesting conjecture. However, the prevalent opinion is that Revue will continue to dominate the field. That's because of Revue's success to date, plus the belief that the key to any company's prosperity is its top personnel, and there is great respect for Wasserman, who is regarded as one of the industry's most skilled executives.

MCA represents many important clients including Marlon Brando, Gregory Peck, Tony Curtis, Jack Benny, Kirk Douglas and Joan Crawford. The all-important question-mark involving such personalities—what happens if there is a divorce? Trade sources say talent representation contracts signed with MCA are also signed by Wasserman, for the agency. If Wasserman departs MCA for Revue, will the big names remain? It's a pertinent and legalistic problem, and this question may remain unanswered until the divorce occurs. The answer, of course, will determine whether MCA will continue its domination of the field.

MCA Inc. became a publicly owned corporation Oct. 9, 1959, when it offered 400,000 shares at \$17.50 a share (Vol. 15:41 p20). Before the end of 1959, the stock—listed on the N.Y. Stock Exchange—reached a high of 38. In 1960, it ranged from 22¼ to 40¾, has varied between 36¾ & 71 this year, closing Aug. 29 at 67¾. It has never paid a dividend.

JCEB DECLARES WAR ON FCC: In first such action ever taken by educational telecasters, 8-member Joint Council on Educational Broadcasting went to Court of Appeals last week to start showdown fight with FCC over policies which "obviously favor commercial interest" in vhf assignments.

"Commission has dealt a serious blow to the development of educational TV," JCEB said at full-dress news conference in Washington Aug. 30 following filing by counsel Norman E. Jorgensen of 2 appeals against Commission's master drop-in deintermixture plan (Vol. 17:35 p5).

JCEB itself protested final action by FCC to add Ch. 13 to Rochester, N.Y., and reject pleas by Rochester Area Educational TV Assn. that vhf assignment be reserved for ETV, putting it up for grabs by commercial applicants instead. Companion Appeals Court filing by Penn State U. challenged Commission's short-spaced drop-in of Ch. 8 in Johnstown market.

It isn't enough for FCC to earmark uhf channels for ETV, as proposed in Commission's plan, JCEB said in statement urging more vhf channels. It was released to 9 reporters who turned up for conference with 12 spokesmen for educational organizations who lined up behind namecards at table in Allan Room of plush hq of National Education Association. Organizations ranged from National Educational TV & Radio Center to American Council on Education & State Universities Assn.—representing nearly all of scholastic community.

It's not in public interest for FCC to add 3rd commercial vhf channels to areas already served by 2 commercial vhf stations, JCEB argued. "Quite apart from the critical need for this country to enhance its opportunities for a more productive educational & cultural life, we fail to believe that the problems of commercial TV programming will be solved by enlarging the area of what has been referred to [by FCC Chmn. Minow] as a 'vast wasteland.'"

"Arbitrary & capricious," added counsel Jorgensen. He said Court of Appeals test cases are aimed at reversing FCC's commercial-vs.-ETV policies, bringing Commission back on 1952 beam. In report that year, FCC declared intentions to favor ETV for 3rd vhf assignments in 2-station areas. Court's rulings on appeals "might set some pattern for the future" of educational broadcasting, Jorgensen said.

TV Station Income and Expenditures for 1960

In Markets with 3 or More Operating Stations — Compiled Annually by FCC Economics Division

TV MARKETS No. of Stations in Operation in parentheses ()	No. Re- porting \$25,000 or More Time Sales	Time Sales (Before Commissions)			Total Sta- tions Re- porting	Total Broad- cast Revenue (Less Commis- sions, Plus Talent & Pro- gram Sales)	Total Broadcast Expenses	Total Broad- cast Income (Before Fed- eral Taxes)†
		Networks	National & Regional Advertisers & Sponsors	Local Advertisers & Sponsors				
Albany-Schenectady-Troy (3)	3	\$1,545,430	\$3,504,257	\$1,141,749	3	\$5,559,376	\$4,068,257	\$1,491,119
Albuquerque (3)	3	431,304	508,211	1,059,179	3	1,897,884	1,934,517	(36,633)
Amarillo (3)	3	430,177	588,320	1,013,561	3	1,866,699	2,050,761	(184,062)
Atlanta (3)	3	1,706,451	4,398,754	1,920,541	3	7,403,985	5,125,988	2,277,997
Bakersfield (3)	3	335,658	721,003	884,462	3	1,782,311	1,895,386	(113,075)
Baltimore (3)	3	2,114,802	6,204,613	2,621,699	3	9,712,385	7,008,743	2,703,642
Boise-Nampa (3#)	2	*	*	*	2	*	*	*
Boston (3)	3	3,626,556	13,869,110	5,499,416	3	20,034,196	11,091,579	8,942,617
Buffalo-Niagara Falls (3)	3	2,212,806	6,908,883	2,867,738	3	10,303,627	6,356,053	3,947,574
Cedar Rapids-Waterloo (3)	3	817,923	1,495,710	486,200	3	2,638,825	2,343,345	295,480
Charleston-Oak Hill-Huntington, W.Va.- Ashland, Ky. (4)	4	1,207,329	1,895,817	1,145,921	4	4,099,285	3,619,233	480,052
Chattanooga (3)	3	641,772	922,137	657,363	3	2,032,832	1,819,592	213,240
Chicago (4)	4	6,006,769	27,932,679	8,363,136	4	41,082,455	26,451,764	14,630,691
Cincinnati (3)	3	1,966,831	5,656,103	2,281,394	3	9,875,078	6,375,560	3,499,518
Cleveland (3)	3	3,443,895	10,391,390	3,648,897	3	16,894,929	8,850,107	8,044,822
Colorado Springs-Pueblo (3)	3	301,340	445,154	765,988	3	1,511,821	1,468,587	43,234
Columbus (3)	3	1,694,094	4,597,430	2,101,962	3	7,970,926	5,644,477	2,326,449
Dallas-Fort Worth (4)	4	2,073,965	5,234,258	3,614,757	4	10,211,021	7,418,177	2,792,844
Denver (4)	4	1,197,921	3,634,025	2,459,251	4	7,009,551	5,195,667	1,813,884
Des Moines-Ames (3)	3	1,058,590	2,387,922	685,976	3	3,707,314	3,053,578	653,736
Detroit (3)	3	4,442,733	10,798,087	4,238,898	3	18,138,798	9,912,697	8,226,101
El Paso (3)	3	379,903	637,577	882,895	3	1,907,287	1,913,099	(5,812)
Evansville (3)	3	635,090	686,156	806,088	3	1,946,685	1,771,345	175,340
Flint-Saginaw-Bay City (3)	3	860,222	1,579,783	623,705	3	2,754,033	2,702,431	51,602
Fort Wayne (3)	3	763,227	953,474	830,550	3	2,397,023	2,046,465	350,558
Fresno (3)	3	833,683	1,658,056	870,139	3	2,918,192	2,887,166	31,026
Green Bay (3)	3	908,003	912,777	844,265	3	2,517,191	2,255,327	261,864
Greenville-Spartanburg, S.C.- Asheville, N.C. (4)	4	794,533	1,545,104	799,944	4	2,946,452	2,346,327	600,125
Harrisburg-Lancaster-York-Lebanon (5)	5	1,216,273	2,791,432	1,148,558	5	4,325,126	3,365,178	959,948
Hartford-New Haven-New Britain- Waterbury (5)	5	1,815,167	7,016,968	1,377,046	5	8,916,436	5,977,667	2,938,769
Honolulu (3)	3	303,810	1,096,372	1,597,892	3	2,834,574	2,542,115	292,459
Houston-Galveston (3)	3	1,765,236	5,287,955	2,306,128	3	8,162,712	5,550,312	2,612,400
Indianapolis-Bloomington (4)	4	1,860,406	5,406,294	2,504,012	4	9,264,295	6,938,635	2,325,660
Johnstown-Altoona (3)	3	927,716	2,193,441	700,278	3	3,491,713	2,065,832	1,425,881
Kansas City (3)	3	2,062,289	5,606,106	1,940,257	3	8,536,649	5,322,988	3,213,661
Knoxville (3)	3	712,541	1,189,632	792,704	3	2,391,767	1,885,560	506,207
Las Vegas-Henderson (3)	3	112,706	199,434	788,047	3	1,192,189	1,232,127	(39,938)
Little Rock (3)	3	686,836	1,010,414	808,313	3	2,375,891	2,048,294	327,597
Los Angeles (7)	7	5,683,471	28,012,507	17,501,092	7	45,403,977	38,028,854	7,375,123
Madison (3)	3	542,521	1,065,561	559,173	3	2,049,434	1,541,599	507,835
Memphis (3)	3	1,687,911	3,138,831	1,136,359	3	5,265,453	3,319,363	1,946,090
Miami (3)	3	1,468,535	4,950,197	3,004,992	3	9,247,336	6,485,246	2,762,090
Milwaukee (4)	4	2,140,931	5,877,647	2,198,681	4	9,194,858	6,075,645	3,119,213
Minneapolis-St. Paul (4)	4	2,432,439	5,413,561	4,138,632	4	11,461,224	8,817,751	2,643,473
Mobile, Ala.-Pensacola, Fla. (3)	3	586,712	1,258,125	1,002,573	3	2,786,216	2,460,359	325,857
Nashville (3)	3	1,287,797	1,939,130	1,864,890	3	4,600,650	3,612,570	988,080
New Orleans (3)	3	1,418,165	3,471,747	2,229,878	3	6,407,185	5,480,944	926,241
New York (7)	7	10,655,920	59,628,711	12,036,797	7	75,443,656	41,805,975	33,637,681
Norfolk-Portsmouth-Newport- News-Hampton (3)	3	1,277,937	2,156,036	1,603,752	3	4,730,166	3,948,606	781,560
Oklahoma City-Enid (3)	3	1,372,358	2,833,120	1,548,003	3	5,575,011	3,900,339	1,674,672
Omaha (3)	3	1,364,627	2,360,536	1,012,572	3	4,631,240	3,544,498	1,086,742
Orlando-Daytona Beach (3)	3	543,365	955,742	1,040,388	3	2,405,315	2,171,986	233,329
Paducah, Ky.-Cape Girardeau, Mo.- Harrisburg, Ill. (3)	3	601,064	1,048,500	327,545	3	1,861,505	1,307,927	553,578
Peoria (3)	3	709,654	1,010,988	852,223	3	2,391,738	2,331,370	60,368
Philadelphia (4#)	4	5,165,241	18,519,832	4,758,854	4	24,928,284	16,511,477	8,416,807
Phoenix-Mesa (4)	4	781,596	1,704,756	2,159,037	4	4,320,086	4,128,648	191,438
Pittsburgh (3)	3	3,057,425	10,726,979	3,700,334	3	15,371,436	9,521,980	5,849,456
Portland-Poland Springs (3)	3	819,730	1,658,969	585,972	3	2,808,653	2,420,400	388,613
Portland (3)	3	1,560,360	4,554,490	1,556,302	3	6,560,160	4,636,934	1,923,226
Richmond-Petersburg (3)	3	972,911	1,321,093	820,320	3	3,255,795	2,629,786	626,009
Roanoke-Lynchburg (3)	3	871,137	1,194,959	813,779	3	2,633,873	2,122,928	510,947
Rochester (3)	3	1,050,627	2,591,360	1,002,101	3	4,109,105	3,155,802	953,303
Rochester-Austin, Minn.- Mason City, Iowa (3)	3	393,475	595,017	673,904	3	1,674,402	1,422,429	251,973
Sacramento-Stockton (4#)	3	1,065,249	3,545,146	1,456,378	3	5,231,848	4,880,054	351,794
Salt Lake City-Ogden-Provo (5#)	3	968,742	1,425,756	1,592,506	4	3,902,662	3,600,696	301,966
San Antonio (4)	4	1,087,501	2,304,452	1,349,210	4	4,138,585	3,426,063	712,522
San Francisco-Oakland (4)	4	3,499,359	9,791,446	5,477,362	4	17,160,853	11,473,454	5,687,399
Seattle-Tacoma (5)	5	1,829,809	5,488,100	1,800,445	5	8,208,204	8,234,448	(26,244)
South Bend-Elkhart (3)	3	546,783	677,242	700,709	3	1,900,338	1,830,816	69,522
Spokane (3)	3	709,992	2,066,579	822,437	3	3,058,642	2,646,434	412,208
Springfield-Decatur-Champaign- Urbana-Danville (5)	5	751,926	1,639,384	1,261,206	5	3,305,384	2,335,973	969,411
St. Louis (4)	4	2,595,287	8,136,610	3,129,008	4	12,433,587	9,631,464	2,802,123
Tampa-St. Petersburg (3)	3	1,064,802	2,983,439	1,739,017	3	5,274,793	3,887,656	1,387,137
Tucson (3)	3	358,071	504,285	1,205,998	3	1,980,203	1,768,061	212,142
Tulsa (3)	3	1,143,136	2,095,105	1,049,366	3	3,964,970	2,991,967	973,003
Walluku (3)	1	*	*	*	1	*	*	*
Washington, D.C. (4)	4	2,342,924	7,579,298	2,484,541	4	11,831,164	8,943,485	2,887,679
Wichita-Hutchinson (3)	3	919,229	1,736,103	961,386	3	3,299,415	2,958,000	341,415
Wilkes-Barre-Scranton (3)	3	896,801	1,310,438	990,183	3	3,044,118	2,668,764	375,354
Yonkers (4#)	3	574,832	849,873	523,335	4	1,837,840	1,612,363	225,477
Total 80 Markets (274)	266	\$ 112,614,339	\$371,986,488	\$161,750,149	269	\$ 602,300,879	\$428,807,690	\$173,493,189
Markets Less Than 3 Stations								
Total 192 Markets (261)	252	\$ 42,053,199	\$ 87,207,470	\$ 53,933,742	261	\$ 171,536,381	\$134,496,655	\$ 37,039,726
TOTAL 272 MARKETS (535)	518	\$ 164,697,538	\$459,193,958	\$215,683,891	530	\$ 773,837,260	\$563,304,345	\$210,532,915

†Parentheses () denote loss. #Not all stations in this market operated a full year during 1960. *Data not published for groups of less than 3 stations.

Congress

NAB ATTACKS SPORTS BILL: Professional sports should remain under antitrust regulation, NAB govt. affairs vp Vincent T. Wasilewski insisted last week. He opposed legislative proposals which would permit package TV game deals as against "public interest."

Testifying before the House Judiciary Antitrust Subcommittee on a bill (HR-8757) by Chmn. Celler (D-N.Y.) which would validate terms of the outlawed CBS-TV-National Football League contract (Vol. 17:35 p6), Wasilewski said it would result in "less sports broadcasting."

The only witness against the Celler bill at the one-day hearing, Wasilewski urged that arrangements for sports broadcasts be left under antitrust restrictions:

"We believe that there is such an overriding public interest in the telecasting of professional sports that no law should be enacted which would exempt this aspect of sports operations from the antitrust laws.

"We believe that no blank check should be given to professional sports which would allow them to arbitrarily black out from the air waves, through concerted activity, the telecasting & broadcasting of games which have such great public appeal."

The NAB official, who has been picked by Pres. LeRoy Collins as his next-in-command as exec. vp (Vol. 17:33 p8), acknowledged that there are differences of opinion within the broadcasting industry on the merits of such blank-check blackout legislation. The networks themselves weren't summoned by Celler to testify—and they didn't ask for time on the witness stand.

NAB's Objections Enumerated

Wasilewski ticked off these objections to the bill:

(1) "Only one network would be allowed to broadcast the games of an individual league, thus eliminating the possibility of 2 networks telecasting different games of the same league in the same area." (2) "The league would have to preclude individual clubs from making telecast arrangements of their own in their respective communities." (3) "It authorizes a league to make one contract for the rights of all its games. This precludes viewing choices by the public."

Wasilewski added that the measure is "obviously in the short-range interest of one network"—ABC-TV, whose telecasting contract with the American Football League hasn't been tested in court. He also agreed with witnesses from professional sports fields that individual clubs probably would get more TV income under package league contracts. But he pointed out that NFL clubs have been getting \$3.5 million annually from individual TV contracts.

NFL Comr. Pete Rozelle, supporting the bill, said the CBS-TV antitrust ruling—if left standing—would mean the end of pro football in many smaller cities whose clubs would be deprived of the bigger package revenue. Other witnesses backing Celler's measure included AFL Comr. Joe Foss, William R. Reed of the National Collegiate Football Assn. and Baseball Comr. Ford Frick.

The outlook for enactment at this session of the Celler bill—or any of a flock of similar TV sports measures in the House & Senate—wasn't bright. But if any legislation does get through, it probably will be Celler's. The Senate Judiciary Antitrust Subcommittee headed by Sen. Kefauver (D-Tenn.) has sent 3 bills (S-168, 1856 & 2427) to the full committee—but without recommendation; "We'll probably wait for the Celler bill," a Committee source told us.

Code Violators Sought: Sens. Magnuson (D-Wash.) & Pastore (D-R.I.), who threatened legislative and/or FCC reprisals against broadcasters who accept hard-liquor commercials (Vol. 17:35 p1), have been challenged by NAB Pres. LeRoy Collins to name any guilty Code subscribers.

"If you have any specific information of any violation of our Code in this or any other respect, we urgently request that you advise us thereon for our prompt investigation and any needed disciplinary measures," Collins wrote the Commerce Committee's Magnuson & Pastore in response to their Aug. 23 ultimatum to him.

Reporting the exchange of correspondence on the Senate floor, Magnuson said: "The issue is not settled." He assured the Senate "it would be more than serious" if the most recent attempt by a whiskey distiller (Publicker Industries Inc.) to break down broadcasting's voluntarily-raised barriers should succeed.

But at last week's end Commerce Committee staffers assigned to watch the liquor situation on the air told us they had heard of no instance in which any subscriber to NAB's TV or Radio Codes aired Publicker commercials. At NAB hq we were told that reports from Code monitors so far also showed no breach in NAB's line. Publicker has claimed that 60 radio & 2 TV stations—all presumably non-subscribers—carried its advertising.

In his letter to Magnuson & Pastore, Collins said that adherence by Code subscribers to the Codes' liquor ban "is now & has been generally complete [despite] considerable pressure by some distillers & their agents to breach the line." But he acknowledged that "unfortunately all broadcasters do not now subscribe to our Codes."

"With the total industry behind our efforts in these delicate areas, such problems would not arise," Collins said. "I am hopeful that the strengthening of our Code operations and its greatly stepped-up activity in the coming weeks will enable us to impress more clearly on broadcasters the folly of carrying this advertising."

JFK Backs FTC Bill: "Strong support" for a controversial bill to give FTC power to issue cease-&-desist orders in unfair-practices cases (Vol. 17:35 p2) has been voiced by President Kennedy. In a letter to House Commerce Committee Chmn. Harris (D-Ark.), he said such measures as the bill (HR-1233) by Rep. Steed (D-Okla.) are needed to speed FTC processes & cut down case backlogs. As it is, the President wrote Harris, FTC lacks authority to stop illegal practices until the conclusion of proceedings in cases. "As a result," the letter said, "small businessmen who are so often the target of discriminatory & monopolistic activities are often irreparably injured or destroyed long before the lengthy process of adjudication has been completed."

"Bedside Network" Praised: One of the least-publicized organizations in broadcasting—Veterans Hospital Radio & TV Guild—deserves more public recognition & financial support, Rep. Lindsay (R-N.Y.) told the House. He said the Guild, operating out of N.Y. on an annual budget of \$1,000, provided volunteer entertainment for 180,337 hospitalized veterans in 1960 alone. The "bedside network," sponsored by representatives of the networks, NAB, RTES, ASCAP, BMI and TV-radio unions, now is in its 14th year of service at Veterans Administration facilities. Lindsay called for support of a public fund-raising campaign planned by the Guild. He said enactment of his resolution (H.J. Res. 468) designating Nov. 5-11 as "Hospitalized Veterans Week" would help promote the drive.

Nuclear TV Foreseen: Controversy in Congress over a proposed privately-operated U.S. satellite communications system (Vol. 17:35 p5) spread last week from separate Senate & House committees to the Joint Committee on Atomic Energy.

Testifying before the Atomic Energy Research Subcommittee headed by Rep. Price (D-Ill.), Atomic Energy Comr. Robert E. Wilson came up with a plan for a nuclear-powered TV satellite in such a system which could transmit directly to TV viewers around the world.

"In my opinion this would mean much more to the average individual than a manned landing on the moon," Wilson said, assuring the Subcommittee that such a nuclear transmitter in space is "possible in this decade."

Chmn. Price took a dim view of the value of such a space gadget, however. He said he didn't think much "world prestige" could be won by such an accomplishment in a field where USSR has made spectacular advances.

Comr. Wilson maintained, however, that a simple nuclear-powered satellite system relaying TV signals with 1 kw to ground networks could be developed in 2-3 years. TV coverage of "the entire hemisphere" from a satellite would require about 150 kw of nuclear-developed power, he estimated.

Meanwhile, an informal 35-member Senate-House Democratic caucus led by House Judiciary Committee Chmn. Celler (D-N.Y.) sent a letter to President Kennedy protesting the White House-FCC plan for ownership of a space system by international common carriers.

Organized last month to oppose the plan (Vol. 17:33 p5), the caucus told the President that if the project goes through, AT&T would gain a "dominant & very probably a monopolistic position." This would be "intolerable from the standpoint of the public interest," the letter said.

Celler & his colleagues urged the President to make an exhaustive study of satellite problems before reaching any final decision on private or govt. ownership of the system. If an ultimate go-ahead is given to private operators, the combine should be expanded, they said.

Senate Salutes Sarnoff: Vice President Johnson and 23 Senators attended a luncheon honoring RCA Chmn. David Sarnoff Aug. 30 on the occasion of his 55th anniversary in the communications industry. Sponsors were Senators Keating & Javits (R-N.Y.), Aiken (R-Vt.), Magnuson (D-Wash.) & Pastore (D-R.I.). Sen. Aiken was master of ceremonies. In brief remarks, Gen. Sarnoff described 4 trips he had taken, saying they epitomized the opportunities which are presented "only in America." The first was the steerage voyage from his Russian birthplace to the U.S. in 1900 when he was 9; 2nd, from N.Y. to England in 1909 as radio officer of the *USS New York*; 3rd, from U.S. to France in 1929 as assistant to Owen D. Young, Chmn. of the Reparations Commission; 4th, from N.Y. to Washington for the luncheon. His voice full of emotion, he said: "I'm deeply moved and profoundly honored." Sen. Aiken characterized him as "a dreamer and a doer." On the floor of the Senate, the same day, statements praising Sarnoff were presented by Senators Keating, Javits, Magnuson and Kuchel (R-Cal.). A major dinner in Sarnoff's honor is being planned for November in New York.

Radio Bill Passed: The Senate has approved a bill (S-1589), authorizing FCC to issue radio-operator's licenses to U.S. nationals who aren't citizens (Vol. 17:30 p14).

The FCC

Lafayette Ch. 3 Drop-out Planned: KVOL Lafayette, La. has petitioned to withdraw from the 3-way contest for Ch. 3, stating it has doubts about economic prospects. It said that drop-ins of several new channels in the general area have cut into the channel's proposed service area. KVOL is 50%-owned by the Morgan Murphy interests which recently bought KXLY-TV (Ch. 4) & KXLY Spokane (Vol. 17:34 p8). The station also reported that the Murphy interests have reached an agreement with George Thomas, the other 50% stockholder, whereby the latter will become 100% owner. In the Ch. 3 case, examiner Millard French had recommended giving the CP to KXKW, denying KVOL and uhf KTAG-TV (Ch. 25) Lake Charles (Vol. 17:24 p5).

Putnam's Allocations Parley: Telecasters representing 13 stations accepted the invitation of William Putnam, WWLP (Ch. 22) Springfield, Mass., to discuss FCC's proposed allocations actions last week. Results of the meeting, Putnam said, were that "we agreed that the Commission has taken steps long overdue and we hope that they'll stand up." He added: "I just invited some friends in. Some represented uhf stations, some vhf. We don't have the leverage to out-politic those opposing FCC's action. We've got to rely on a strong case, not a strong arm." Putnam is chmn. of the Committee for Competitive TV, a uhf organization which participated in the activities of TASO, the group that made allocations studies for FCC. He said that CCT would file comments on the proposal.

Mack Case Dropped: Ailing ex-FCC Comr. Richard A. Mack won't have to face trial again on charges that he conspired to rig the Miami Ch. 10 award for WPST-TV. At the request of U.S. Attorney Oliver Dibble, District Court Judge Alexander Holtzoff on Aug. 30 dismissed the 3-year-old indictment against Mack, whose first trial in 1959 ended with the jury deadlocked. Dibble said the govt. was unable to proceed with the prosecution of Mack because his co-defendant, the late Thurman A. Whiteside, was acquitted at his 2nd trial (alone) last October. Mack had been excused from retrial then because he was too ill to appear in court. Whiteside shot himself in his Miami office May 19 (Vol. 17:21 p16).

NAB Logging Form Tests: Three TV and 6 radio stations will try FCC's proposed new logging form for a week under NAB's auspices, probably starting Sept. 11, to give the Association material on which to base comments to be filed. The stations will follow FCC's proposal for 3 days, then use a modification of existing practices for 3 days. The stations weren't identified, except for WDEC Americus, Ga. which is testing under sponsorship of the Georgia Assn. of Bcstrs. (Vol. 17:33 p3).

Conelrad Tests Start: Daily 9:30 a.m. tests of FCC's new Conelrad alerting system utilizing AP & UPI teletype facilities are being conducted this month. Special instructions & reporting forms were furnished all broadcast stations by defense Comr. Bartley in advance of the tests. Starting Oct. 1, they will be run at 9:30 a.m. Saturdays and 8:30 p.m. Sundays.

ETV Factsheet Issued: A 6-page factsheet, "Educational Television," has been published by FCC to summarize the development of non-commercial TV and list the Commission's ETV rules. Copies of the publication (Bulletin No. 16-B) are available from FCC on request.

San Angelo Ch. 3 CP: Granted to Abilene Radio & TV Co. in the finalization of an initial decision.

Advertising

SPOT TV-RADIO DATA GROWS: Three new station-level research projects launched by station groups or reps were being promoted to ad agencies last week:

1. **TvAR brand comparison study:** The latest measure of regional differences in consumer brand preferences made by Westinghouse-owned TvAR has been expanded to the 8 markets in which there are TvAR-represented stations—Boston, Baltimore, Washington, Charlotte, Jacksonville, Pittsburgh, Cleveland, San Francisco. The new report covers beer & ale, cigarettes, cold remedies, gasoline, headache remedies, hot cereal and margarine. As in previous TvAR studies, there were some interesting differences between markets. A few: (1) Margarine is a more popular household product in Jacksonville and Charlotte, where 88% & 93% of families use it, than in Boston, where only 55% use it. Regional brand preferences were also apparent, with TV-sold Mrs. Filbert's the favorite brand in Charlotte, while the premium-priced Imperial was tops in Boston. (2) Boston also drew a low score in the usage of headache remedies, with 78% of families reporting consumption. High score (94%) was scored in San Francisco. Copies of the study are available to agencies from TvAR, 666 Fifth Ave., New York 19.

2. **KNXT buying-habit study:** To determine "what kind of audience, in terms of buying habits" was being reached by CBS-TV o&o KNXT Los Angeles, ARB prepared a special correlation of TV viewing and consumer purchasing. The study, titled "Prime Prospects," has been since developed into a presentation of the CBS-TV Stations div. Key findings: (1) Two-thirds or more of most food & drug purchases in Los Angeles, generally regarded as the nation's 2nd biggest market, are made by one-third of the area's population. (2) As a typical example, KNXT cited household aluminum foil consumption. Dividing users into 3 equal groups "according to their buying habits," ARB found that "heavy" users actually accounted for 72.6% of total aluminum foil sales in the city. (3) This consuming audience was also a TV audience, with KNXT reaching 94% of the "heavy" users at least once a week.

3. **Christal-Politz studies:** Designed to provide agencies with considerable data which can be used in planning integrated TV-radio spot schedules, 5 new radio-market studies will be available this month from rep firm Henry I. Christal. The studies have been conducted by Alfred Politz Media Studies, and will cover such things as: (1) The kinds & numbers of people who listen to radio each week. (2) Places & times of day wherein people listen. (3) A measure of the "qualitative attributes" (community service, etc.) of individual radio stations. The studies are not the usual "rating reports," and actually are geared to showing data on the radio medium in each of the 5 markets rather than competitive information. The 5 cities, in which there are Christal-represented radio outlets, are Albany, Buffalo, Detroit, Hartford and Milwaukee.

Print Revenue Tops TV: Newspaper ad revenues are more than double those of TV, reports the Bureau of Advertising of the American Newspaper Publishers Assn. ANPA's breakdown for 1960, based on compilations prepared by the research dept. of McCann-Erickson: Newspapers (all U.S. dailies)—\$3.7 billion. TV—\$1.6 billion. Magazines—\$940 million. Radio—\$668 million. Outdoor advertising—\$203 million.

Spot TV Continues at High Level: More than \$160 million was spent by TV advertisers in spot TV gross time billings in the 2nd quarter of 1961. That's the boxscore from TvB, which reported that spot spending showed a slight (0.04%) increase above the comparable quarter of 1960.

Prime-time spot buys still head the list of advertiser preferences (in dollar volume), with nearly \$52.2 million (32.5% of total) spent in evening time. Daytime buys, however, weren't too far behind, amounting in the quarter to \$40.1 million (25% of total). Next in line were early-evening buys (\$34.7 million representing 21.7%) and late-night Spot TV (\$33.5 million, 20.8%).

Announcements are far in front of other types of spot activity, representing 75.9% of the dollar total. Local-level program purchases and 10-second IDs represent, respectively, 12.3% and 11.8%. As might be expected, the leading spot TV advertiser for the period was Procter & Gamble, with billings of more than \$16.4 million, with Colgate-Palmolive (\$4.7 million) and Lever Bros. (\$4.2 million) as runners-up. On the list of top 100 spot TV advertisers for the first time: Phillips-Van Heusen, Cities Service, Pure Oil, Cal. Spray Chemical.

Food & grocery products with total 2nd-quarter billings of \$44.4 million this year (up 7.2% from last year) were the leading advertiser classification, according to TvB. Interestingly, this was confirmed in part last week on another front. A checkup conducted by Ziv-UA among sponsors of the firm's first-run syndicated series revealed that food products now account "for nearly 26% of the markets in first-run sales," and represent as a category "the top sponsor in syndication." Unlike TvB's over-all runner-up category—cosmetics & toiletries, which spent \$16.7 million in the second quarter of 1961—Ziv-UA's 2nd largest category of advertisers buying first-run syndicated series proved to be tobacco companies, led by Brown & Williamson and American Tobacco.

Canadian Sponsorship Restrictions: A regulation to require TV advertisers to spend as many ad dollars on Canadian shows as they do on American programs on Canadian stations will be proposed by the Board of Best. Governors at a meeting next month of national advertisers, ad agencies and the CBC and CTN TV networks. BBG Chmn. Dr. Andrew Stewart believes such a policy is "essential" if stations are to comply with Canadian-content programming requirements.

TV Auto Cutbacks Coming?: Auto manufacturers will be increasing their ad investments to sell 1962 models, but TV "may find its share reduced." That's the prediction of *Printers' Ink* which forecasts in its current issue a rise in auto ad spending in newspapers & direct mail and heavy expenditures in magazines. GM, said *PI*, is expected "to put a total of more than \$120 million into advertising."

New Reps: KPAC-TV Port Arthur, Tex. to Blair Television Associates Aug. 14 from Bolling • WECT Wilmington, N.C. to Select Station Representatives Aug. 1 from Weed.

Ad People: George Allison named to new post of media dir., Needham, Louis & Brorby . . . Paul W. Moseley and Arnold J. Deutschman elected Ted Bates vps . . . Richard F. Casey named senior vp, Charles E. F. Millard and David P. Hotz elected vps, Benton & Bowles . . . George Mihaly, ex-BBDO TV-radio research mgr., named account exec., Schwerin Research Corp.

Networks

Nationwide TV's 10th Anniversary: In addition to being Labor Day, Sept. 4 is the 10th anniversary of an important TV milestone—the birth of coast-to-coast transmission. First nationwide live telecast was President Truman's opening of the Japanese Peace Treaty Conference in San Francisco—fed instantaneously to 94 TV stations in 52 cities and viewed by more than 40 million people (Vol. 7:63 p3). "Today," said AT&T in a commemorative release last week, "such a program could be transmitted to some 500 TV stations and viewed at the same time in more than 300 cities."

"World's Biggest Ad Medium": NBC-TV continues to make good on a prediction voiced by exec. vp Walter D. Scott, who promised affiliates at the time of the NAB meeting that NBC would become "the world's largest single national advertising medium" during 1961 (Vol. 17:19 p6). In the June reports of LNA/BAR (latest available), NBC-TV topped CBS-TV and ABC-TV in gross billings for the 6th consecutive month, posting a "record" level of \$22.9 million. A comparison also showed that NBC, for the first half of 1961, was ahead of the similar period of 1960 by \$15.3 million. CBS-TV was below its year-ago level on the same yardstick.

NETWORK SALES ACTIVITY

ABC-TV

- A. E. Staley (Erwin Wasey, Ruthrauff & Ryan) Whitehall Laboratories (Ted Bates), part. eff. Sept. 8 & Oct. 2.
Daytime programming, Mon.-Fri.
- Milton Bradley (Noyes & Co.), Lehn & Fink (Fuller & Smith & Ross), co-sponsorship eff. Sept.
American Newsstand, Mon.-Fri. 4:50-5:00.
- Beatrice Foods (Zed R. Daniels) part. eff. Sept. 30.
Magic Ranch, Sat. 11:30-12 a.m.
- Retail tape div. of Minnesota Mining & Mfg. (MacManus, John & Adams) part. eff. Sept. 11.
Daytime programming, Mon.-Fri.
- Keystone Camera (Bresnick) part. eff. Oct. 22 & Oct. 29.
Maverick, Sun. 6:30-7:30 p.m., Adventures in Paradise, Sun. 10-11 p.m.

CBS-TV

- P. Lorillard (Lennen & Newell), Mutual of Omaha (Guild, Bascom & Bonfigli), part. eff. Oct. 4.
Father Knows Best, Wed. 8-8:30 p.m.
- General Foods (Benton & Bowles), part. eff. Sept. 1.
Rawhide, Fri. 7:30-8:30 p.m.
- P. Lorillard (Lennen & Newell), part. eff. Oct. 1.
Ed Sullivan Show, Sun. 8-9 p.m.
- Polaroid (Doyle Dane Bernbach), part. eff. Sept. 23, Oct. 4, Oct. 26, Nov. 9 & Nov. 26.
Perry Mason, Sat. 7:30-8:30 p.m., Checkmate, Wed. 8:30-9:30 p.m. CBS Reports, Thu. 10-11 p.m. The Investigators, Thu. 9-10 p.m., What's My Line, Sun. 10:30-11 p.m.

NBC-TV

- Phillips Petroleum (Lambert & Feasley) part. eff. Sept. 17.
14 pro football games, Sun. aft.
- Revlon (Grey) full-sponsorship eff. Dec. 13.
The Bob Hope Show, Sun. Dec. 13, 9-10 p.m.

Film & Tape

Four Star Buys Marterto: Four Star Television last week acquired Marterto Productions from Danny & Rosemarie Thomas in a deal involving approximately \$2 million.

Four Star received 90 half-hours of Thomas's *Make Room for Daddy* films, produced the first 3 years he was in TV, and Marterto's 25% interest in *The Real McCoys*, plus a continued interest in future segments of *McCoys*.

Other partners in *The Real McCoys* series are ABC-TV, producer Irving Pincus and Walter Brennan, star of the show. While Four Star's purchase does not give it financial control of the series, it will give it a dominant voice in the creative production, one executive told us.

For his profit-sharing equity of the properties involved in the Four Star deal, producer Sheldon Leonard will receive a percentage of the net (before taxes) of the estimated \$2 million from Thomas. In addition, he will be paid residuals by Four Star when the films are exhibited.

Four Star's purchase of Marterto does not include Thomas films made by Marterto after the first 3 years.

The Dick Powell-David Niven-Charles Boyer company does not immediately plan to go into syndication as a result of its acquisition of film, although Pres. Powell told us the purchase was made because of the films' potential residual value. Powell estimated Four Star now has a backlog of close to 1,500 TV films, and "we may eventually syndicate."

Last year the William Morris Agency made a deal leasing 9 years of Thomas films to NBC-TV for daytime stripping; the films acquired by Four Star are in that deal.

Marterto Enterprises owns the current Thomas series. Thomas's other production activities are complex joint ventures. For example, the *Dick Van Dyke Show* is produced by Calvado Productions, owned by Van Dyke, Leonard and Thomas; *Andy Griffith Show* is produced by Maybery Enterprises, with Leonard, Thomas and Griffith involved; *Joey Bishop Show* is produced by Bellmar Enterprises, and partners are Louis Edelman, Leonard, Thomas and Bishop.

* * *

On still another production front, Four Star is taking its first steps toward entering the field of live & taped network programming. Four Star has acquired ownership of a N.Y.-based production concern, Heatter-Quigley Enterprises and Heatter-Quigley Productions, formed by Merrill Heatter and Robert Quigley. Heatter-Quigley, which has specialized in audience-participation and panel shows reminiscent of those of Goodson-Todman, is currently represented on CBS-TV with *Video Village*. The production team will shift soon to Four Star's Hollywood hq.

NBC International is enjoying an export sales boom in the Far East, Latin America and Europe. According to Clifford Slaybaugh, NBC International Enterprises dir., gross sales for the first half of this year topped those of the comparable 1960 period by 50%. Slaybaugh cited "rising interest in American news & public-affairs programs abroad" as sparking the sales upbeat. Among best-selling shows of this type in NBC International's catalog are the *Project 20* and *NBC White Paper* shows, as well as the recent special, "The Real West," narrated by Gary Cooper. In the Far East, NBC International claims 20 series in the Philippines, 22 in Hong Kong, and a large roster in Japan, including a new public-affairs package of 52 episodes sold to Fuji Bestg. Co.

BBC-TV's Overseas Success: BBC-TV has doubled its overseas program sales, and attributes the rise to its 17-month-old BBC-TV Promotions Dept. (which, despite its name, is BBC's international program sales division). More than 1,200 BBC-TV export program episodes were sold in the first year after the new offshoot began operations in March 1960, and a further 800 in April & May. Sales were scored in more than 50 foreign markets, including the U.S. BBC-TV Promotions also purchases programs for U.K. telecasts, and acquired during its first year the TV rights to 52 British features—the first time such a film supply was available to BBC.

In the production area, BBC-TV Promotions and NTA plan a new cycle of *The Third Man*, with 20 episodes to be filmed in Hollywood and 18 at MGM's Elstree Studios near London. Michael Rennie stars and Vernon Burns is exec. producer. The 30-min. cloak-&-dagger series is currently syndicated in about 150 U.S. markets and has been renewed by Budweiser Beer in the show's largest regional deal, 100 markets. Another BBC co-production, *R.C.M.P.*, done jointly with Canadian Bestg. Corp., is now running in 73 markets, with syndication sales handled by NBC Films. BBC's latest co-production, *Zero One*, will go into production this fall as a 30-min. adventure series. All of BBC's film deals, of course, are considered "quota" shows in England and are assured of virtually automatic sales to BBC for prime-time exposure on the organization's TV network.

NEW YORK ROUNDUP

Seven Arts' package of 41 Warner Bros. post-1948 features has been sold to 4 more stations, bringing the market total to 43. New purchasers are WTVJ Miami, WWL-TV New Orleans, and WNBC-TV N.Y., which will program the package as part of a TV double feature on Saturday nights (Vol. 17:35 p12). In addition, 7 Arts has signed 2 more stations for its *Looney Tunes* package of 191 cartoons.

Tele-Tape Productions, Chicago, which operates a mobile cruiser to location-tape TV shows & commercials, has been hired to provide mobile facilities for Videotape Productions, N.Y. Tele-Tape's record includes 65 episodes of NBC-TV's *Kukla & Ollie Show*, with 65 more scheduled. The mobile unit will move to N.Y. September 5.

Film Producers' Assn. of N.Y. moved into new headquarters at 165 W. 46 Street, N.Y. last week. The organization represents the majority of commercial, program & feature production firms based in N.Y. and has been active in attempting to lure movie-making projects to the city and in working with N.Y. union locals.

United Artists Associated's group of 27 features (including 22 post-1948s) will be seen on WCBS-TV's *Early Show* and *Late Show* after Jan. 1. All 22 of the post-1948s are first-run in N.Y.

Add Syndication Sales: Trans-Lux scored a renewal sale for its Encyclopaedia Britannica Film Library to the 5 Westinghouse Bestg. Co. outlets for a 5-year run.

People: Joe Joel, Screen Gems Ltd. (Sydney, Australia) managing dir., appointed sales supervisor for the Far East, Australia & New Zealand.

HOLLYWOOD ROUNDUP

A Living Doll—for TV: Several new comedy telefilm series produced by means of a process called "Tri-Cinematation" are planned by Screen Gems. Developed after years of experimenting by DHB Inc. (a creative trio composed of Christos Diatsinos, Albert Hecht & Robert Brahm), the process is a secret one in which life-like dolls can be made to move, on film, "exactly like human beings," and which can also create exaggerated characterizations for comic effect. (Screen Gems didn't reveal the gimmick of Tri-Cinematation, but it's believed to be an electronic servomotor process of "animating" puppet figures by remote control, off-camera.) DHB Inc. will handle physical filming of the planned series and will act as co-producer. Screen Gems also plans to utilize the new technique in ETV, as well as comedy shows.

Newsman Forms Documentary Firm: Documentary Associates, headed by TV-radio newsman Lew Irwin of Los Angeles, is completing its first 60-min. documentary, "The Addict," and sold it to Unitours. About drug addiction, it will be shown first on a Los Angeles station, then syndicated. Exec. producer Irwin told us he's planning a 60-min. documentary series and a half-hour weekly show about people—a "Candid Camera without the camera." He is also seeking clearance from the Gary Cooper estate for a 60-min. documentary on the late movie star.

MGM-TV's "Best of the Fifties" group of 30 post-1950 movies has been licensed in 34 markets in the past 90 days, and total revenues now approach the \$2-million mark . . . 20th Century-Fox TV has 3 separate segments of *Follow the Sun* before the cameras simultaneously . . . H. N. Swanson Agency is negotiating the sale of TV rights to "Mr. Moto," the character created by the late John P. Marquand.

Revue Studios' *The Investigators*, originally scheduled to debut on CBS-TV Sept. 21, has been postponed until Oct. 5. . . . Mark VII Ltd. will produce a 60-min. anthology pilot for CBS-TV utilizing material from *True* magazine as its source. Producer is Mike Meshekoff, who rejoins Mark VII owner Jack Webb after having produced his *Dragnet* series years ago. Webb will star in some of the segments and direct and narrate. The pilot goes into production in November at Republic Studios.

International Congress of Schools of Cinema & TV members, touring the U.S. under State Dept. auspices, and visitors in Hollywood last week, were hosted by the Academy of Motion Picture Arts & Sciences board and its foreign language film committee.

Revue Studios signed Mary Jayne Saunders to a 5-year contract. She's a regular in its *Tales of Wells Fargo* series. . . . The same studio will have completed 17 segments of its 60-min. *Frontier Circus* series by the time it bows on CBS-TV Oct. 5.

People: Edgar Peterson signed as producer-writer of Jack Douglas's documentary series for Ziv-UA, *Keyhole* . . . Andrew J. Fenady named producer of several Goodson-Todman pilots planned for 1962-63 . . . Wilma Basher, exec. dir. of the Motion Picture Relief Fund since 1938, has retired . . . James Karayn named associate producer of KTLA Los Angeles, his first assignment *City at Night*.

Television Digest

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Personals: Michael Sillerman resigns as exec. sales vp, Programs for Television, to form his own program & sales consulting business . . . Philip d'Antoni promoted from Eastern sales div. mgr. to gen. sales mgr., MBS, succeeding Frank Rogier . . . Robert E. Early, Washington information services mgr. for CBS News, promoted to exec. asst. in CBS Inc. Washington offices . . . Donald G. McGlathery, A. C. Nielsen sales mgr., and Philip F. von Ladau, Western div. sales mgr. for national services, appointed Nielsen vps.

Earl Revoir elected treas., Allied Artists; Jack M. Sattinger named asst. vp; Maurie Gresham named Western div. sales mgr., AA Television.

Karl J. Nestvold appointed gen. mgr., Ore. Assn. of Bcstrs., replacing Robert Monaghan . . . William C. Dempsey named exec. vp, West Mich. Telecasters, applicant for TV & FM in Grand Rapids . . . John North named news dir., WWTW Cadillac-Traverse City, Mich. . . . Steve Libby, CCI div. of Communication Affiliates, named publicity chmn., RTES. He'll coordinate a board set up to handle PR & publicity.

FCC Chmn. Minow speaks to San Francisco's Commonwealth Club Dec. 22 . . . James N. Faber, ex-radio KTAC Tacoma newsman who was World War II news editor for Armed Forces Radio in New Guinea & the Philippines, appointed Interior Dept. information dir. . . . William Dalton, NCTA pres., selected as one of 34 trade association executives to receive a "Chartered Association Executive Award," newly established by American Society of Association Executives . . . Aubrey L. Moore named station mgr., WBRZ Baton Rouge, succeeded as production mgr. by John T. Crowe . . . Irving Brownstein promoted to asst. chief, FCC Safety & Special Radio Services Bureau.

Wasilewski & Swezey in at NAB: The NAB Board has approved the appointment of Vincent Wasilewski as exec. vp and Robert Swezey as head of the TV-Radio Code Authority (Vol. 17:33 p8). Official announcement is expected this week when NAB Pres. Collins returns from his vacation in Tallahassee.

Meetings This Week: West Va. Bcstg. Assn. fall meeting (Sept. 8-10). Greenbrier Hotel, White Sulphur Springs.

Meetings Next Week: Assn. Canadienne de la Radio et la Television de Langue Francaise annual convention (Sept. 10-13). Seaway Hotel, Toronto • IRE and American Institute of Electrical Engineers (Washington sections) space communications panel (11). Panelists include: Dr. John Pierce, Bell Labs; Dr. Elmer W. Engstrom, RCA; Dr. Herbert Trotter Jr., GT&E Labs; Richard P. Gifford, GE. Moderator: Edward W. Allen, FCC. Natural History Museum, Washington, D.C. • South East Radio-TV Seminar, sponsored by Ga. Assn. of Bcstrs. (15). Biltmore Hotel, Atlanta • Mich. Assn. of Bcstrs. fall convention (14-16). Hidden Valley, Gaylord, Mich. • American Women in Radio & TV Southern area conference (15-17). Dinkler-Tutwiler Hotel, Birmingham, Ala.

Educational Television

South Carolina's ETV Net: "First state-wide closed circuit ETV"—the South Carolina network involving more than 400 miles of closed-circuit facilities serving 33 schools in 17 cities—gets the spotlight in the Summer issue of *Bell Telephone Magazine*. When the state began to explore the possibilities of CCTV instead of conventional on-air TV, the article points out, "there was no state-wide educational network anywhere in the nation, and there were no cost figures." A force of engineering, maintenance and cost experts went to work. "The result was that the legislature could be shown that every high school in the state could be served with 3 channels of closed-circuit program material, offering 36 regular daily subjects, at a per-pupil cost of only \$12.67 a year, or a total of \$3.8 million a year. The legislature was so impressed that it appropriated all that was asked for the 1960-61 school year . . ."

Miami-to-Bahamas ETV: The first international ETV experiment in the Western hemisphere will be launched Sept. 8 when the children of Bimini, a tiny resort island in the Bahamas, assemble to watch ETV courses beamed from Miami's WTHS-TV. Bimini's 300 children aged 9-13 years will be ETV-instructed in science, Spanish, typing and sewing. The project was made possible by a \$4,500 grant from the Ford Foundation—a contribution that also included textbooks, 23 TV sets, and a 40-ft. special antenna to receive the Miami station, 65 miles away.

Stations

BBG Delays ABC's CFTO-TV Buy: Canada's Board of Bcst. Governors last week threw an *if* into ABC's plans to purchase stock in CFTO-TV Toronto (Vol. 17:35 p9). ABC reportedly has applied to buy the maximum 25% stock interest permitted non-Canadians. BBG has decided it will approve the stock sale to ABC—if no reasonable matching offer by Canadian interests is received before noon Sept. 25.

Shreveport's New Outlet: KTAL (Ch. 6) has completed construction of new facilities near Vivian, La. and began operation on Sept. 3 as the NBC-TV affiliate for Shreveport. It has offices and studios at 3150 North Market St., Shreveport, as well as on Summerhill Rd. in Texarkana, Tex. Also on the 3rd, KTBS-TV (Ch. 3), which has been the NBC-TV & ABC-TV affiliate for Shreveport, became a full-time ABC-TV outlet.

Uhf Translator Starts: K74BJ Three Rivers, Cal. started testing Aug. 14 by repeating KFRE-TV Fresno.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

MANUFACTURERS PLEDGE SUPPORT OF STEREOCASTING: There's no lack of ad dollars for most FM stereo stations. Neither is there lack of support from hi-fi manufacturers. Dollars & support will become increasingly plentiful as more FM-stereo radios & adapters move into station areas and more advertisers are attracted by the broadening market. These conclusions stem from our discussions with broadcasters & manufacturers last week—in wake of blast by pioneer Chicago FM stereocaster WKFM charging equipment makers with non-support of their latest offspring (Vol. 17:35 p14).

FM stereocasters we contacted were unanimous that their business is perking & increasing, that ad revenues will rise with set distribution in their areas, that any stereocaster hurting for business possibly got off on the wrong channel by giving too much "for free." Exec. vp William Tomberlin of KMLA Los Angeles—which is aiming for a Sept. 10 stereocasting debut—pretty well voiced consensus: "Our schedule is strictly dependent on the advertiser," he told us. "We don't plan any sustaining programs. If stereo manufacturers, distributors and dealers find there are sustaining programs, they won't buy time."

Zenith, GE, Packard Bell, Fisher Radio, H. H. Scott are among hi-fi set & component makers which have already signed for FM stereo time on local stations. Discussions are under way with other manufacturers by aggressive stereocasters seeking business. These same aggressive broadcasters are also seeking & finding local non-industry sponsors. Examples: Laundry, foreign car distributor, moving & hauling firm, oil heating council, tire dealer, restaurant.

Only one of 5 FM stereocasters we spoke with has increased ad rates for stereo. That's WGFM Schenectady, with a \$60-per-min. rate for stereo, vs. \$45-per-min. for mono FM. Only other stereo-mono variations we found: WSPA-FM Spartanburg, S.C. seeks to sell stereo time on a yearly contract; KMLA Los Angeles will add a production charge for stereo commercials.

Increasing support from set & component makers is in the offing. Manufacturers we contacted have ad plans of varying magnitude, it's true, and some plan to leave local advertising to discretion of distributors or dealers. But it seems clear that all will be in close support of product as manufacturing & distribution increase tempo. Even those manufacturers which will leave advertising to distributors & dealers are urging them to support FM stereo locally and are allocating co-op ad funds for that purpose.

Back in Chicago, meanwhile, WKFM is still sticking to its decision to abandon stereocasting unless support from manufacturers is forthcoming. Owner Frank S. Kovas told us "if we get any indication they're interested, we'll continue." Meanwhile, he has already notified his only FM-stereo sponsors, A&P and Fairfield Savings, that WKFM will revert to mono—probably after the first week in September.

For plans & comments of other stereocasters & equipment makers, see p. 14.

SCORE ON TV IMPORTS—13,000 SO FAR: This is the first year of large-scale TV imports—but so far they have amounted to less than 0.4% of 1961's domestic TV production to date.

Approximately 13,000 TV sets arrived at U.S. ports from abroad from Jan. 1 to Aug. 15, 1961—the vast majority of them from Japan—as compared with 10,000 in all of 1960, virtually none in 1959.

Two large importers accounted for nearly all of the TV sets imported so far this year. Our own educated guesstimates place their imports at these figures: Delmonico International has received about 10,000 TV sets (less picture tube) from Japan Victor—most of them 19-in. portables, but recently shipments of TV-radio-phono combinations have been stepped up. Sony Corp. of America has received somewhat fewer than 3,000 battery-operated 8-in. portable TVs—almost all of them since June.

Remainder of TV imports so far this year have been dribs & drabs of sample & token shipments. Majestic International (German Grundig sets) has probably earned title of 3rd biggest importer of TVs, but its relatively high-priced TVs & combos haven't been imported in numbers to compare with Sony's & Delmonico's merchandise. So far as we can determine, no significant amounts of TV sets or chassis have been imported by any company other than the 3 mentioned.

Step-up in TV imports seems likely during 2nd half of year. How big an increase depends on Sony's success with its battery portable. If market tests turn out well, there should be flood of competitive makes, plus many more Sonys.

EIA ASKS IMPORT CURBS: Electronics industry's growth rate has been slowed by the impact of imports, Sprague Electric Co. Chmn. Robert C. Sprague told a House Banking & Currency Subcommittee last week, and he urged legislation to apply brakes to imports "whenever they seriously threaten any segment of the American economy." Subcommittee No. 3 is investigating the impact of imports & exports on American employment.

In a statement submitted in behalf of EIA's Imports Committee, of which he is chairman, Sprague said he personally favored some form of import quotas for critical products, but he conceded that EIA members have "divided interests and points of view." Pointing out that about two-thirds of the 3,500 electronics firms (with 750,000 employees) have 500 employees or less, he said unrestricted imports hurt small business and decrease job opportunities.

While electronics industry's balance of trade is favorable—exports last year were more than 3 times the volume of imports (\$483.4 million vs. \$148.7 million)—this rule doesn't hold true in the home-entertainment field. "Foreign producers sell about \$45 million, or 47.5%, more entertainment equipment in this country than total U.S. exports in that category."

He quoted figures which indicated that if imports of Japanese receiving tubes continue to increase at the present rate, they will account for 22% of the domestic market by 1962, representing a loss of 8,000 U.S. jobs.

Although Japanese competition so far has been concentrated on transistor radios, "this is only the beginning if we are to believe the boasts of the Japanese manufacturers who forecast tremendous increases in their exports, particularly to this country, within the next few years. Japan has adopted a shrewd & effective formula for invading a foreign market. It is to attack sector by sector rather than by a broad assault."

Sprague said Japanese electronics manufacturing facilities, "built in part at least with American financial aid," are as modern as any in the world, and U.S. technology can't be counted on to overcome the Japanese 5-to-1 advantage in labor costs. In his own company, he said, wages & salaries constitute 50% of production costs (excluding taxes) and "my own estimate is that it takes \$10,000 in sales to employ one man for a year." He predicted that other Southeast Asian countries "with even lower wage rates and living standards" than Japan may soon be exporting electronics to U.S.

In behalf of EIA, he endorsed legislation (HR-1149) to require country of origin to be stated in advertising copy and HR-7692 to require labeling of repackaged articles, as well as strengthening of the anti-dumping act.

Sprague brought up one of the real sore points among component makers—the fact that some Japanese manufacturers "have unabashedly offered to furnish American manufacturers with almost undetectable copies of parts now

being purchased in this country and at prices well below the lowest available from U.S. producers."

His concern over this practice was echoed in testimony by Pres. Carl E. Mosley of Mosley Electronics, Bridgeton, Mo., who told the Subcommittee that he was being under-sold in the U.S. market by Japanese-made carbon copies of his products. He said he received a letter from a Japanese engineering firm urging him to get on the same bandwagon—saying in effect:

"The only way you can meet the competition from Japanese duplication of your product is to have Japanese industry also do your manufacturing." He said the Japanese company offered to work out a deal if he could guarantee them a certain volume.

P. R. Mallory's Walter O. Troyer told the Subcommittee that "all electronics imports from Japan [should] be stopped at once, until a fair quota can be set up on each item and the tariff be raised to an effective level to protect our American industry." He said that in 1960 the imports were 5 times U.S. electronic exports to Japan. In the U.S., Troyer testified, "directly or indirectly well over 1 million employed workers are affected by the purchase of one foreign TV set."

A labor witness, Edmond F. Rovner of IUE (AFL-CIO) told the Subcommittee that some companies exaggerate the threat of foreign competition to discourage their workers from seeking higher wages.

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EIA Conference Agenda: Highlights of the Fall Conference at N.Y.'s Biltmore Hotel, Sept. 11-14: Seminar on the Army Modernization Market; report on nationwide interviews with housewives on what they think of TV-radio repair services, by *Good Housekeeping* Institute; consideration of intensified public relations program on import problems. In addition, there will be regular meetings of EIA committees, sections, divisions & departments, and a meeting of the Board of Directors.

NARDA Admits Manufacturers: The TV-radio-appliance dealer trade association last week announced that it will admit manufacturers to membership on a non-voting basis. Pres. Victor P. Joerndt said the move will lead to joint manufacturer-retailer research projects, the first being a plan to report & analyze retail appliance sales.

Production Statistics Delayed: Because it was necessary to advance our publication deadline last week to insure prompt delivery of TELEVISION DIGEST over the Labor Day weekend, the regular weekly EIA figures on TV-radio production weren't available at press time. We'll recap 2 weeks of figures in next week's issue.

Phono Sales Down 17.1%: In our analysis of first-half phono sales last week (Vol. 17:35 p16), we correctly noted that factory sales tumbled to 1,498,050 units from 1,806,871 in 1960's first-half. Inadvertently, however, the percentage decline was noted as 7.1% instead of 17.1%.

More about

FM-STEREO AD SUPPORT: "We're going to go out and sell FM stereo, and it makes sense to us to use stereo stations." So said Zenith last week, and pretty much summed up the thinking of most of the set & components manufacturers we queried on their stereo ad & promotion plans (see p. 12).

The consensus is that it's early in the game for an ad splurge, but virtually all manufacturers we spoke with are readying plans—involving FM-stereo stations—for direct or via-distributor support of stereo as sets begin to flow into local areas.

We found, too, that most stereo stations aren't sitting back and waiting for support from stereo makers & retailers. They're beating the local bushes for sponsors, negotiating with instrument distributors, working out co-promotion deals with FM-stereo retailers.

Currently, Zenith, GE, Packard Bell, Fisher Radio and H. H. Scott seem to be in advance of manufacturers in sponsoring programs on local stereo stations. Others are in the process of jelling plans, keying their ad spending to the appearance of product later this fall. Here's a roundup of the thinking & planning we found in the industry last week:

GE: "We do have a regular program which we will use in key markets, involving sponsorship of FM-stereo programs," radio receiver dept. merchandise mgr. John C. Callahan told us. "We definitely will invest in FM-stereo programming on a large number of stations." GE's comprehensive plan is keyed to the introduction of its FM stereo merchandise on a market-by-market basis. In addition to program sponsorship, GE merchandising calls for "joint promotional efforts with stations, newspaper advertising & publicity," Callahan said.

Zenith: "We intend to use stereo stations as part of our over-all promotional effort," a spokesman noted. Although details are not yet worked out, Zenith hopes to open its campaign early this fall. Actually, we understand, Zenith already has contracted for radio time.

Fisher Radio: Although Fisher will rely heavily on co-op advertising with dealers in areas with stereo programming, sales vp James J. Parks told us that the parent company will foot the entire radio bill in some key areas. In N.Y., for example, Fisher is assuming full sponsorship of the area's first stereo program—WQXR-FM's *Adventures in Sound*, 10:05-11 p.m. Thursdays (Vol. 17:34 p14). It also will buy time co-operatively with Lafayette Radio on another N.Y. area station—WDHA-FM Dover, N.J., which is now stereo testing. Fisher & Lafayette will co-sponsor closed-circuit FM-stereo programming from WDHA-FM at the N.Y. High Fidelity Show Sept. 13-17. (The show's Chmn. Richard Ekstract estimated that a minimum of 50,000 persons in the N.Y. metropolitan area would have FM-stereo receivers or adapters by early spring. Currently, he said, no more than 7,500 are equipped to receive FM stereocasts.)

RCA: Although no formal plans were reported, we understand that individual distributors are being encouraged officially to sponsor FM-stereo time. WSPA-FM Spartanburg, S.C., for example, told us it is already carrying stereo sponsored by the local RCA distributor.

Packard Bell: To help its dealers introduce stereo in the Los Angeles area, Packard Bell has contracted for a late-Sept. special on KMLA. The purpose is to give dealers programming for demonstration, and Packard Bell will sponsor 3 hours nightly for 3 nights.

Motorola: Although no formal factory program is planned, Motorola is encouraging its distributors & dealers to support FM-stereo programming in their areas and is making co-op funds available for that purpose. Little action is anticipated before the appearance of Motorola's stereo adapter next month.

General Dynamics/Electronics (Stromberg-Carlson): Ad mgr. Parry Sykes told us that all advertising will be co-op and on a local level. Each district mgr. will work out ad programs with dealers—and "I feel certain that we are, or will be, sponsoring programs in FM stereo." Stromberg-Carlson adapters won't hit the market for another month and they're not expected to be enough of a big-ticket item to justify a big ad budget. However, Sykes emphasized, stereo will be advertised in markets where there's some FM-stereo excitement.

Emerson: Pres. Benjamin Abrams told us that no radio sponsorship is included in current planning but Emerson may expand into Granco sponsorship later.

FM-Stereo Broadcasters Report

From our discussions with FM-stereo broadcasters we learned that other set & components manufacturers—for example, H. H. Scott, Official Radio—already have signed, or plan to, for time on local stations. Here are the comments of stereocasters:

KFMU Los Angeles: Gen. sales mgr. Larry Krasner told us "we refuse to put any shows on unless they are sponsored. We decided not to give the manufacturers a free ride, and had them signed before we began stereo Aug. 16." Currently, KFMU is carrying only 2 stereo programs: 8-10 p.m. Mon.-Fri. for Official Radio, and 1-3 p.m. Sat. for H. H. Scott, which signed for 52 weeks. "We expect new deals to be set this week," Krasner said.

WGFM Schenectady: This GE-owned outlet is currently stereocasting some 20 hours weekly. At the present time only GE stereo equipment is available in the area, and GE has purchased one 30-min. and two 15-min. segments. WGFM stereocasts 2-5 p.m. Fri.-Sat. specifically to provide dealers with programming for demonstration. We understand that the station is negotiating with Granco's area representative and expects to sell time when Granco sets appear in the Schenectady area.

WSPA-FM Spartanburg, S.C.: "We've been very pleased with the reception FM stereo has had here so far," promotion mgr. William A. Adams told us. The station stereocasts daily 9 a.m. to 11 p.m., has had good ad support from equipment retailers in the area. The local RCA distributor is a sponsor, Adams said, and indications are that more hi-fi retailers and servicemen will soon be buying time. The station attempts to sell stereo on a yearly contract, allows 2 announcements per half-hour.

WDTM Detroit: Programming & operations dir. Robert Conrad informed us that WDTM is stereocasting about 20 hours weekly, has 5 hours sponsored and "a great amount of business about to go." In the latter category, and already signed, are 2 major (but unidentified) set makers. WDTM's other sponsors include a restaurant, laundry, foreign car distributor, hi-fi studio, oil heating council, a moving & hauling firm.

KMLA Los Angeles: Exec. vp William Tomberlin told us KMLA hopes to commence stereocasting Sept. 10. "Our schedule is strictly dependent on the advertisers," he said. "We don't plan any sustaining programs." As indicated above, it has already signed Packard Bell for an FM stereo special. Also signed is Hollywood tire dealer Mark C. Bloome, for 60 minutes each Sunday.

\$200 Million in Color Next Year? RCA Pres. John L. Burns took a glowing look at the color TV industry last week and forecast that it would reach a going rate of \$200 million in 1962—up from \$100 million in 1960. “Looking further to the future, to 1970,” he continued, “we see color rising to the status of a \$4.3-billion industry, including set sales, servicing and broadcast revenue.”

Burns told us that RCA expects to get 20-50% of 1962's \$200-million color business. He also said RCA has no current plans to reduce color-TV set prices, adding: “Price has limited the market to some extent, but the market is so great that we haven't even scratched the surface. Price is only one of a number of considerations. Normally a company will gradually lower its prices. However, RCA lowered the price of color TV from \$1,200 to \$500 in one year—before I joined the company. That move cost us \$17 million.”

Addressing West Coast dealers at a Los Angeles testimonial dinner given in his honor, Burns also forecast that the b&w industry volume would be running at a \$3.2-billion rate in 1970. Coupled with color's anticipated \$4.3-billion rate, this would mean a total \$7.5-billion TV industry.

Trade Personal: George Cohen promoted to vp—marketing, Du Mont Emerson Corp.; he's succeeded as Du Mont Div. sales dir. by George Hakim, former Western regional sales mgr.

Merle W. Kremer appointed vp, Sylvania electronic tube div., continuing as vp-gen. mgr. of the parts div. Matthew D. Burns, senior vp, formerly responsible for the electronic tube div., will now assist pres. Gene K. Beare in corporate & interdivisional activities. Gordon L. Fullerton appointed picture tube operations vp, succeeding W. Herbert Lamb, recently named head of Sylvania's microwave device div.

L. H. Niemann, ex-Sylvania, named mktg. vp, Thomas Electronics, replacing I. J. Posner, resigned to become a manufacturers' representative . . . J. Burton Henry named to new post of sales dir., International Resistance . . . M. Michael Moss, ex-Signal Corps Supply Agency, appointed reliability dir., Radio Receptor Co.; William Boren, ex-Olympic, named finance mgr.; John Feltham, ex-Electronic Communications, named material dir.; Albert Sikorsky, promoted from Radio Receptor Washington office to govt. relations mgr.

William M. Hummel appointed controller, Admiral International Corp. and Admiral Corp. Interamericana . . . Arthur L. Adamson resigns as chmn., Electronic Associates. Fred L. Martinson, engineering vp, named vp, Electronic Associates' new engineering & mfg. div. Richard C. Higbee, secy., treas. and mfg. vp, named operations research and synthesis dept. vp . . . E. M. Tyler and W. S. Sturgeon appointed mgr. and asst. mgr., respectively, of Hazeltine's Greenlawn engineering lab. G. B. McClellan will head the company's test engineering dept.

Ralston H. Coffin, RCA advertising vp, appointed gen. chmn. of Advertising Federation of America's 4th annual Washington mid-winter conference . . . Barton Kreuzer, RCA Astro-Electronic Products Div. vp-gen. mgr., will address SMPTE convention Oct. 2 at Lake Placid, N.Y., on “Electronic & Motion Picture Systems in the Space Age.”

Ronald Friedman named to new post of distributor field sales mgr., General Instrument semiconductor div.; William Carlson promoted from national distributor planning & control mgr., GI semiconductor div., to hq distributor sales mgr. for the division.

Admiral's 27-in. Bonded Sets: The slow revival of the 27-in. receiver may get a boost from a new model using the Pittsburgh-type bonded-on implosion glass. The first of these bonded 27s were shown to distributors in Chicago last week by Admiral. The bonded 27-in. tubes are made by National Video.

Admiral's bonded 27s will come in 3 lowboy models—all carrying open list prices. Also introduced by Admiral were a 23-in. open-list upright console and a 23-in. stereo theater with AM-FM at \$399.95. A similar model without radio has open list.

Other manufacturers now offering 27-in. sets are Magnavox, Du Mont & Packard Bell.

RCA to Close Tube Plant: RCA became the 3rd major receiving-tube manufacturer to curtail production this year when it announced plans to terminate tube production at its Indianapolis, Ind. plant. In June, Philco and CBS Electronics announced withdrawal from tube production (Vol. 17:23 p18). RCA receiving-tube production now will be consolidated at its plants in Harrison & Woodbridge, N.J., and Cincinnati. The company said “studies are currently underway to determine how the space & employes available in Indianapolis can best be utilized.” More than 1,000 persons will be affected by the production shutdown.

Obituary

Theodore K. Quinn, former GE senior vp and pres. of Maxon advertising agency from 1936 to 1943, died Aug. 26 of a heart attack in Springfield, Mass. He had been an outspoken opponent of big business (leaving GE in 1936 for that reason), and during a 1955 Senate “case study” of General Motors he urged that Congress enact a “maximum free enterprise bill” which would define an oversize company and tax it heavily. He is survived by a son, daughter and 5 grandchildren.

Finance

TV-Electronics Fund at Peak: The Chicago-based mutual fund rounded out its 3rd fiscal quarter on July 31 with total net assets at a record \$439,642,613. The 9-month total represented a 29.5% gain over the \$339.4 million assets reported at the end of the 1960 fiscal, last Oct. 31, and is the highest for any reporting period in the Fund's history. During the 9-month period, the net asset value per share gained 24.4% to \$8.90 from \$7.41. The number of shares outstanding also rose—by 7.8% to a record 49,381,709. At the close of the 3rd fiscal quarter, 90% of the TV-Electronics Fund's assets was invested in the electronics, nucleonics and allied fields.

For the quarter to July 31, here are the principal portfolio changes in electronics common stock: Added—General Precision Equipment. Increased—American Machine & Foundry, Fairchild Camera & Instrument, GE, IBM, 3-M, RCA. Decreased—Magnavox, Zenith.

EIC Increases Portfolio: Electronics International Capital, Bermuda-based international capital banking institution headed by Charles E. Salik of San Diego, has added a 2nd company to its portfolio with a \$2.9 million investment in AREL, Belgium manufacturer of TV, radios and industrial & military electronic equipment. The investment involves a \$1-million long-term loan and the purchase of \$1.9 million of stock and 12-year debentures.

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
Beckman Instruments	1961—year to Jun. 30	\$ 68,570,336	\$7,860,895	\$4,000,895	\$2.74	1,458,689
	1960—year to Jun. 30 ¹	56,941,652	6,923,315	3,406,315 ⁹	2.39	1,423,363
Hewlett-Packard	1961—9 mo. to Jul. 31	50,056,000	—	3,783,000	.38	9,889,446
	1960—9 mo. to Jul. 31	44,771,000	—	3,355,000	.34 ¹	9,816,561 ¹
	1961—qtr. to Jul. 31	16,734,000	—	1,196,000	.12	9,889,446
	1960—qtr. to Jul. 31	16,019,000	—	971,000	.10 ¹	9,816,561 ¹
MetroMedia	1961—year to Jul. 2	39,870,701	3,853,717	1,260,822	.74	1,699,387
	1960 ²	—	—	—	—	—
National Union Electric	1961—6 mo. to Jun. 30	16,513,449	471,062	231,062	.04	5,747,579
	1960—6 mo. to Jun. 30	16,490,622	791,727	417,727	.07	5,747,579
Philips Lamp Works	1961—6 mo. to Jun. 30	586,635,000 ³	—	41,070,000	—	—
	1960—6 mo. to Jun. 30	571,373,000	—	47,453,000	—	—
Rollins Bcstg.	1961—qtr. to Jul. 31	1,307,636	—	113,275	.12	954,259
	1960 ²	—	—	—	—	—
Howard W. Sams	1961—year to Jun. 30	10,041,369	1,314,913	697,950	1.38	500,550
	1960—year to Jun. 30	9,729,889	1,107,039	509,487	1.18	425,450
Terminal-Hudson Electronics	1961—6 mo. to Jun. 30 ⁴	5,373,092	325,062	170,318	.18	963,304
	1960—6 mo. to Jun. 30 ⁴	5,679,927	260,928	139,592 ⁵	.14	963,304
Thompson-Starrett ⁶	1961—6 mo. to Jun. 30	10,510,320	—	118,111	.03 ⁷	2,718,918
	1960—6 mo. to Jun. 30	5,212,535	—	(246,373)	—	2,650,266

Notes: ¹Adjusted for 200% stock dividend in Sept. 1960. ²Not available. ³Record. ⁴From SEC report. ⁵Excludes \$91,800 in life insurance proceeds. ⁶Includes Delmonico International Div. ⁷After preferred

dividends. ⁸Restated to include Offner Electronics, acquired June, 1961. ⁹Includes non-recurring net of \$446,751 (31¢ a share) from sale April, 1960 of Shockley Transistor Corp.

Pentron Electronics Sees Gains: Chmn. Osborn Andreas expects Pentron Electronics to turn a \$840,000 profit on \$12.3 million sales in its 1962 fiscal year ending next June 30. In its 1961 fiscal year Pentron lost \$500,000—but this was more than offset by the combined profit of \$735,000 posted by companies acquired during the year. Consolidated sales in fiscal 1961 totaled \$8.7 million.

MetroMedia's \$7-Million Financing: Two note issues totaling \$7 million have been sold by MetroMedia to institutional investors. The proceeds will be used in part for the acquisition of KMBC-TV & KMBC Kansas City, Mo. (Vol. 17:6 p12). The financing involves \$3 million of 6¼% senior notes due January 1, 1971, and \$4 million of 6¼% junior notes due January 1, 1975.

Cowles Magazines & Bcstg. Inc. (KRNT-TV & KRNT Des Moines) plans a public offering of 350,000 capital stock shares, price unreported, to raise funds for "possible expansion" in broadcasting, publishing or related fields. An SEC registration statement (File 2-18810) listed Goldman, Sachs & Co. as the underwriter.

Mergers & Acquisitions: Daystrom and closely-held Schlumberger Ltd., Houston electronics firm, have agreed "in principle" to merge on the basis of one share of Schlumberger common for each 2 of Daystrom. The proposed merger is subject to approval of Daystrom stockholders. Schlumberger reported a 1960 profit of \$16.6 million and operating income of \$131 million. Daystrom earned \$601,116 on \$92.4 million sales in the 1961 fiscal year ended March 31.

Reports & Comments Available: Philips Lamp Works, report, Butcher & Sherrerd, 1500 Walnut St., Philadelphia 2 • P. R. Mallory, profile by Louis J. Rolland in Aug. 30 *Financial World* • "Fast Growth for Instrument Makers," analysis in Aug. 30 *Financial World* • Paramount Pictures, discussion, H. Hentz & Co., 72 Wall St., N.Y. 5.

Recent Stock Issues

Stock	Offering Price	Aug. 29, 1961	
		Bid	Asked
Electronic Instrument	7½	8¾	9¼
Precision Specialties	3	3	3½
Taffet Electronics	3	7	7¾

Corporation	Common Stock Period	Dividends Amt. Payable	Stk. of Record
Acme Electric	Q	\$0.07 Sep. 25	Sep. 12
Bendix	Q	.60 Sep. 30	Sep. 9
Capitol Records	Q	.50 Sep. 30	Sep. 18
Trans-Lux	Q	.10 Sep. 29	Sep. 15
20th Century-Fox	Stk.	2% Oct. 3	Sep. 11
Wells-Gardner	Q	.30 Sep. 15	Sep. 8

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Wednesday, August 30, 1961

Stock	Prev.			Stock	Prev.		
	Bid	Bid	Asked		Bid	Bid	Asked
Acoustica	17½	16½	18¾	Itek	33	36	39¾
Aerovox	10¾	10	11¼	Jerrold	9¾	8¾	9¾
Allied Radio	—	25	27¼	Lab for Elec. ...	42	40½	43½
Baird Atomic	15¾	14¼	15¾	Leeds & North. ...	34¼	33½	35¾
Cannon Elec. ...	21½	21	24¼	Lel. Inc.	7½	7	8¼
C-E-I-R	40	47	52½	Magnetics Inc. ...	8¾	8½	10
Control Data	98	105	111	Maxson	19¼	17	18¾
Cook Electric	9¾	9¾	10¾	Meredith Pub. ...	37	36	39¾
Craig	13¾	12¾	14¾	MetroMedia ...	14½	14½	15¾
CTS Corp.	20½	21	22¾	Microdot	27	26	28¼
Dictaphone	36½	36	38¾	Milgo Elec.	17¼	17¾	19¾
Digitronics	24½	23	25¾	Narda Micro ...	6	5½	6¾
Elco Corp.	10	12¼	13¾	Nuclear Chi. ...	41½	41½	44¾
Elec. Voice	10	10¼	11½	Pacific Merc. ...	6¾	6¾	7¾
Elec. Assoc. ...	27¼	26½	28¾	Philips Lamp ...	135	137	141¾
Electronics Cap.	33	31½	34¾	Radiation Inc. ...	22	21¼	23¼
Erie Resistor ...	13¾	13¾	14½	Sanders Assoc. ...	60	60	63½
Executone	8	15½	17	Speer Carbon ...	—	31½	33¾
Farrington	15¾	14½	16¾	Sprague Elec. ...	—	88½	92¼
Gen. Devices ...	9¾	9¼	10¼	Telechrome	7	7¼	8¾
G-L Elec.	8½	8½	9½	Telecomputing ...	6¾	6¾	6¾
Hallcrafters ...	24½	23¼	25¾	Time Inc.	82¼	81¾	85½
Hathaway	20	19½	21½	Tracerlab	9¼	9	10
High Voltage ...	158	145	160	United Art.	6¾	6¾	7¼
Infrared	16½	17	18¾	Vitro Corp.	23¾	23	24¾
Interstate Eng. ...	16½	16½	17½	Wilcox Electric ...	9	8½	9
Ionics	28	27½	30¾	Wometco	25½	24½	26½

SEP 11 1961

WEEKLY **Television Digest**

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VOL 17: No. 37

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

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Film & Tape

SAG MOVES TO HALT AGENCY PRODUCTION of TV & movies. MCA & Revue are chiefly affected by the Guild's decision against waivers allowing agents in production (p. 2).

TREND TO HOUR SHOWS is key to new season. Fate of 15 new 60-min. TV-film series is a decisive factor as TV year begins (p. 5).

SAG'S DIM VIEW OF TV & THE MAJORS. Some leading TV distribution companies on verge of insolvency, says Guild's exec. secy. (p. 5).

4 STAR ENTERS EDUCATIONAL FILMS FIELD, forms link with National Astro Laboratories (p. 5).

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NIELSEN INSPECTS LAST SEASON'S SPECIALS, finds, among other things, that regularly scheduled shows hold a slight rating edge (p. 4).

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CROSBY SUES GE, charging infringement of FM-stereo patents, in first litigation to arise over new multiplex standards (p. 12).

STEREO AD SUPPORT heavy in N.Y. as WXQR-FM expands stereo-casts to 10 hours weekly. Four set makers buying time, several more plan to sign (p. 12).

JERROLD ACQUIRES TACO: Expansion-minded electronics firm purchases large antenna manufacturer (p. 13).

CBS ELECTRONICS CLOSES semiconductor plant, in most serious result of attrition in field. Raytheon to purchase the plant for undisclosed sum (p. 13).

Stations

U.S. & CANADIAN STARTERS: Satellite KPOB-TV (Ch. 15) Poplar Bluff, Mo. is now repeating parent WSIL-TV Harrisburg, Ill. and CHOV-TV (Ch. 5) Pembroke, Ont. is a new CBC affiliate. (p. 7).

Networks

CHCH-TV GETS AUTHORITY to cut its ties with CBC after Oct. 1 (p. 8).

Finance

EIC GAINS: Total net assets of San Diego-based Electronics Investment Corp. rose to \$41.8 million in the quarter to July 31 from \$35 million a year ago (p. 14).

Other Departments

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OUR LAST ISSUE: This is the last issue of Television Digest.

Since its inception in 1945, when its chief purpose was to serve as a source of information for prospective station operators and for manufacturers interested in knowing when & where new stations would go on the air, the publication has earned an enviable reputation for accuracy & objectivity in the reporting & interpreting of television trade news.

But television has long since passed the stage of initial physical growth which provided the substance of Television Digest's pages. We have shifted emphasis to news of advertising, programming, films and other facets of the mature, thriving industry. These subjects are also covered by trade publications which carry advertising and by newspapers. We are convinced that there is not sufficient interest in such broad general coverage of television in the newsletter form by enough subscribers to justify continuance of Television Digest by its present publishers.

We are, of course, grateful to our subscribers and regret that it is necessary for us to abandon the publication.

Refunds will be made to all subscribers for the unfulfilled portion of their subscriptions.

SAG MOVES TO HALT TALENT-AGENCY PRODUCTION: Powerful Screen Actors Guild, which has always frowned on the idea of talent agencies getting involved in TV-film & movie production, won't grant or renew any waivers of talent-agency regulations to allow such production after Jan. 1, 1962. This, the most important in a series of proposals served on Artists' Managers Guild, chiefly affects MCA and its TV-film subsidiary, Revue Studios—the outstanding example of a talent agency in production.

MCA is already making plans for spinoff of its Revue arm (Vol. 17:36 p3), and SAG's action probably came as no surprise to the agency.

SAG will grant a 6-month transition period (from next Jan. 1) to agents now in production, for purpose of terminating such activities. After that, agents' franchises from SAG would be automatically surrendered if they continued in production.

The Guild explained that waivers were granted in early days of TV-film production to "encourage & promote TV-film production & employment in a depressed motion-picture industry . . . The waivers have served their purpose; the reasons for their creation no longer exist."

It was long held by SAG that when an agent is also a producer, there is a serious conflict of interest because as an agent of an actor he is an employe, but as a producer, he is the actor's employer.

SAG's proposed new contract would also bar financing and guaranteeing of financing of film production by agents, and would put additional restrictions on package-show representation. It would bar agencies from distributing TV films—a move which would affect both MCA and the William Morris Agency.

Waivers had been granted in the past to MCA, Famous Artists (Charles Feldman), Mitchell J. Hamilburg, Frank Cooper, Art Rush, James J. Saphier, Ashley-Steiner Corp., General Artists Corp., John E. Gibbs & Co., Lester Salkow, Jerome Heliman Associates and Orsatti & Co. Some were in production, some never.

Other Guild proposals: No agents' commissions to be paid on minimum TV residuals and commercial re-use fees, on penalty payments for SAG contract violations, and on sums collected by SAG and distributed to actors for TV release of movies.

Talent agencies can be expected to oppose number of SAG proposals in negotiations beginning this fall, but the Guild is not expected to budge from its policy against further production waivers.

RACKET PROBERS HIT RADIOS: FCC Chmn. Minow was advised last week at Senate racket hearing to stop concentrating on crime & violence in TV shows and pay some attention to "live crime" on air—horse-race broadcasts which aid & abet organized gambling.

Minow was put on spot by Sen. Mundt (R-S.D.) after Rackets Subcommittee investigator Irwin Langenbacher testified Sept. 7 that quick check of 17 radio stations on Eastern seaboard disclosed that at least 6 of them—from N.Y. to Va.—regularly carry specialized track data, or did so until recently.

"Simple logic" indicates that FCC should lay down new rules to control such gambling traffic, Subcommittee Chmn. McClellan (D-Ark.) commented. He said he didn't want to criticize Commission policy under present Communications Act, but existing rules—permitting broadcasts of racing news—are too loose.

Radio provides all track dope needed by one racing-wire operator in Baltimore, prober Langenbacher testified. He said Lawrence d'Anna just listens to WAQE Towson, Md., then feeds bookmakers information that the station furnishes him. Langenbacher told Subcommittee that WAQE puts out results of races as quickly as 15 minutes after they start.

Charge that radio stations "entice" high school boys to spend their allowances on bookmakers also was heard at hearing. Into record went letter from Rochester, N.Y. teacher, Mrs. R. Robert Abbott, who blamed WHEC & WBBF Rochester for inducing students to bet on horses. Both stations stopped special track broadcasts after FCC notified them of teacher's suspicions, Subcommittee was told.

Spot racing news also was dropped by WTEL Philadelphia, Langenbacher reported. He said WTEL discontinued track schedules day before Senate hearing, explaining public's "interest" had fallen off. Another station on his list—WABW Annapolis—abandoned from-the-track broadcasts 6 months ago, now gives only evening resumes of races, he added. Among other horse specialists cited by Langenbacher were WJLK Asbury Park, WCAM Camden, WILM Wilmington.

Serious questions of license renewals would be realized if any stations are shown to have carried

racing news so specialized that it would have little general interest for listeners, chief Dee W. Pincock of FCC's regulatory div. assured Subcommittee. But he reported that since Jan. 1, 1957, only 7 complaints—including Rochester protest—concerning racing broadcasts had come into Commission.

Subcommittee came up with no specific recommendations for tighter race-broadcast controls by Commission. And criticism of FCC by Sens. Mundt & McClellan was countered by Sen. Curtis (R-Neb.). He said that if Commission hasn't drawn firm enough line between legitimate race news & bookmaking dope, then fault must lie equally with Congress, which wrote Communications Act.

DEINTERMIXTURE DEADLINE PUT OFF: Responding to pressures from broadcasters, members of Congress and state officials, FCC has ordered a 2-month extension—from Oct. 2 to Dec. 4—of its deadline for comments on its controversial proposals to deintermix 8 markets to make them all-uhf (Vol. 17:31 p2 et seq.).

Reply comments in the proceedings aren't due until Jan. 8, which means that vhf-vs-uhf allocations battle will be gathering steam into 1962, with no final decision by Commission in sight now.

Floor moves in Congress to call off FCC from its plan for deintermixture (see below) have been accompanied by locally-stirred campaigns, particularly in Conn. (Vol. 17:35 p6) and S. C., where Ch. 3 of Hartford's WTIC-TV and Ch. 10 of Columbia's WIS-TV are at stake. Pro-vhf drives in behalf of other communities marked for deintermixture—Madison, Rockford, Erie, Binghamton, Champaign, Montgomery—are likely.

Biggest push to date to block FCC has come from S. C., where Gov. Ernest F. Hollings heads list of 70-odd petition-signers who asked the Commission for reconsideration of its proposal for WIS-TV. Lined up with Hollings are his state's Senators & House members, chairmen of S. C. Democratic & Republican organizations, state officials, civic leaders, clergymen, etc.

Congress

SPORTS BILL APPROVED: Acting swiftly in a race for floor action before adjournment of Congress, the House Judiciary Antitrust Subcommittee voted Sept. 7 to approve a bill exempting professional sports leagues from antitrust laws so that they may sign package TV contracts.

The measure (HR-9096, rewritten from HR-8757) by Chmn. Celler (D-N.Y.), was passed along to the full Judiciary Committee—also headed by Celler—just a week after he held a quickie hearing on it (Vol. 17:36 p6). The full Committee may add its endorsement at a scheduled Sept. 12 session, clearing the bill to the House floor.

Celler introduced his bill for the immediate purpose of saving the National Football League & CBS-TV from cancellation of their telecasting contract by the U.S. District Court in Philadelphia, which held that the agreement violated antitrust rules. If finally approved by Congress, the law would authorize such contracts starting next year.

The NFL, the competing American Football League and spokesmen for organized baseball had called for enactment of the Celler measure. But it was opposed at the hearing by NAB govt. affairs vp Vincent T. Wasilewski on grounds—among other reasons—that it would give organized sports the power to decree TV blackouts of games at will. In a letter submitted to Celler following the hearing, the Justice Dept.'s antitrust chief Lee Lovinger also objected, protesting it would give "tremendous power" to league owners to flout free-enterprise principles.

Celler partially met these objections by agreeing to an amendment to his bill which would forbid any antitrust exemption for package TV deals requiring local blackouts of road games by league teams.

Also added to the measure by the Subcommittee was a proviso that there'd be no antitrust exemption for package contracts calling for competing pro football telecasts in

college areas on Saturday afternoons during the regular mid-Sept.-to-Dec. intercollegiate football season.

The push which sent the bill through the Subcommittee over NAB & Justice Dept. criticism probably was pro-sports testimony at the hearing that TV packages were necessary to shore up finances of weaker league teams. Without such deals, the Subcommittee was told, TV networks would channel all their time & revenue into big-game telecasts, making no room in their schedules for weaker teams in smaller cities.

Dodd Hearing Postponed: Chmn. Dodd (D-Conn.) of the Senate Judiciary Juvenile Delinquency Subcommittee set Sept. 8 for resumption of his hearings on TV violence (Vol. 17:36 p2), then called off the public session at the last moment. A Subcommittee source told us that the investigating unit had "run into trouble" in arranging appearances of 2 scheduled witnesses, whose names were not disclosed. One of them was reported to be from the TV-programming field, the other from an advertising agency. Dodd may try to get going again on his hearings this week. It was learned meanwhile that Subcommittee members met privately Sept. 7 with NBC Pres. Robert E. Kintner, whose network had been accused at earlier hearings of encouraging sex & crime in shows. Both Kintner and former NBC-TV programming vp David Levy are on Dodd's list of prospective witnesses.

Vhf Status Quo Urged: Rep. Thomson (R-Wis.) has introduced a resolution (HR-450) calling on FCC to hold off on its deintermixture proposals at least until it completes its studies in the \$2-million N.Y. uhf project. Echoing protests by Rep. Mack (D-Ill.) against the Commission's plan (Vol. 17:43 p7), Thomson told the House that deletion of vhf from 8 markets would be "most extreme & very harmful to the public's best interests." His resolution was referred to the Commerce Committee, on which Thomson is next-to-last-ranking minority member.

Satellite "Toll" Deplored: The White House-FCC plan for private-company ownership of a U.S. satellite-communications system "should not be a toll gate in outer space," Sen. Long (D-La.) has warned President Kennedy. "The new communications-satellite program should be dedicated to the use of all humanity without private profit in the use of the satellite itself," the Small Business Monopoly Subcommittee chairman wrote the President. Supporting criticism of the plan which had been forwarded to the White House earlier by a Democratic Senate-House caucus (Vol. 17:36 p7), Long's letter said his Subcommittee's hearings on space problems (Vol. 17:33 p5) showed: "It would be foolhardy to grant private ownership of a communications-satellite system to a set of so-called international common carriers before any such system has been developed to a practicable stage." A reply to Long from the White House said only: "Any report or recommendation developing from your investigation will be studied carefully by the most informed people on the subject in the Executive Branch." Meanwhile still another Congressional investigation of the White House-FCC proposals was scheduled. Chmn. Kerr (D-Okla.) of the Senate Aeronautical & Space Sciences Committee set Sept. 26 to start new hearings.

Sabotage Bill Delayed: House delays in acting on a Senate-passed measure (S-1990) increasing criminal penalties & coverage of the federal law against sabotage of communications facilities (Vol. 17:34 p8) have been protested by Rep. Dowdy (D-Tex.). Urging quick action before adjournment, Dowdy said "nothing is more vital to our modern defense effort" than additional protection of privately-operated systems which may be needed by the government. The Senate bill sets up \$10,000 fines and/or 10-year jail terms for malicious damage to facilities. Present law, covering only communications systems used for military & civil-defense purposes, provides \$1,000 fines and/or 3-year sentences.

Shorter Campaigns Endorsed: A sense-of-the-Senate resolution (S. Res. 141) calling on national political parties to hold their Presidential nominating conventions in September instead of July or August has been approved by voice vote. The resolution by Sen. Keating (R-N.Y.) has no force of law, but it was opposed anyway by Sen. Capehart (R-Ind.), who said he was "sure" Republicans & Democrats will pay no attention to it. Coincidentally, NBC Chmn. Robert W. Sarnoff urged shorter campaigns in a *McCall's* article which was on the newstands when the Keating resolution was called up on the Senate floor. (Vol. 17:35 p7).

ETV Lobbying Urged: A last-ditch campaign for enactment of federal-aid-to-ETV legislation in the waning days of the Congressional session has been started by the National Assn. of Educational Bcstrs. The NAEB's *Washington Report* points out that fast House Rules Committee clearance of a \$25-million matching-grant bill (HR-132) approved by the Commerce Committee (Vol. 17:34 p8) is the only chance for action before adjournment. NAEB members are provided with a roster of Rules Committee members for letter-writing purposes. The Senate has passed a \$51-million ETV aid bill (S-205).

Preview for Congress: NBC-TV was host Sept. 7 to members of the Senate & House for an advance showing in the House Caucus Room of its new-season *Continental Classroom* course in American government. The filmed series, sponsored by the American Political Science Assn. & Education groups, was endorsed in floor speeches by Sen. Douglas (D-Ill.) & Rep. Stratton (D-N.Y.).

Programming

NIELSEN INSPECTS TV SPECIALS: A. C. Nielsen last week offered a study on the rating performance of the 96 sponsored specials network-telecast from October 1960 to April 1961. Among the findings:

(1) There is a high correlation, on the average, between the performance of a special and the performance of the program which it pre-empts. The 10 highest-rated specials had a 30.3 AA and the shows normally occupying those time periods had a cumulative AA of 22.6 in the 2 weeks preceding the special, 22.4 in the 2 weeks following. Similarly, the 10 lowest-rated specials (an 8.3 AA) pre-empted programs which had a 12.0 AA in the 2 weeks preceding and a 12.2 AA in the 2 weeks following.

(2) On the average, specials (of all types) attract a slightly lower average audience (17.2) than do regularly scheduled shows (18.6). "But if the typically low-rated news & documentary specials are excluded, the average entertainment special obtains slightly higher ratings (19.6) than regularly scheduled programs."

(3) Specials exhibit more extreme variations, with a greater proportion of shows on both ends of the rating score sheet. Of the 96 specials, 16 ran in the 25% and over AA category and 46 lagged behind with a below-15 AA. By comparison, of the 117 regular programs telecast from March through April 1961, only 15 hit an AA over 25 rating, and only 38 got less than 15.

(4) Performance by show type follows the same pattern as regularly scheduled programs, with variety shows the highest rated group, followed by general drama. In both cases, news & documentary bring up the rear.

Warns Against TV Campaign Evils: CBS News Pres. Richard S. Salant opposed Sec. 315 of the Communications Act in a paper presented to the annual meeting of the American Political Science Assn. in St. Louis Sept. 7. "The clearest & most direct protection against the dangers of a purchase of an election by oblitative purchase of TV time is to repeal Sec. 315," he said. Salant also called for "clear rules to prevent rehearsed political interviews and actors who play the part of men-in-the-street questioners." He said broadcasters must (1) "guard against political parties buying time simultaneously on all networks, thus depriving the public of all choice," (2) "use persuasive powers to avoid curtailment of debates during the last 2 weeks before Election Day," (3) "impose their own limits on available TV time in the final days of the campaign "to avoid the dangers of last-minute, one-sided saturation, when it is too late to answer arguments & charges."

TV Columnists In Decline: So said Pulse last week, revealing the results of a poll taken last May in big, TV-minded, 7-station New York. Of the 500 New Yorkers queried, only 75% read TV columns at all, and, of that group, a meager 28% does so "faithfully." A similar study in August 1958 had indicated a regular readership of 50%. Other Pulse surprises for the press: (1) Only 30% of the column followers are influenced by advance reviews (vs. 54% in 1958) and (2) interest in reviews of TV specials has remained *status quo* over the past 3 years, but interest in published opinions of regularly-scheduled programming has dropped from 46% to 25%.

Where, Oh Where . . . ? Radio WGBI Scranton airs a daily lost & found dog report, calls the broadcast *Doggone News*.

P&G's \$250,000 "Salute" to ADA: Procter & Gamble, which has purchased a CBS-TV 60-min. entertainment special titled "The Family," has turned over all commercial time on the show to the American Dental Assn. Costing P&G about \$250,000, the special is slated for Tue. Feb. 6, 8:30-9:30 p.m. ADA spokesmen report the 6-min. commercial time will be used for messages about Children's Dental Health Week, and will contain 2 short mentions for P&G, "makers of Crest toothpaste." Crest is the only dentifrice endorsed by the ADA, but neither P&G nor its agency Benton & Bowles would admit this support begat P&G's gratuitous act. P&G dental relations dir. Howard Besuden told us the low-pressure deal was made because "P&G feels an obligation to further the understanding of good dental health." Besuden added that P&G's obligation will be "further carried out" in a 5-page ad on dental health rules soon to appear in *Life*.

Final Tally on Great Debate Surveys: An analysis of 22 surveys of TV's Great Debates in last year's Presidential election campaign has concluded that President Kennedy was the over-all winner and that the debates definitely helped achieve his victory. These findings were presented last week to the annual meeting of the American Sociological Assn. by Prof. Elihu Katz of U. of Chicago and Jacob J. Feldman of National Opinion Research Center.

Swayze Swears He Won't Do It Again: Attentive ABC Radio listeners Sept. 1 heard John Cameron Swayze bark a "cuss word" on his daily (and usually sedate) news & weather show. The commentator had retaped the show without "that word"—which had been prompted by faulty equipment that kept interrupting the recording session—but an equally errant technician then aired the original tape by mistake. After a round of apologies, the network granted Swayze a full pardon.

Washington Dictionary: In a list of new light-hearted capital definitions for *The New York Times*, Washington correspondent Russell Baker defined "vast wasteland" as "the American home with all its television sets simultaneously out of order."

Auxiliary Services

Vhf Translator Starts: K07BD, K09AR & K11AR Odessa, Wash. started Aug. 15 repeating KREM-TV, KXLY-TV & KHQ-TV Spokane • K06AD & K08AT Cabool, Mo. began Aug. 18 with KTTS-TV & KYTV Springfield, Mo. • K03AK Yuma, Colo. started Aug. 23 with KHPL-TV Hayes Center, Neb. • K07BT Camp Verde, Ariz. began Aug. 16 with KTVK Phoenix • K12AS Long Pine, Neb. started Aug. 28 with KPLO-TV Reliance, S.D.

Uhf Translator Starts: K80BA The Dalles, Ore. started July 21 repeating KOIN-TV Portland • K76BH Bishop, Cal. began July 6 with KOLO-TV Reno • K80AW & K82AL Dubuque, Ia. started Sept. 5 with KWVL-TV Waterloo & KCRG-TV Cedar Rapids, Ia.

CBC Lends Films to CATV: Canadian Bestg. Corp. has changed policy and will now let CATV systems have its films & kines for local distribution under controlled conditions—principally, that the community is beyond reception of telecast signals. Systems must pay expenses, mainly shipping, and may sell spots around programs.

TelePrompTer Army ETV Deal Expanded: TelePrompTer Corp.'s contract to operate ETV facilities for the U.S. Army Ordnance Guided Missile School was expanded recently by 12%.

Film & Tape

Hour Trend Key To New Season: Perhaps the most important single program question in the TV season now getting under way is the fate of the 15 new 60-min. TV-film series. (Two of these are expanded versions of half-hour shows—*Gunsmoke* and *Tales of Wells Fargo*.) Industry optimism is mixed with trepidation.

One top executive told us there would be more chance of cancellation with a 60-min. series because of multiple sponsorships and high budgets—ranging from \$85,000 to \$150,000 a segment. There is agreement that it is better dramatically to have the longer series. But the stakes are high, and the results will undoubtedly affect pilot planning for 1962-63.

The new hours: *Follow the Sun*, *Bus Stop*, *Ben Casey*, *The New Breed*, *Alcoa Premiere* (mixed with some half-hours), *Target: The Corruptors* on ABC-TV; *Frontier Circus*, *The Investigators*, *The Defenders* on CBS-TV; *87th Precinct*, *The Dick Powell Show*, *Cain's Hundred*, *Dr. Kildare*, on NBC-TV. And *Gunsmoke* and *Wells Fargo*.

SAG's Dim View Of TV & The Majors: "In the television field we were once able to count on the financial stability of the 7 or 8 leading distribution companies who often assumed the responsibility for paying TV residuals. Many of these companies are shaky today—some on the verge of insolvency." So wrote natl. exec. secy. John L. Dales last week in an open letter to Screen Actors Guild members. That's why SAG has acquired in its contract signed last year, the right to refuse to accept assumption agreements from financially questionable TV-distribution companies and has an alternate plan whereby SAG may accept royalties instead of residuals, explained Dales.

4 Star Enters Educational Field: Expansion-minded Four Star Television has entered the area of educational-films production. Negotiations have been finalized with National Astro Laboratories of Pasadena, Cal., whereby the TV company will have an integrated interest with the measurement-standards laboratory, Pres. Dick Powell said. NAL is now developing technical-training packaged programs for all branches of the military service & prime contractors to the military.

Famous Offering 15 Shows: Famous Artists agency is packaging 15 TV series for submission to the networks for 1962-63. They are an anthology; *Howie's Boy*, action; *The Big Brain*, comedy by Jess Oppenheimer & Sam Taylor; *Kentucky's Kid*, drama; *The Working Girls*, about career girls; *Command Report*, action, starring Tab Hunter; *Young David Harum*; *Man of the World*; *Cannfield & Co.*; a newspaper series; *Vector One*; *Morgans of the AP*; *Nightside*; *Martian Chronicles*, from Ray Bradbury's science-fiction novel; *Malacca Straits*.

Desilu-GAC Mapping 7 Pilots: GAC, sales representative for Desilu Productions, is financing a good part of Desilu's pilot program for next year, studio sources told us. Present plans call for 7 pilots, but the final figure depends on the outcome of discussions with the networks.

GAC will open an Italian office in early November as the latest step in its expansion program, which included the recent acquisition of the Preminger-Stuart-Feins-lit. agency.

NEW YORK ROUNDUP

TV Opera's 3-Cornered Hat: Successful negotiations between the Metropolitan Opera and its musicians have insured another live N.Y. opera season, but WOR-TV N.Y. will still go ahead with its weekly series of 12 full-length musical films titled *The Golden World of Opera* starting Oct. 15 (Vol. 17:35 p12). In fact, WOR will give N.Y. lovers of the art another serving in the form of live operatic broadcasts on Saturday afternoons over radio WOR. Emanating from the Met, the 20-part radio series is scheduled to start Dec. 9. Ziv-UA, which plans still another operatic series, has yet to find a N.Y. buyer.

Screen Gems' new animation process, Tri-Cinematation, that walks & talks life-like dolls via film (Vol. 17:36 p10) will imitate the Marx brothers—Groucho, Harpo and Chico—in a new TV series. The brothers will be visually represented by the dolls, and the sound-track will carry voices similar to those of the wacky trio. Screen Gems hopes to lure some of the writers of the Marx Brothers' old movies to work on the proposed series.

WBC will contribute several "suitable programs to WUHF, the federal uhf experimental outlet for N.Y. which is due to begin telecasting next month. Among the programs being considered are the 15-episode *Reading Out Loud*, *Dimensions 3*, *Children and God*, the C. P. Snow-Edward Teller debate series *Reaction*, and *Career*, a co-production effort with Stanford University.

ABC Films opened 5 new foreign sales offices last week. The Great Britain Div., centered in London, will be headed by Don Angel. The Northern European Div., headed by Mrs. Margaret Jansson in Paris, will have sub-offices in Frankfurt and Stockholm, and a Rome office, top-manned by Hugo Londrini, will supervise the firm's Southern European operation.

Producer David Susskind seems to have a soft spot for presidential themes. Currently at work on a 26-episode, 60-min. Harry S. Truman series (Vol. 17:24 p9), he last week purchased TV-motion picture rights to "The Making of the President," the Theodore H. White account of the 1960 campaign. Susskind plans a 90-min. documentary for an early 1962 network slot.

Add Syndication Sales: Official Films sold its package of 4 off-network series (*Peter Gunn*, *Yancy Derringer*, *Wire Service*, *Mr. Lucky*) to 12 more stations, upping the 7-week sales total to 43 . . . ABC Films scored 3 new sales for its off-network reruns of *The Life & Legend of Wyatt Earp*, upping the market total to 25.

MGM-TV has announced that it will now enter the tape field with 2 shows in association with producer Harry Ånger. A comedy called *The Crazy Club* and a game show titled *You Don't Say* will mark MGM's first production efforts in Manhattan.

MGM-TV's 30-picture package of post-1950 features has been sold in 34 markets and is now "approaching the \$2 million mark in total revenues," reports syndication sales dir. Richard A. Harper. The package includes "The Bad & the Beautiful," "Lone Star," and "Battle Circus."

People: Peretz W. Johannes has joined Talent Associates-Paramount Ltd. as associate producer of the Harry S. Truman series . . . Ed Montanus has been named MGM-TV Central TV sales mgr. to head the new Chicago office.

HOLLYWOOD ROUNDUP

CBS-TV has complied with the request of Television Producers Guild to run producer credits directly adjacent to those of writers & directors. TPG Pres. Ben Brady described the CBS-TV policy as an "open-minded understanding & recognition of the producer's justifiable claim for contiguous credits."

Jack Benny's guest star lineup on CBS-TV for the coming season includes Mr. & Mrs. James Stewart, Raymond Burr, Tennessee Ernie Ford, Mickey Rooney, Jane Morgan, Victor Borge, Phil Silvers and Shari Lewis.

MGM-TV production executives are conferring with ABC-TV and NBC-TV top brass regarding possible co-production deals on 1962-63 pilots.

Third Man Corp. has acquired all rights to produce *The Third Man* series from NTA. The latter will continue as distributor. Ex-NTA executive Vernon Burns is pres. of Third Man.

Screen Gems has signed independent producer Herbert B. (*Naked City*, *Route 66*) Leonard to a new long-term contract . . . Warner Bros. is filming 28 TV segments during September, a record for the studio.

Format Films has added 55 employes to its staff, now numbering over 160 . . . Darryl Hickman is up for the lead in Selmur Productions' pilot of *Young Love*, a comedy.

Goodson-Todman Productions will pilot *Days Ahead*, a situation comedy. Producer Jerry Staggs has signed Arthur Weiss to script.

Filmways Inc. has signed producer-writer Paul Henning to create & produce a new TV series, one of 8 the company is planning.

Wolper Productions signed bullfighter Jaime Bravo to portray himself in its "Story of a Matador" episode of its *The Story Of* series for Ziv-UA.

CBS-TV bought 27 *Blue Chips*, the post-1950 movie package, from M. & A. Alexander Productions Inc., for showing on its o&o stations.

Jaybar Enterprises Inc. has been formed by producer-writer Jackie Barnett for production of TV films & movies.

Four Star Television has signed Hugh O'Brian to star in "Up Jumped the Devil," segment of *Dick Powell Show*.

Revue Studio producer Dick Berg signed Clair Bloom to make her telefilm debut in a *Checkmate* segment.

Henry Jaffe Enterprises has moved its production offices to 8736 Sunset Blvd., Hollywood.

People: Peggy (*The Hathaways*) Cass has begun a 10-day national tour promoting the Screen Gems series which debuts on ABC-TV Oct. 6 . . . Donn Munson signed as producer-writer for *Keyhole*, Jack Douglas series for Ziv-UA . . . Lloyd Rosamund named story consultant at Warner Bros. TV; he will also develop TV series . . . Raymond Massey, co-star of MGM-TV's *Dr. Kildare* series, recovering from minor surgery . . . E. W. Swackhamer named associate producer on *Hennessey* . . . Peter R. Brooks, creator of the Goodson-Todman project, *Days Ahead*, named its associate producer.

Stations

NEW & UPCOMING STATIONS: A U.S. satellite and a Canadian outlet comprise this week's report of new starters. KPOB-TV (Ch. 15) Poplar Bluff, Mo. received program-test authorization Sept. 1 for start as a satellite of parent WSIL-TV (Ch. 3) Harrisburg, Ill., an ABC-TV affiliate. And a belated report from Pembroke, Ont., states that CHOV-TV (Ch. 5) there began operation Aug. 19. It picks up CBC programming from CBOT Ottawa via a 2-hop microwave system which has towers & relay stations at Hazeldean & Renfrew. The U.S. on-air total changes to 588 (93 uhf). The Canadian operating total now is 93 outlets.

KPOB-TV has a GE transmitter purchased from off-air WBLN (Ch. 15) Bloomington, Ill. It has a 4-bay GE helical antenna on a 500-ft. Utility tower. It gets programs by way of an off-the-air relay from WSIL-TV's transmitter at Cereal Springs, Ill. KPOB-TV is sold in combination with WSIL-TV which has a \$350 hourly rate. Rep is Meeker.

CHOV-TV has a 2-kw RCA transmitter and a 568-ft. Cobra tower with a 12-slot antenna. The licensee, Ottawa Valley Television Co. Ltd., has as its officers and principal owners E. Gordon Archibald, pres. & gen. mgr.; Lloyd M. Crandall, vp; Leo P. Lafrance, secy.; Harold J. Clauson, treas. Ownership interlocks with radio CHOV. Ramsay F. Garrow, from CHOV, is sales & marketing dir.; Oscar Kohls, film editor; Bill Kay, ex-CHOV, news & sports dir.; Pat Currie, ex-Pembroke Observer, news editor; Alan Bradley, ex-CFTO Toronto, technician (engineer). Base hour is \$150. Reps are Young and Stovin-Byles.

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

KGIN-TV (Ch. 11) Grand Island, Neb. hopes to meet its Sept. 15 target for its start as a satellite of parent KOLN-TV (Ch. 10) Lincoln, Neb., a CBS-TV affiliate, writes A. James Ebel, KOLN-TV vp & gen. mgr. It has a building ready for the Standard Electronics transmitter which arrived early in August. The microwave hookup with KOLN-TV was scheduled for completion by Sept. 1. The only delay possible would be from a holdup in steel shipment. KGIN-TV will be sold only in combination with KOLN-TV, with hourly rate of \$650. Rep is Avery-Knodel.

KVLF-TV (Ch. 12) Alpine, Tex. plans to start programming Sept. 15, states Gene R. Hendryx, pres., gen. mgr., and majority owner of radio KVLF. It has an 186-ft. tower ready and a 100-watt Gates transmitter installed. Network affiliation hasn't been signed. Gordon Lloyd will be in charge of sales. Base hourly rate is not reported. Rep not chosen.

KMED-TV (Ch. 10) Medford, Ore. has signed with NBC-TV and is keeping a Sept. 24 programming target, says Ray Johnson, exec. vp of grantee radio KMED. It's installing a 10-kw transmitter and 20-kw GE amplifier as well as a 287-ft. Fisher tower which will have an 8-bay antenna. It will have a \$250 hourly rate. Rep is Meeker.

KCHU-TV (Ch. 18) San Bernardino, Cal. hadn't placed an order for equipment when they wrote us in August, but planned to start programming Nov. 1, according to owner Norman H. Rogers who also operates Norman Rogers Advertising there. Studios will be in the Inland Empire Exposition Center, and work on the transmitter site is under way. It will use a 50-ft. tower. R. T. (Bud) Sampson is chief engineer and William M. Bellman sales mgr.

CKOS-TV-2 (Ch. 7) Carlyle Lake, Sask. now hopes to begin about mid-Sept. as a satellite of parent CKOS-TV (Ch. 3) Yorkton, Sask., reports George S. Skinner, technical dir. of CKOS-TV. The 2-kw RCA transmitter is now in place at Carlyle Lake. Engineers are still working on the 680-ft. Utility tower which will have an RCA Wave-stack antenna. The outlet will be an automatic unattended rebroadcasting unit, sold in combination with CKOS-TV, which has raised its hourly rate to \$225. Reps are Devney-O'Connell and Stovin-Byles Ltd.

Columbia Buys Another: Columbia Pictures, which owns KCPX-TV & KCPX Salt Lake City, is spreading its TV operations to Puerto Rico with the \$1.8-million purchase of WAPA-TV San Juan & its 33.3% interest in WOLE-TV Aguadilla. Broker R. C. Crisler & Co. handled the negotiations between Columbia's subsidiary Screen Gems and WAPA-TV owners Winston-Salem Bcstg. Co. and the Goar Mestre family. Screen Gems plans to use the station's San Juan studios to produce programs for the Latin American market.

WGMS Sale Off: The \$1.5-million agreement of Crowell-Collier Bcstg. Corp. to buy radio WGMS Washington from RKO has been called off because of legal complications. The deal was part of a package wherein RKO & NBC are to exchange their Boston & Philadelphia TV-radio facilities, NBC to buy KTVU San Francisco, RKO to buy NBC's Washington TV-radio facilities and to dispose of WGMS. The basic deal faces long FCC & court litigation.

Scripps-Howard Buys WPTV: The Palm Beach outlet owned by John H. Phipps was purchased, for \$2 million, by Scripps-Howard Radio Inc. last week via station broker R. C. Crisler. The sale raises the newspaper chain's roster to 3 TV & 2 radio stations. The others: WEWS Cleveland, WCPO-TV & WCPO Cincinnati, WNOX Knoxville.

Wasilewski, Swezey Confirmed: NAB Pres. LeRoy Collins made it official last week. He announced that a mail poll of the 43-member NAB joint board had confirmed his appointments of Vincent T. Wasilewski as exec. vp and Robert D. Swezey as new Code authority director (Vol. 17:36 p11). Wasilewski, 38, has been an NAB staffer nearly 12 years, serving as govt.-affairs vp for the past 15 months. Swezey, 54, was 1948-60 gen. mgr. of WDSU Bcstg. Corp. (WDSU-TV & WDSU New Orleans), which he left to join the Eisenhower administration's Labor Dept. He is also a former chairman of NAB's TV board.

Research Unit Completed: All 4 TV & radio networks are represented in the membership of NAB's special research committee, headed by Westinghouse Bcstg. Co. Pres. Donald H. McGannon. The committee will explore possibilities of establishing a university-attached center to study industry problems (Vol. 17:33 p8). Picked by NAB Pres. LeRoy Collins to serve with McGannon are: Julius Barnathan (ABC), Hugh M. Beville (NBC), John P. Cowden (CBS), Irving Lichtenstein (MBS), George C. Hatch (radio KALL Salt Lake City), Daniel W. Kops (radios WAVZ New Haven & WTRY Troy), Richard B. Rawls (KPHO-TV & KPHO Phoenix), Willard Schroeder (WOOD-TV & WOOD Grand Rapids).

Denver ETV Power Boost: KRMA-TV (Ch. 6) on Aug. 28 received FCC authorization to boost power to 100 kw.

Taft Appoints Agency: Farson, Huff & Northlich, has been designated ad agency for the Taft Bcstg. Co.

Broker Partners Fall Out: Civil suits & countersuits have been filed in the U.S. District Court for the District of Columbia by William T. Stubblefield and his former associates, station brokers Hamilton-Landis & Associates. Stubblefield claimed that Hamilton-Landis owed him more than \$53,000, including \$2,600 salary, \$46,000 commissions and \$4,800 loan. In a countersuit, Hamilton-Landis charged Stubblefield with embezzlement, asked for "actual damages" of funds "diverted to plaintiff's personal use," plus \$100,000 in "exemplary damages" or 2½% of \$10.3 million which represented the value of radio stations the firms had offered for sale. Hamilton-Landis claimed that Stubblefield violated a covenant not to compete in the brokerage business.

Payola Cases Dropped: FTC has dismissed payola complaints against 4 record companies in line with hearing examiners' recommendations. They said prosecution should be dropped because the 1960 Harris-Pastore Act, giving FCC jurisdiction in such cases, "afforded the public adequate protection" against payola. Involved in the dismissed complaints were Roulette Records Inc., Bigtop Records Inc., Mutual Distributors Inc. and Decca Distributing Corp. Announcing the decisions, FTC said: "The dismissals are without prejudice to the Commission's right to issue new complaints . . . should future events so warrant."

Televised Bomb-Shelter Test: CBS-TV o&o KNXT Los Angeles is now programming the first test of a family living in a civil defense shelter for an extended period. The 4-member family guested on KNXT's afternoon *Panorama Pacific* to discuss test preparations one day before entering the shelter. Their first progress report was made, via a direct microphone setup, on that show, Sept. 4. The dome-shaped cement shelter is in the patio of KNXT's Columbia Square facilities on Sunset Blvd.

New Facilities: WLUK-TV (Ch. 11) Green Bay, Wis. on Sept. 1 began operation from its new 1160-ft. tower 4.5-mi. SE of DePere, Wis. • KCND-TV (Ch. 12) Pembina, N.D. will boost power to 220 kw on Sept. 12, reports Robert C. Lukkason, gen. mgr. • KTVT (Ch. 11) Fort Worth, Tex. got FCC authorization Sept. 1 to boost power to 316 kw • WKZO-TV (Ch. 3) Kalamazoo moved to new 1130-ft. tower near Yankee Springs, Mich. on July 13.

Radio's Progress: Radio increased its national billings 69% in the 12 years during which TV was emerging as a major broadcast medium, Robert M. Light, pres., Southern California Bcstrs. Assn., told a seminar at the studios of KNX Los Angeles last week. Said he: "During the so-called TV years, radio climbed from a national billing in '48 of \$400 million to more than \$675 million in '60."

WBNS-TV Tape-Equipped: The first commercial station in Columbus to install TV tape equipment, WBNS-TV started use of an RCA TRT-1A unit Aug. 28. Educational WOSU-TV is also equipped.

MetroMedia Adds Kansas City Outlets: Formal transfer of KMBC-TV (Ch. 9) & KMBC from the Cook Paint and Varnish Co. in a \$9.65-million transaction was completed Aug. 30. MetroMedia now operates 6 TV stations, 4 AMs, 3 FMs, one commercial shortwave radio station and an outdoor advertising firm.

"Survival" Series Cited: *Steps to Survival*, a civil-defense series televised by KPIX San Francisco (Sun. 1:30-2 p.m.), and a 5-min. station editorial "We Can Survive," have been commended by the White House, OCDM and the Cal. Disaster Office, Sacramento.

Networks

CHCH-TV Gets Disaffiliation Date: BBG last week authorized CHCH-TV Hamilton to cut its ties with CBC after Oct. 1. The Board had approved the disaffiliation in July (Vol. 17:28 p12), but hadn't set an effective date.

In other actions, BBG:

Lifted its ban on additional AM & FM licenses in cities with 2nd TV stations. The BBG announced last year that it would not recommend additional radio licenses in Halifax, Quebec, Montreal, Toronto, Winnipeg, Calgary, Edmonton and Vancouver until the new TVs in those areas were established.

Authorized CBC to establish a new TV station at Dryden, Ont., a rebroadcaster for Dryden at Sioux Lookout, and a rebroadcaster for CBUT Vancouver at Courtenay.

Granted rebroadcasting stations for CKBI-TV Prince Albert at Greenwater Lake and Nipawin, Sask.; CKOS-TV Yorkton at Wynyard, Sask.; CJLH-TV Lethbridge at Burmis, Alta.; CFCN-TV Calgary for Drumheller, Alta.

NBC Steps Up Tape Techniques: Two new TV tape devices went into use at NBC last week—a converter which adapts tapes made abroad to U.S. standards, and a time-saving editing machine called the "talking clock." The converter, it is hoped, will open up foreign-U.S. program exchange and facilitate quicker coverage of international news events. Since it also converts U.S. tapes into the various foreign standards, the converter should speed expansion of NBC overseas syndication, the network said. The editing device, installed in NBC's tape central hq in N.Y., puts time-cuing signals on tape so that specific portions to be edited can be located accurately. An announcer's voice will identify the number of each second during an hour period on a tape that's synchronized to the tape being edited, enabling editors to cut a segment to the exact length desired.

NETWORK SALES ACTIVITY

CBS-TV

- General Foods (Benton & Bowles) full sponsorship eff. Oct. 4.
The Alvin Show, Wed. 7:30-8 p.m.
- John H. Breck (Reach McClinton) co-sponsorship Oct. 29.
The Power and the Glory, Sun. Oct. 29. 9-10 p.m. *Noah and the Flood*, Mon. Dec. 11 8-9 p.m.
- Sweets Co. of America (Henry Eisen) part. eff. Oct. 6.
Daytime programming, Sat.
- Standard Brands (J. W. Thompson), Aluminum Co. of America, (Ketchum, MacLeod & Grove), part. eff. Nov. 13.
Daytime programming, Mon.-Fri.
- Procter & Gamble (Benton & Bowles) part. eff. Oct. 12.
Frontier Circus, Thu. 7:30-8:30 p.m.

NBC-TV

- The Texas Co. (Cunningham & Walsh) part. eff. fall.
Tales of Wells Fargo, Sat. 7:30-8:30 p.m.; *Bullwinkle*, Sun. 7-7:30 p.m.; *National Velvet*, Mon. 8-8:30 p.m.; *International Showtime*, Fri. 7:30-8:30 p.m., *Laramie*, Tue. 7:30-8:30 p.m.; *1-2-3-Gol!*, Sun. 6:30-7 p.m.
- Shulton (Wesley Associates) part. eff. fall.
Thriller, Mon. 10-11 p.m.; *Cain's 100*, Tue. 10-11 p.m.; *The Outlaws*, Thu. 7:30-8:30.

The FCC

Dean Landis Quits: The resignation of President Kennedy's regulatory-agency advisor James M. Landis—whose FCC reorganization plan went down to defeat in Congress—was announced Sept. 7. It coincided with filing of court papers in Washington naming Landis as co-respondent in a divorce suit. The President's press secy. Pierre Salinger said there was no significance in the timing of the announcement, and that the former Harvard Law School dean had quit his White House job as of Sept. 1 to return to his N.Y. law practice. In the divorce proceedings, Washington public-relations man Joseph A. Todd alleged that his 41-year-old estranged wife—Landis's exsecy.—had committed adultery with Landis, 61, and other men. In a "Dear Jim" letter accepting the Landis resignation, the President said "You have certainly earned the right to pursue other interests."

WCKT Seeks Rehearing: Reopening of the Miami Ch. 7 "influence" case, decided by FCC in July in favor of Sunbeam TV Corp. (Vol. 17:31 p3), is demanded by loser Biscayne TV Corp. (WCKT) in a petition charging Sunbeam with "deliberate concealment of material facts" about its corporate makeup. Biscayne (Cox-Knight-Trammell group) told the Commission that Sunbeam had failed to disclose that as of July 12 all of its original 11 principals except Sidney Ansin had been replaced. The WCKT petition added that Ansin was succeeded as Sunbeam pres. by Claude T. Wade, "who is not a part of the existing record," and that Ansin was "relegated" to vp & treas. Biscayne also argued that FCC's decision against it was improper because: (1) Chmn. Minow & Comrs. Ford & Cross, who voted for Sunbeam, weren't entitled to vote on the final decision because they didn't participate in oral argument "in which the comparative merits were presented." (2) WCKT was "denied the full comparative hearing which it is guaranteed by law." (3) "The ultimate conclusions are not supported by the record as a whole." (4) "The disqualification of Biscayne is arbitrary & capricious."

Tighter Rule Proposed: FCC's proposed rule restricting use of vhf translators by regular stations (Vol. 17:27 p7) isn't restrictive enough, NAB said in comments filed Sept. 6. The rule, intended to prevent stations from expanding their service areas, should be amended to prohibit translators from duplicating programs of other stations serving the same communities, NAB told the Commission. This language was proposed: "A vhf translator will not be authorized to serve an area which is receiving satisfactory service from one or more TV broadcast stations unless, upon consideration of all applicable public-interest factors, the additional service is deemed to be in the overall public interest." Then FCC could adopt a policy that programming duplication "would not be deemed in the public interest," NAB suggested.

N.Y. Repeats Proposed: Apartment Television Service Inc., Philadelphia firm which specializes in multiple-antenna systems, wants to bring in programs from N.Y.'s WNTA-TV, WOR-TV and WPIX via uhf translators for Philadelphia apartment dwellers. It filed FCC applications for Ch. 70, 80 and 83 to repeat the N.Y. stations in the Philadelphia area, proposing that transmitters be located in Philadelphia's Ritz Towers. FCC would have to waive mileage separation rules to grant the applications. Apartment Television Service doesn't have permission of WNTA-TV, WOR-TV or WPIX for the proposed repeats.

Newsweek on Minow: A 4-page laudatory feature on FCC Chmn. Minow in Sept. 11 *Newsweek* concludes with this "personal credo written by Minow for the clarification of his own thought just before he went to Washington": "Historically, TV stations plan & program the telecasting hours to attract the greatest number of viewers for the largest amount of time . . . This general goal of the greatest appeal to the greatest number is a fact of economic life which should not be condemned no matter how much TV critics might deplore or question mass TV taste. But in attracting the greatest audience most of the time, a station owner cannot bypass the minority 'some' of the people during some smaller portion of its programming time. Constitutionally, the will of the majority is never allowed to persecute . . . a minority."

Minow to Address Mass Media Forum: FCC Chmn. Newton Minow will participate in the 3rd annual series of lectures on "Mass Media in Contemporary America" to be conducted next spring by the Annenberg School of Communications, U. of P., Philadelphia. Minow will appear on a March 29 panel with other representatives of the broadcast & communications media, including the school's dean, Gilbert Seldes.

WXIX-TV Seeks Uhf-Vhf Operation: Milwaukee Ch. 18 station has asked FCC for reconsideration of its petition for immediate temporary authority to telecast on both Ch. 8 & Ch. 18 until FCC determines a permanent, long-range allocations plan for a nationwide competitive TV system. Pres. Gene Posner said WXIX-TV's proposal for joint uhf-vhf operation in Milwaukee, which he termed the most "non-competitive" market in the country, would be a boon to viewers who have invested in uhf receivers.

Citizens Band Prosecution: For the transmission of "indecent, obscene and profane language," Birmingham, Ala. Citizens Band operator John H. Puckett was ordered to keep off the air for 3 years in the first prosecution of its kind. He had entered a plea of guilty on 2 counts.

Educational Television

MPATI Flights Start: Following successful tests in May (Vol. 17:21 p8), the Midwest Program on Airborne TV Instruction was reported ready last week for Sept. 11 inauguration of regular DC6AB flights serving classrooms in Ind., Ill., Ky., O., Mich. and Wis. Recorded lessons transmitted from the plane above Montpelier, Ind. were expected to reach a million school children at the outset of the 4-day-a-week ETV schedule which will run through May 1962. In Washington, the MPATI project was hailed by Rep. Conte (R-Mass.) as the prototype of an educational technique which could be spread around the world. "Some day the programs may be beamed not from high-flying airplanes but from satellites," Conte told the House. He lauded Westinghouse engineers Charles E. Nobles, who demonstrated feasibility of airborne TV in B-29 bomber tests in 1948, and Reuben Lee, who helped get the MPATI experiment off the ground.

ETV Pupils Score High: South Carolina students who were taught elementary algebra in courses transmitted over the state's closed-circuit educational TV system have scored in the top 20% in national achievement tests. "Growth of pupils under ETV during the past year is most encouraging," reported system gen. mgr. R. Lynn Kaimbach, pointing out that 83% of them made test grades above the national average.

Advertising

Builders Boost Their TV Dollars 72.5%: Network gross time billings for building materials, equipment and fixtures rose from \$1.4 million in the first half of 1960 to \$2.5 million in the like 1961 period, reported TvB last week. DuPont paints led the category with billings of \$1.4 million, followed by Pittsburgh Plate Glass paints & windows (\$645,346) and Devoe and Reynolds paint (\$130,364). Other first-half network TV ad news: Procter & Gamble, with billings of \$13.2 million and Lever Brothers, at \$8.4 million, were the leading advertisers, while Anacin Tablets (\$2.6 million) and Crest Toothpaste (\$2.2 million) took top brand honors.

RTES 8-Week Training Course: Abandoning its traditional cocktail-luncheon meetings in the atmospheric Hawaiian Room of N.Y.'s Hotel Lexington, Radio & Television Executives Society has announced instead, through planning-committee chairman Erwin Ephron, an 8-week classroom course in time-buying & -selling to be given by industry executives starting Oct. 24. The course will be held in a CBS radio studio. A survey of media executives at agency, rep and advertiser firms had revealed "serious need for a bedrock training course," said Ephron, explaining why the martinis won't flow this fall.

Agency Realigns Media Dept.: Norman, Craig & Kummel has reorganized its media department into 3 buying groups and has named McCann-Erickson media man Murray Roffis as asst. vp & media director. He will head an account group which includes Colgate-Palmolive. The other account-group heads are George Coleman and Sheldon Boden. Vp Eugenie Stamler, previously head of print buying, was placed in charge of over-all media relations; acting media dir. Henry Halpern will continue as marketing vp & research dir.; and another McCann-Erickson veteran, Bruce Graves, will head the newly-established media-research dept.

Spot-TV Rates Level Off: This year has seen a smaller increase in spot-TV rates than has any previous period, according to a Katz agency analysis based on 50 major TV markets. Comparing July 1961 costs with July 1960, Katz found: (1) One-time daytime minutes rose 2.4% this year (vs. 11% last July). (2) 12-plan daytime minutes were up only 1.3% (vs. 12.3%). (3) Base rates for nighttime half-hours rose 2% (vs. 7.6%). (4) One-time nighttime 20-sec. spots increased 6.3%, compared to a rise of 8.6% in 1960.

New Rep: WCYB-TV Bristol, Va. to Meeker Aug. 1 from Bolling.

Ad People: James M. Reeve elected pres., McCann-Erickson (Canada), succeeding W. Richard Wright, resigned to become pres. of a travel bureau. R. K. Bythell promoted from vp to senior vp of the company . . . George N. Beecher elected vp, Foote, Cone & Belding . . . Samm S. Baker elected a Donahue & Coe vp . . . Gilbert Kahn elected a vp, Grey Advertising.

Obituary

Oliver W. Heath, 67, vp of Leo Burnett Co., died Sept. 2 in Evanston, Ill. He had formerly been an advertising representative for *American* and *Cosmopolitan* magazines. Surviving are his wife, daughter, son, mother and brother.

Leo P. Wren, media dir. of Dancer-Fitzgerald-Sample, died Sept. 3. He is survived by his wife and 3 children.

Print Media Probed: In a dragnet-type investigation of suspected illegal pricing-&-promotion practices, FTC has mailed questionnaires to 58 publishers of books, magazines, paperbacks and comics demanding detailed data on their distribution arrangements with wholesalers & retailers. FTC Chmn. Paul Rand Dixon said the sweeping probe of the publishing industry was started after his agency won consent orders against several publishers accused of discriminatory payments & allowances to favored distributors.

Canadian TvB's Station Members: TvB of Canada released last week this list of 11 charter members: CKVR-TV Barrie, Ont., CJAY-TV Winnipeg, Man., CKCK-TV Regina, Sask., CFPL-TV London, Ont., CJON-TV St. John's, Nfld., CHBC-TV Kelowna, B.C., CFCL-TV Timmins, Ont., CJLH-TV Lethbridge, Alta., CHAB-TV Moose Jaw, Sask., CFQC-TV Saskatoon, Sask., CKBI-TV Prince Albert, Sask. In addition, the 9 Canadian members of the American bureau have transferred their membership to the Canadian group.

Colorforms Expands TV Schedule: The 2nd-largest network TV advertiser in the toy industry, Colorforms, will have the largest 1961-1962 TV billing in the company's history. The schedule, via Kudner: *Captain Kangaroo* on 170 CBS-TV stations on a year-round basis and saturation spots in about 40 markets. Colorforms national sales mgr. Alan Goodman reported that summer sales have shown a "46% increase over last year's comparable period . . . due in part to a strong TV campaign."

Bigelow's Triple-Take Fall Look: The Bigelow-Sanford Carpet Co.'s fall ad campaign will include a unique adaptation of TV technique to print media. Imitating TV's "zoom-in" technique, the carpet company's full-page color layout has 3 horizontally-stacked bleed photos, each progressively closer, showing models relaxing on a Bigelow.

Technology

IRE-AIEE Satellite Panel: Four top communications satellite engineering executives will present a panel discussion Sept. 11 at a joint meeting of Washington's IRE & AIEE sections at the Museum of Natural History. Moderator will be FCC chief engineer Edward W. Allen. The speakers, to be introduced by NASA Deputy Administrator Dr. Hugh L. Dryden: Richard P. Clifford, mgr., engineering communications products dept., GE; Dr. Edmund A. Laport, dir., communications engineering, RCA; Dr. John R. Pierce, dir., research communication principles, Bell Labs; Dr. Herbert Trotter Jr., pres., GT&E Labs.

RCA to Make Moon TV Systems: RCA has been assigned to develop TV systems for 4 moon-exploring Ranger rockets added recently by NASA to its schedule of launchings. The 4 additional rockets will carry TV systems designed to transmit pictures of the moon's surface up to the moment the rockets crash on it. The additions make a total of 9 Ranger rockets which will be put on the moon before a manned landing is attempted.

Australia Builds Giant Radiotelescope: Ultra-sensitive instrument at Parkes, New South Wales, is expected to "out-hear" any radiotelescope in existence. Although more compact than the huge radiotelescope at Jodrell Bank, England, the Australian instrument will be able to listen in on radio signals 10 times farther out in space, its designers claim. It will also be used for tracking satellites and for various astronomy projects.

Television Digest

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Personals: John T. Reynolds named to new post of vp-gen. mgr., CBS-TV network programs, Hollywood.

Albert P. Krivin, ex-KYW-TV Cleveland, appointed vp-gen. mgr., KMBC-TV Kansas City, Mo. . . . J. Allen Jensen, ex-KSL-TV & KSL Salt Lake City, named gen. mgr., KID-TV Idaho Falls, and exec. vp, Idaho Radio Corp. . . . William D. Stiles named news & public affairs dir., KFMB-TV & KFMB San Diego and KERO-TV Bakersfield.

S. White Rhyne Jr. joins Washington law firm of Mullin & Connor as a partner; offices have been moved to 515 Southern Bldg. . . . Jack H. Fern, ex-CBS News, appointed news dir., KDKA-TV Pittsburgh . . . Marvin Roslin named research dir., Young TV. Stanley Feinblatt appointed research dir., Adam Young Inc. (radio).

FCC Chmn. Minow has cancelled plans to serve as usher at Sept. 9 Denmark wedding of his former law partner William Blair, Ambassador to Denmark; too much to do in Washington . . . Richard B. Rawls, vp-gen. mgr., KPHO-TV & KPHO Phoenix, named to NAB research committee.

James C. Hagerty, ABC News, special events & public affairs vp, will keynote the Bcstrs.' Promotion Assn. seminar to be held at the Waldorf-Astoria, N.Y. Nov. 6-8 . . . C. Langhorne Washburn, ex-Automated Preference Testing Corp., named vp, A. C. Nielsen . . . Oliver A. Unger, ex-NTA pres.-chmn., named exec. vp, Home Entertainment, pay-TV company . . . Fred Froeschle, *Ransom County* (N.D.) *Gazette* editor-publisher, joins KXGO-TV & KXGO Fargo and KXJB-TV Valley City, N.D. as news dir., continuing newspaper operation; Henry Ness, from Fargo National Bank, named KXJB-TV farm dir.

Mrs. Robert E. Lee, wife of the FCC member, was matron of honor last week at wedding of Mrs. Jean McCarthy, widow of Sen. Joseph McCarthy (R-Wis.), to CAB member G. Joseph Minetti, a widower. Mrs. Lee had served as matron of honor also at the McCarthy wedding.

Consulting engineer A. Earl Cullum Jr., with associates D. A. Peterson, Thomas A. Wright & C. M. Daniell (Dallas) have a new phone number—Melrose 1-8360.

Murrow is Keynote: USIA dir. Edward R. Murrow & HEW Secy. Abraham A. Ribicoff will deliver keynote addresses at the opening session of the 44th annual meeting of the American Council of Education in D.C. Oct. 5-6.

Foreign

Report from London: "The transmitters of the commercial television network [Independent Television Authority, the government-appointed body that controls the commercial television companies] will be capable of reaching 95% of Britain's population by the end of 1962. At that time 4 more independent companies will be on the air and the broadcasting capabilities on the single channel assigned to commercial television will be at the maximum . . . A [recent] survey by the British Broadcasting Corporation, which strives mightily to outdo its commercial rival, disclosed that 50% of the adult population viewed some part of BBC's transmission on a given day, and 45% viewed commercial programs, even though some sections of Britain still cannot receive ITA broadcasts."—Seth S. King in *N.Y. Times*.

Worldwide TV Boom: Sometime next year the number of TV sets outside the U.S. "will equal & then top" those within this country. So predicted TV Program Export Assn. Pres. John G. McCarthy in N.Y., pointing out that the foreign set count is now only 3 million behind the present U.S. total of 53 million sets. McCarthy, whose organization represents a number of leading U.S. telefilm producers and distributors active in the foreign syndication market, credited the United Kingdom ("almost 12 million"), Japan ("approximately 8 million") and West Germany ("with 4.8 million") as being the 3 principal TV nations among the free-world bloc, and counted the Soviet-controlled countries as having "approximately 8 million" TVs.

Will Britain Break Toll-TV Barrier? When the gov.-appointed Pilkington Committee on TV & radio publishes its research findings early next year, it may recommend a wired pay-TV system, industry sources speculate. Some 400,000 British homes are already wired for closed-circuit telecasts. Favored contender for the "toll-telly" title: British Home Entertainments Ltd.

East Germans Vent Ire on TV: Writing in *Young World* recently, East German propaganda minister Gerhart Eisler suggested that his readers climb on neighbors' roofs and pull down antennas which face the West Berlin TV transmitter. He said that such action would make people "blinded by enemy propaganda" come to their senses and realize the harm done by TV programs from the West.

Australia Producing TV Transmitters: The first made-in-Australia TV transmitters are nearing completion at the Sydney plant of Amalgamated Wireless. Initial units are slated for delivery to 3 upcoming stations in Victoria. Amalgamated Wireless termed the successful entry into transmitter production a landmark in the development of Australia's electronics industry.

Cairo Goes Commercial: By presidential decree, the United Arab Republic's gov.-owned TV & radio system now accepts advertising by private firms. The rates: \$125 per minute on TV, \$41 on radio.

Argentine TV Tax Rises: Sales tax on imported & domestic TV sets and on automobiles has been increased to 13% from 10% in implementation of the official policy of discouraging non-essential consumer buying.

Meetings Next Week: CBS Radio Affiliates Assn. annual convention (Sept. 18-19). Waldorf-Astoria Hotel, N.Y. • RTES newsmaker luncheon (22). FCC Chmn. Newton N. Minow will speak. Hotel Roosevelt, N.Y.

Consumer Electronics . . .

MANUFACTURING, DISTRIBUTION, FINANCE

CROSBY SUES GE OVER FM STEREO: The expected patent battle over FM stereo erupted at week's end, as Crosby-Teletronics Corp. instituted a patent-infringement suit against GE. Filed in N.Y. Federal Court, it charged "infringement on a Crosby patent covering the method & equipment necessary for the broadcasting & reception of stereophonic FM in accordance with the standards adopted by the FCC last April 19."

The 1958 patent, said Crosby "is the only one which relates to the FCC-approved multiplex stereophonic FM broadcasting method." There was no immediate comment from GE.

Thirty manufacturers have signed licensing agreements with Crosby, the company announced. GE also has set up licensing procedures for FM stereo under its own patent applications.

Crosby's FM-stereo multiplex system, which differed from the Zenith-GE system finally approved, was rejected by FCC—but it employed the same basic plus-&-minus techniques governing content of main FM carrier and subcarrier.

PLENTY OF STEREO AD SUPPORT IN N. Y.: There was no lack of advertiser support for FM stereo last week in nation's No. 1 market as N.Y. Times' WQXR-FM inaugurated stereocasting.

Despite complaints from some FM broadcasters that set makers had refused to put their money where their mouths were and sponsor stereocasts, WQXR-FM found response so good that it stepped up its planned schedule of stereocasts from 55 minutes to 10 hours weekly—including record, tape & live shows. It will be expanded another 2 hours Oct. 7 when the station starts broadcasting recordings of Boston Symphony concerts.

Sponsors already signed up specifically for FM stereocasts are hi-fi component manufacturers Fisher Radio, Pilot Radio, H. H. Scott & Harman-Kardon (Jerrold Electronics). WQXR Pres. Elliott Sanger told us "2 or 3 others" are due to start soon (one understood to be GE). The station, a pioneer in AM-FM stereo (which required 2 radio receivers), has dropped all AM-FM stereocasts and converted them to FM stereo. Among previous AM-FM sponsors involved in the conversion are RCA Victor Records, London Records, Angel Records, Capitol Records.

First reactions to initial stereocasts have been "remarkable," Sanger told us.

Kansas City Snowball: Corning Glass Works' "Operation Snowball" moves next to Kansas City Sept. 15-Oct. 1 for a promotion of TV sets. According to Corning, 7 major set distributors, Kansas City Power & Light Co., the Electric Assn. of Kansas City and area NARDA-member dealers are participating. Included in the activities will be a "1962 TV preview" and the award of 40 free TVs to encourage traffic in cooperating dealers' stores. Participating will be distributors for Magnavox, RCA, Zenith, GE, Sears Roebuck, Philco & Westinghouse.

New Plants & Expansions: Sprague Electric will open this month in Hillsville, Va., a leased 30,000-sq.-ft. plant for production of capacitors and electronic sub-assemblies. The plant eventually will employ about 600 persons • Sangamo Electric will add 65,000-sq.-ft. to its Pickens, S.C. plant and transfer it to capacitor production operations now carried on at a leased plant in Marion, Ill. The latter plant will be closed early next year.

FM-Stereo Warning: "Let's Wait at Least Till Christmas Before We Butcher Our New Progeny, FM Stereo." So reads the sarcastic headline on a unique full-page trade ad signed by Friendly Frost Chmn. Gerald O. Kaye. The text: "Leading engineers say FM stereo is the first major breakthrough in consumer electronics since the advent of TV. *So let's kill it!* Many major broadcasters & governmental authorities have indicated they believe FM stereo will rapidly replace AM radio as the No. 1 audio entertainment medium in this country. *So let's kill it!* Manufacturers, distributors and dealers project sales of 50 million sets in less than a decade. *So let's kill it!* And why not? Traditionally, our great industry has a national, if not international, reputation for self-destruction. *So let's get a good start.* Let's fight amongst ourselves! Let's over-produce! Let's cut prices! Let's make 'short-cut' merchandise! Let's try to establish a new industry record! Let's kill this baby before it is born! *For once, let's not!"*

Jerrold Acquires Taco: Continuing its electronics expansion program, Jerrold Electronics announced last week that it had acquired Technical Appliance Corp., a leading manufacturer of TV-radio & communications antennas under the Taco brand name.

The purchase price was \$2.7 million. Taco's 1960 sales totaled approximately \$3 million. Jerrold Pres. Sidney Harman said Taco's management would remain intact, under founders Pres. Herbert Brown and vp Tore Lundahl.

The acquisition was the second by Jerrold within a year. Last February, Jerrold purchased hi-fi component maker Harman-Kardon Inc. For the fiscal year ended last Feb. 28, Jerrold reported gross income of some \$12 million.

Forbes Looks at Zenith: "In an industry where nobody divulges his own figures, but everybody knows how the other guy is doing, Zenith is unanimously conceded to make more TV sets than anyone else," profiled Sept. 1 *Forbes*. Not only has the Chicago set maker led the field for 3 consecutive years, the cover story emphasized, but Zenith "has managed to do one other crucial thing besides—combine huge volume and fat profits, a knack that previous titleholders seldom had. For the record shows that Zenith makes more money per dollar of sales & per dollar of invested capital than any major set manufacturer in the business." Concludes *Forbes*: "There is a good deal in Zenith's near-future prospects that looks more than ordinarily promising," in particular, color TV, FM stereo—and "if Phoneyvision should work out, the arithmetic is breathtaking."

New Subsidiaries & Divisions: Raytheon has established Raytheon-Elsi Ag to market in Europe tubes, transistors and other electronic components manufactured by Raytheon and affiliate Elettronica Sicula of Palermo. The new Raytheon subsidiary will have its hq in Zug, Switzerland • Allied Radio, Chicago parts distributor, has formed wholly-owned subsidiary Allied Electronics Corp. The subsidiary, said Pres. A. D. Davis, will handle industrial sales of semiconductors, relays and other components which account for more than one-third of Allied Radio's \$40 million annual sales • Collins Radio has consolidated its 2 electronic components operations into a single new division, which will retain the Communications Accessories Co. name of the facility at Lee's Summit, Mo. The 2nd facility is Collins' filter operation at Santa Ana, Cal.

Breakthrough Dept., Component Div.: Important new component developments announced last week: (1) RCA has developed a mass-production process opening the way for the first time to practical use of niobium-tin superconductive magnets, which generate enormous magnetic fields but use no power, for use in nuclear research and ultrasensitive receivers for radar, astronomy and space communications. (2) GE has discovered a method for producing semiconductor diamonds, which are extremely rare in nature, but can now be "grown at will in the laboratory." (3) Bell Labs has invented a new-type connector which is expected to supplant binding posts and nuts for terminal connections. Shaped like a coil spring, its sharp edges "bite" through plastic insulation for connection without stripping the wire.

Russian Automation Described: The Commerce Dept.'s Office of Technical Services has translated & made available (for \$3.50 per copy) the entire May-June issue of the Soviet electronics journal *Radio Engineering*, which details automation techniques in Russia.

CBS Quits Semiconductor Field: Continuing its sail-trimming operation which earlier this year saw the liquidation of its phono & receiving-tube business, CBS Electronics has decided to shut down its recently-opened 20,000-sq.-ft. Lowell, Mass. semiconductor plant. The plant was said to have cost about \$5 million in construction.

The plant, including real estate, facilities and "certain inventories" will be purchased—probably next month—by Raytheon. The Lowell plant employed about 950. The 3 other CBS plants closed this year—at Danvers & Newburyport, Mass. and at Windham, Me.—employed 1,200.

CBS Electronics' move was the most serious result of the recent attrition in the semiconductor business due to competition, imports and price-cutting. CBS Electronics operated at a loss last year.

TV Sales Predictions: Most set makers are less optimistic than Sylvania, whose senior vp George Connor recently predicted the industry could sell as many as 6,385,000 TVs if sufficient sets are available this year (Vol. 17:35 p17). So reported *Home Furnishings Daily* Sept. 6 in a roundup which found little agreement with predictions of possible shortages. Those making specific forecasts: Emerson Pres. Benjamin Abrams, 6.05-6.1 million; GE, 6.4 million; Olympic Pres. Morris Sobin, 5.9-5.95 million; RCA, slightly under 6 million; Motorola exec. vp Edward R. Taylor, 6.2 million; Packard Bell vp Kenneth R. Johnson, 6.2 million.

Labeling Bill Fought: National Assn. of Manufacturers has lined up against a bill (HR-1141) by Rep. Bray (R-Ind.) and other House measures which would require labeling of imitation hardwoods used in TV sets & other furniture (Vol. 17:2 p3). In a statement filed with the Commerce Finance Subcommittee, the NAM said that such a law could "boomerang" & confuse consumers. Mandatory requirements for labeling hardwood products & their substitutes would "create a bias against widely-accepted man-made substances" among buyers who tried to weigh the relative usefulness of natural or artificial products, the NAM said.

Price Maintenance Gains Adherents: Policing of retail prices by distributors is becoming more prevalent. Recent moves: Westinghouse Appliance Sales, N.Y., has placed most of its TV & stereo instruments under the N.Y. & N.J. fair-trade laws, establishing minimum retail prices for these items in its major metropolitan N.Y. marketing area, following a similar move last year by N.Y. Philco distributor John Otter Co. Meanwhile, Motorola distributor Philadelphia Distributors Inc. will establish minimum retail prices for TV & stereo in its area Sept. 15.

"TV Repair Simplified": Written by professional TV repairman Jess E. Dines, this book (Arco Publishing, 138 pp., \$2.50) provides some 500 tube-layout diagrams, a model-chassis index to TVs produced by 20 manufacturers, and 100 diagnostic photos of typical set problems. With the book, the publisher claims, "a private TV owner can locate & replace defective tubes without having to know the technical reasons."

Kimble Publicizes Tube-Labeling Law: Kimble Glass is circularizing the nation's press with the news that Pennsylvania now requires that TV picture tubes sold for replacement use must be tagged "new" or "used" for consumer protection. The law, passed by the state legislature at its last session, permits the "new" tag only on tubes using new glass & components exclusively.

Trade Personals: Edward Bishop Jr., Hallicrafters treas., H. Kenneth Hudson, William F. Frankart, John C. Mathews and Frederick Trowbridge elected Hallicrafters vps . . . Edwin S. McCollister, ex-Sperry Rand, appointed RCA electronic data processing mktg. div. vp . . . Alfred J. Pote, ex-Ittek Corp.'s Hermes electronics div. pres., joins Northrop's Page Communications Engineers as senior vp & asst. to Pres. Joseph A. Waldschmitt . . . George A. Banino named vp-gen. mgr., ITT-Kellogg communications system.

Daniel Echo, ex-Du Mont Labs, named to new post of display-devices product mgr., Sylvania electronic-tube division. John B. Donner appointed mgr., Sylvania Waltham microwave & antenna lab.

Robert H. Beisswenger promoted from Jerrold gen. sales mgr. to gen. mgr., Jerrold-Philadelphia. Donald Spanier, ex-Polaroid of Japan, named gen. mgr., Harman-Kardon. Daniel Aaron appointed asst. gen. mgr., Jerrold-Philadelphia.

John J. Connolly appointed vp, Litton Systems . . . Dr. Bernard H. Linden promoted from acting mgr., CBS Labs electron tubes, to dir., succeeding Robert E. Rutherford Sr., resigned.

Robert W. Hubner appointed mktg.-services dir., IBM. . . . Leonard C. Whitney, ex-Clevite, appointed electronic-engineering mgr., National Transistor . . . James D. Bowen named sales mgr., Raytheon's Sorensen product lines (power supplies, voltage regulators, inverters & converters, frequency changers, cable testers, meters).

Richard H. Wilcox, ex-General Dynamics, appointed asst. to the pres., P. R. Mallory, succeeding John L. Wilkes, recently named gen. sales mgr., metallurgical div. . . . David C. Clegg named area vp for South American operations, GT&E . . . Harold W. Kaye appointed to new post of technical asst. to the vp-gen. mgr., Adler Electronics.

Lear's 6 Success Secrets: "My 6 secrets can make you a million dollars," wrote Lear Inc. Chmn. William P. Lear in Sept. 3 *This Week*. "They've worked very well for me, and I am just another guy who came up the hard way from the streets of South Chicago. I never got past grammar school, and last year, the company I founded did over \$90 million in business." How to become a millionaire? (1) Learn to communicate. (2) Learn how to quit a job. (3) Build a nest egg. (4) Work an extra hour a day. (5) Try to develop a little insecurity. (6) Don't forget to use common sense.

Galvin Will Address NEC: Motorola Pres. Robert W. Galvin will be the guest speaker at the closing luncheon Oct. 11 of the 3-day National Electronics Conference, in Chicago's International Amphitheatre. His address—"Electronics Unlimited"—will explore the industry's future. Other luncheon speakers: IRE Pres. Dr. Lloyd V. Berkner, Oct. 9; Brig. Gen. David P. Gibbs, Deputy Chief of Communications & Electronics, North American Air Defense Command, Oct. 10.

Zenith Scholarship Award: For the 3rd consecutive year, Zenith has contributed \$1,500 to the scholarship fund of the American Speech & Hearing Assn. Foundation.

De Forest Royalties Sought: Los Angeles attorney Morris Lavine said recently he will try to recover royalties on some of the patents granted the late Dr. Lee De Forest in behalf of Mrs. De Forest. Dr. De Forest's will showed as his only income a monthly check for \$1,250 from Bell Labs, where he was a consultant.

Finance

Electronics Investment Corp. Gains: Total net assets of the San Diego mutual fund rose to \$41,790,320 in the quarter to July 31, 1961. This compared with \$35,008,339 a year ago. The net asset value per share gained moderately to \$8.18 from \$7.95. In his quarterly report to shareholders, EIC Pres. Charles E. Salik noted: "It is our belief that sales & earnings of electronics companies will sharply increase during the balance of this year and the first half of 1962. As new business is placed by both military & industrial organizations, the general investing public should again recognize the growth characteristics of electronics companies, and consequently the common-stock values of many select electronics companies should once again resume their upward trends."

For the quarter to July 31, here are the principal portfolio changes in electronics common stock: Added—Ateliers de Montages Electriques. Increased—Ampex, Edwards High Vacuum, Garrett Corp., Hallicrafters, Hewlett-Packard, IBM, Litton Industries, Microwave Associates, Sigma Instruments, Thomson-Houston Compagnie, Transition Electronics, United Aircraft, Varian Associates. Reduced—Bendix, Packard Bell, Storer Broadcasting.

New NTA Notes: The TV film distributor recently announced an offer to exchange up to \$1 million worth of its outstanding 6% sinking-fund subordinated notes for equal amounts of a new issue of 6½% convertible notes. The new notes, unlike the old ones, may be converted into NTA common stock at the rate of \$2.50 principal amount of new notes for each share of common. There are about 750 holders of the \$1.4 million in old 6% notes.

Gem Electronic Distributors Inc., Farmingdale, N.Y. distributor of TV, radio and hi-fi equipment & components, plans public sale of 75,000 common stock shares, price unreported. An SEC registration statement (File 2-18757) also covered 15,000 additional shares underlying a 5-year option to be issued to underwriter Carter, Berlind, Potoma & Weill for \$150.

Giannini Controls Corp. Plans 2-for-1 Split: The parent of Conrac Inc. has obtained stockholder approval to double the authorized common stock to 2 million shares. The maker of aircraft & missile controls currently has 532,000 shares outstanding. Giannini said it had no immediate plans for the authorized shares which will be unissued after the stock split.

Sterling Electronics Inc., Houston distributor of TV parts, hi-fi equipment and other electronic products, plans a 125,200-share common stock offering through S. D. Fuller & Co. The price was unlisted in an SEC registration statement (File 2-18548) which said \$265,000 of the proceeds of the public sale would be used to expand inventories and develop new sales outlets.

Indiana General in Australia: The Valparaiso, Ind. maker of magnets & ferrites has acquired 50,000 common shares, "or approximately 4½% of the stock outstanding," of Ducon Industries, Sydney, a leading Australian manufacturer of electronic components, reported Indiana General Pres. Robert F. Smith.

GPE's \$12 Million Financing: General Precision Equipment has privately placed with an institutional investor a \$12 million, 6% promissory note due Oct. 1, 1976. The proceeds will be used to repay bank loans.

H&B American Corp., already the biggest operator of community-antenna systems, plans further expansion, according to an SEC registration statement (File 2-18833) for financing & exchange plans. The Beverly Hills company's proposals covered: (1) \$2,575,000 of 6% sinking-fund debentures due 1973 and 12-year warrants to purchase 206,000 common stock shares, to be exchanged for \$2,575,294 of 3% outstanding 10-year notes due 1964 at the rate of \$1,000 of notes for \$1,000 of debentures and warrants to purchase 80 shares. (2) \$3,000,000 of like debentures with warrants to purchase 240,000 shares, to be offered for public sale in units, each consisting of \$1,000 of debentures and warrants for 80 shares. (3) 250,000 shares for public sale. Adams & Peck heads underwriters of the offerings, prices of which were unlisted in the initial SEC statement. H&B said its main business is operating CATV systems in 26 U.S. & Canadian communities, that it is selling its home-barbecue equipment business. The company told SEC that \$2,500,000 of proceeds from sales of units & stock will be applied to payment of bank loans and to working capital for systems operations and contemplated construction & purchase of additional systems.

International Resistance Sees Gain: President Walter W. Slocum has forecast that 1961 sales of the Philadelphia components maker would climb to more than \$22 million, compared with \$20.8 million in 1960. Earnings may approximate last year's record \$1.9 million. "We are spending more of our own dollars on research & development and less of the govt.'s," Slocum noted, explaining the failure of profits to keep pace with rising sales. He said that International Resistance derives about 22% of its sales volume from govt. business. Slocum also noted that the company will extend its licensing agreements. In 1960, income from licensees increased to \$594,516 from \$504,053 the preceding year.

Programs for Television Inc., N.Y. distributor of British films handled by the J. Arthur Rank organization, proposes public sale of 150,000 common shares to finance "development, purchase, production and co-production of new properties" for TV. An SEC registration statement (File 2-18805) didn't list the offering price of the issue or the underwriter, but said: (1) Broad Street Capital Corp. and William Hernstadt have purchased 25,000 shares for 67 $\frac{2}{3}$ ¢ per share and have received 5-year warrants, exercisable at \$5 per share, for purchase of 25,000 additional shares in consideration of a \$75,000 loan to the company. (2) Booth, Lipton & Lipton has bought 1,000 shares.

ITC inked in a \$1.1-million net profit, after amortization, for the 10-month fiscal period ending April 30, 1961. Making the report to British parent company ATV, ITC Pres. & Chmn. Michael Nidorf said gross sales for the same period totaled \$50.2 million. Net profits for May & June (not included in ITC's fiscal year, which has been changed to correspond with ATV's) exceeded net profits of corresponding months of 1960 by 21.7%, Nidorf added.

Reports & Comments Available: RCA, review, H. Hentz & Co., 72 Wall St., N.Y. 5 • Decca Records, memo, Purcell & Co., 50 Broadway, N.Y. 4 • Technicolor, report, Hoppin Bros. & Co., 120 Broadway, N.Y. 5 • Bendix, discussion, Hornblower & Weeks, 40 Wall St., N.Y. 5 • Corning Glass, prospectus, Harriman Ripley & Co., 63 Wall St., N.Y. 5 • Computer Instruments, prospectus, Hayden, Stone & Co., 25 Broad St., N.Y. 4.

Movielab Joins ASE: Movielab Film Labs, Class A stock, has been listed for trading on the American Stock Exchange. Symbol: MOV A.

Trav-Ler Sees Record Half: Pres. Joe Friedman predicted last week that Trav-Ler Radio would score record sales & profits in fiscal 1962's first half, ending Oct. 31. He forecast sales of \$12-12.5 million (vs. \$11 million in May-Oct. 1960), earnings of \$300,000 or 31¢ a share (vs. \$230,000 & 24¢). Sales in the 2nd quarter should climb to \$8.5 million from \$6.2 million a year earlier, he said, and earnings will be "at least equal to, if not higher than," the \$125,282 (13¢) earned in fiscal 1961's October quarter. In an address before the N.Y. Society of Security Analysts, Friedman also noted that Trav-Ler's August sales of home-entertainment products climbed to a record monthly high of more than \$3 million, that the backlog on Sept. 1 was up to \$8.5 million from \$5 million a year earlier, that private-label business accounted for more than 70% of Trav-Ler's volume and was increasing. For total fiscal 1962, he anticipated \$25 million sales (vs. \$19.9 million in fiscal 1961) and "better profits" than the \$675,000 (74¢) earned in '61.

Disney Sees \$4-Million Profit: Rebounding from a \$1.3-million loss in its 1960 fiscal year, Walt Disney Productions anticipates a net income of about \$4 million in the year ending Sept. 30. Treas. Lawrence Tryon expects the per-share profit to reach \$2.40-\$2.60, sales to approach the record \$58.4 million posted in fiscal 1958. Revenues last year totaled \$46.4 million. Tryon said that Disney's revenues from TV in fiscal 1961's first 9 months (Vol. 17:34 p16) were about the same as in the year-earlier period and that no major changes in TV revenues are anticipated in the final quarter.

Lunar Enterprises Inc., N.Y. TV-film producer, has asked SEC (File 2-18826) to register 125,000 common stock shares for public sale at \$5.75 per share through Ehrlich, Irwin & Co., whose principal Henry Ehrlich has exercised an option to buy 30,000 shares at 5¢ each. The registration statement also covered 12,000 shares & 10-year warrants to purchase 12,000 additional shares at 5¢, sold by Lunar to a limited group for an aggregate of \$69,120. Lunar has co-financing deals with CBS-TV for *Beachfront* and *Joey Trouble* and with ABC Films for *Warrant for Arrest*. It plans to use \$584,000 proceeds from the stock sale to develop new pilots and add to its working capital.

Taft Drops Stock Offer: Taft Bestg.'s once-delayed secondary offering of 376,369 common shares (Vol. 17:30 p22) has been canceled because of "market conditions." The company has applied to SEC to withdraw the registration statement filed May 26. Pres. Hulbert Taft noted that when the stock offering was scheduled in May, the stock was selling at 24. "It declined to a current level of about 18," he added, "and the stockholders didn't want to sell at that price."

Broadcast International Inc., 3 W. 57th St., N.Y., will be given an SEC hearing there Sept. 27 on charges that a stock-offering circular "contained false & misleading representations of material fact." In a June 29 order, SEC temporarily suspended a Regulation A exemption for Broadcast International's proposed sale of 60,000 common shares at \$5 per share.

Spencer-Kennedy Hits Sales Peak: Boston-based Spencer-Kennedy Labs, makers of TV distribution systems and electronic components & devices, scored record sales of more than \$1.2 million in its 1961 fiscal year ended June 30. There was a 30% gain over fiscal 1960's sales of \$923,000. Pres. Donald Spencer also reported that backlog orders are "substantially in excess of those a year ago."

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
Clarostat	1961—6 mo. to June 30	\$4,639,909	\$380,422	\$193,603	\$0.41	470,284
	1960—6 mo. to June 30	4,433,403	388,745	197,600	.42	470,284
Magnavox	1961—6 mo. to June 30	61,792,000 ¹	5,218,000	2,559,000 ¹	1.08	2,372,889
	1960—6 mo. to June 30	51,764,000	3,807,000	1,844,000	.78	2,360,000
Times-Mirror	1961—28 wks. to July 16	63,288,670	—	2,379,802	.57	4,199,258
	1960—28 wks. to July 16	57,471,652	—	2,578,666	.62 ²	4,179,297 ²
Transcontinent TV Corp.	1961—6 mo. to June 30	8,922,558	1,927,685	646,192	.37	1,768,612
	1960—6 mo. to June 30	6,525,665	1,368,880	549,012	.31	1,768,612
Transitron Electronics	1961—year to June 24	37,059,866	—	(1,451,792) ⁵	—	7,502,500
	1960—year to June 25	47,753,064	17,095,641	8,110,641	1.08	7,502,500
Trans-Lux	1961—6 mo. to June 30	—	—	289,826	.50	582,182
	1960—6 mo. to June 30	—	—	262,665	.45	582,182
20th Century-Fox	1961—26 wks. to July 1	62,125,788	881,764	12,326 ³	—	2,446,986
	1960—26 wks. to June 25	56,370,992	4,309,582	2,628,576	1.10	2,383,286
United Artists	1961—6 mo. to July 1	57,866,000	—	1,893,000	1.10 ⁶	1,715,373
	1960—6 mo. to July 2	51,426,000	—	1,678,000	.98 ⁶	1,664,218
Victoreen Instrument	1961—6 mo. to June 30	9,489,405	196,178	153,096	.07 ⁴	2,112,468
	1960—6 mo. to June 30	6,093,307	530,963	260,770	.12 ⁴	1,594,249

Notes: ¹Record. ²Adjusted to reflect Jan.-1961 4% stock dividend. ³Before net gain of \$25,735,917 (\$10.52 a share) on sale of certain studio

properties. ⁴Based on shares outstanding June 30, 1961. ⁵After \$7-million inventory write-down. ⁶Based on shares outstanding July 1, 1961.

Mergers & Acquisitions: Hewlett-Packard has completed its acquisition of Sanborn Co. (Vol. 17:23 p19). It will operate the Waltham, Mass. maker of industrial & medical electronic equipment as a wholly-owned subsidiary.

• Terminal-Hudson Electronics has acquired for undisclosed stock Hollywood Radio & Electronics, California distributor of electronic components • Bartell Bestg., Process Lithographers and Macfadden Publications will submit to their stockholders a proposal for a 3-way merger, with Macfadden the surviving corporation, Bartell & Process Lithographers becoming wholly owned operating divisions. The proposed amalgamation calls for Macfadden to exchange one share of common for each 2 of Bartell, and one share for each 1.2 of Process Lithographers. Bartell has majority control of Macfadden, which, in turn, is a major stockholder in Process Lithographers.

Trans-Lux Corp., movie-chain operator and TV-film distributor, plans public sale of 250,000 capital-stock shares, 150,000 to be offered by the N.Y. company, 100,000 by present holders. An SEC registration statement (File 2-18825) said that \$1,250,000 of the proceeds of sale (price unlisted) would be used to expand TV production & distribution, \$500,000 for theater acquisitions. Bear, Stearns & Co. is the underwriter.

Common Stock Dividends

Corporation	Period	Amt. Payable	Stk. of Record
Clevite	Q	\$0.30	Sep. 29
Corning Glass	Q	.37½	Sep. 30
Decca Records	Q	.30	Sep. 29
MGM	Q	.40	Oct. 13
Newark Electronics	Q	.06¼	Sep. 29
RCA	Q	.25	Oct. 23
Times-Mirror	Q	.10	Sep. 25
Trans-Lux	Q	.10	Sep. 29
Universal Pictures	Q	.25	Sep. 29

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, September 7, 1961

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	Prev. Bid	Bid Asked	Stock	Prev. Bid	Bid Asked
Acoustica	16½	14¼ 16	Magna Theatres	—	3 3-7/16
Adler Elec.	—	21¼ 23½	Magnetics Inc.	8½	8½ 10
Aerovox	10	10¼ 11½	Maxson	17	18¼ 19½
Allied Radio	25	24½ 26½	Meredith Pub.	36	34 37¼
Astron Corp.	—	1½ 2½	Merodia Media	14½	16¼ 17½
Babcock	—	30 32	Microdot	26	25 27¼
Baird Atomic	14¼	16¼ 18½	Milgo Elec.	17¼	19¼ 21¼
Cannon Elec.	21	22 25½	Narda Micro	5½	5¼ 6½
Capehart	—	8¾ 9¾	Newark Elec.	—	12 13½
C-E-I-R	47	45½ 49¾	Nuclear Chi.	41½	42½ 46½
Chicago Aerial	—	22½ 25½	Official Films	—	3½ 3-9/16
Control Data	105	112 118	Pacific Aut.	—	4¼ 5¾
Cook Electric	9¾	10¼ 11½	Pacific Merc.	5½	6¼ 7¼
Craig	12¾	13 14½	Philips Lamp	137	138 142½
Crosby Tel.	—	5¼ 6	Pyramid	—	1½ 2½
CTS Corp.	21	21¼ 23¾	Radiation Inc.	21¼	21¼ 23¼
Dictaphone	36	35¾ 38¼	Rek-O-Kut	—	2¼ 3-5/16
Eitel-McC.	—	15¼ 16¾	Research Inc.	—	4 4¾
Elco Corp.	12¼	11 12¾	H. W. Sams	—	43 46½
Electro Instr.	—	16 18¾	Sanders Assoc.	60	59 62½
Elec. Voice	10¼	11 12	H. Smith	—	8¼ 10¼
Elec. Assoc.	26½	25¼ 27½	Soroban	—	47 51½
Electronics Cap.	31½	35 37¾	Soundscribe	—	12¼ 14¼
Erie Resistor	13¾	14 15½	Speer Carbon	31½	32¼ 34¾
Executone	15½	15¼ 16¾	Sprague Elec.	88½	87 91
Farrington	14½	13¾ 14¾	Sterling	—	2½ 3-1/16
Poto Video	—	3 3-11/16	Systron-Donner	—	32 34¾
Four Star	—	18½ 20¾	Taft Bestg.	—	17½ 18¾
Gen. Devices	9¼	8½ 9½	Taylor Instr.	—	51 54½
G-L Elec.	8½	8 9½	Technology	—	6¼ 7¾
Granco Prod.	—	2¾ 2½	Tele-Bcstrs.	—	1 1½
Gross Tel.	—	22 24½	Telechrome	7¼	7 8¼
Hallcrafters	23¼	22 23¾	Telecomputing	6¼	5¾ 6¼
Hathaway	19½	22¼ 24¾	Time Inc.	81¼	85 88¾
High Voltage	145	138 152	Tracerlab	9	9¼ 10¼
Infrared	17	17½ 19¾	Transcont. TV	—	9¾ 10¾
Interstate Eng.	16½	17½ 18¾	United Art.	6¾	6½ 7¾
Ironics	27½	27½ 30¾	Vitro Corp.	23	20¾ 22¼
Itek	36	34¼ 37¾	Vocaline	—	2¾ 2½
Jerrold	—	8¾ 9¾	Wells-Gardner	—	31¼ 33¼
Lab for Elec.	40½	41 44	Wilcox Electric	8½	8¼ 9¾
Leeds & North.	33½	33 35¾	Wometco	24½	24½ 26½
Lel Inc.	7	6¾ 7¾			

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WEEKLY Television Digest

SEPTEMBER 18, 1961

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NEW SERIES VOL. 1, No. 1-A

Albert Warren, Editor & Publisher

6005 28th St. NW, Washington 15, D.C., STerling 3-1755

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

SUMMARY-INDEX OF WEEK'S NEWS

TELEVISION DIGEST—UNINTERRUPTED—as Washington bureau chief Albert Warren assumes ownership and editorial direction, aided by former staff members. Speed, brevity, accuracy, to be stressed (p. 1)

FCC

FCC FRICTION OVER PUBLIC-AFFAIRS "REJECTS" develops over staff letter questioning program substitutions by KTVO Ottumwa-Kirkville (p. 3).

GE & WESTINGHOUSE DUE FOR FCC APPROVAL, Commission voting tentatively 5-2 for license renewals—no "taint" from anti-trust convictions (p. 3).

KDB "ADMONISHED," WKKO LICENSE BOBBED, all 7 FCC members chastising stations for promise-vs-performance discrepancies; 17 short-termers to date (p. 3).

REORGANIZATION PLANS STILL UNCERTAIN, Congress asking FCC for "early report" on action, Minow & Ford eager to move, other commissioners "an enigma" (p. 3).

CLEAR CHANNEL DECISION FINAL, BUT 2-3 years of litigation and Congressional mulling expected before it might go into effect (p. 4).

Consumer Electronics

INSIDE LOOK at Ford's Philco purchase shows automaker's primary interest is Philadelphia concern's govt. business & production facilities (p. 5).

TV-RADIO AD CODE, without enforcement provision, approved by EIA. Industry-wide sales forecast, grass-roots import information program to be undertaken (p. 6).

TAPE-CARTRIDGE PITCH renewed by RCA with simplified lightweight recorder under \$100 in attempt to become "important factor in recorder business" (p. 7).

JULY RETAIL SALES of TV-radio virtually same as July 1960. 7-month TV sales within 1% of last year, EIA figures show (p. 7).

BROADCASTERS & TRADE cooperate on FM-stereo coordination as result of agreement between EIA & NAB representatives. FM-stereo sales seen "spotty" rest of year (p. 8).

Stations

COLLINS WINS FCC PROGRAM-FORM AUDIENCE, getting top billing in "main tent" for broadcasters' complaints. NAB staff achieves relief in informal "interpretation." "Short-short form" for small stations in works (p. 2).

TELEVISION DIGEST—UNINTERRUPTED: With distinct enthusiasm and pleasure, we resume publication of Television Digest, Television Factbook, Radio Station Directory, and the other traditional addenda & supplemental material associated with the 16-year-old masthead of Television Digest. As you learned suddenly from Vol. 17:37, Triangle Publications, Inc. discontinued publication on Sept. 11.

The new editor & publisher, Albert Warren, formerly chief of the Washington Bureau, has assumed control and responsibility for publication, forming Television Digest Inc. on Sept. 11 for that purpose. Staff comprises former members of Triangle staff.

We've been swamped with messages from industry leaders expressing satisfaction that this unique publication has resumed without interruption. We are determined that it meet the needs of industry's top executives—an accurate, concise and brisk report for men with no time to waste. The greatly expanded Television Factbook, which has won such broad acceptance, will be issued again early next year.

We believe this is a particularly auspicious time for focus of the publications to shift back to Washington. There's a crisis in TV allocations—uhf, deintermixture, short-spaced drop-ins—with millions of dollars riding on FCC decisions now in formation. There's FCC's proposed program & logging forms which could have stark impact on every station's financial well-being and mode of operation. There's the bill to require set makers to produce nothing but all-channel vhf-uhf sets under certain governmental minimum standards. There's a crisis in electronics imports. We could go on. We'll hew to the major matters. Quickly. Briefly. Analytically.

Among the many messages of good will we've received, we thought you'd like to see 2 of the first letters. From FCC Chmn. Minow:

"Dear Al: Good luck and best wishes to you in your personal plans to publish Television Digest and Television Factbook.

"When I was appointed to the Commission last January, many people immediately called Television Digest to my attention as a prime source of accurate and current reports reflecting a knowledge and insight into the industry's problems and trends. I can now say that my own personal experience confirms this in every detail.

"Everyone concerned with communications policy and problems will benefit from the continuation of the Digest and the Factbook. Just as in broadcasting, the public interest is served through a diversity of sources of information. My sincere wishes for success."

From NAB Pres. Collins: "Dear Al: I was saddened when I read in this week's Television Digest that this would be the last issue published. Since then, however, I have been tremendously heartened to learn that you, as editor & publisher, with associates, will continue to publish Television Digest and its sister publication Television Factbook.

"I want to wish you every success. The dedication and objectivity which have characterized your previous work are greatly needed by this great broadcasting industry. It is good to know that you will continue furnishing information which is meaningful and helpful to broadcasters, and that such will be reported with your characteristic skill and reliability."

You will continue to receive the Digest only if you send in the subscription authorization which you received in the mail last week. If you missed it, use the copy accompanying this issue. This form authorizes Triangle Publications to release to us credit for the unexpired portion of your subscription. This is extremely important to insure uninterrupted delivery of our services. No additional payment is required. If your subscription is about to expire, renewals may be made directly with us.

COLLINS WINS FCC PROGRAM-FORM AUDIENCE: NAB Pres. LeRoy Collins quietly pulled his biggest coup to date last week when he quickly persuaded FCC to hold shirt-sleeve broadcaster-to-commissioner session Oct. 6—to show Commission just how burdensome are its proposed program and logging forms (Vol. 17:28 p1).

After conference with commissioners early in week, Collins wrote to them: "We feel that the circumstances are such that it will be very helpful to the Commission and to the nation's broadcasters if an informal conference-type discussion can be arranged . . . We would have available at the time a number of active broadcasters broadly representative of the various segments of the industry. We would not contemplate the use of prepared statements or representation by counsel, but rather an opportunity in a constructive manner to give to the Commission firsthand the result of experience tests in logging and concerns which broadcasters feel about the burdens and handicaps they anticipate would follow if the proposals should be adopted and placed into effect."

FCC Chairman Minow responded in a flash: "As the Commission has stated, we want to insure that the requirements of the proposed forms and rules concerning past and proposed operations can be met by an applicant on the basis of reasonable efforts and records to be kept by the applicant. We believe that an opportunity for the discussion of the results of actual experience tests by broadcasters would be useful and constructive."

Foregoing is perfect example of Collins at work. When he said he couldn't attend program-form conference called by Georgia Assn. of Broadcasters in Atlanta Sept. 15, there were shrill outcries that he had "let industry down," etc. The quiet-spoken, steel-nerved Southerner restrained himself, and got industry top billing in main tent—FCC.

Meanwhile, his lieutenants—notably exec. vp Vincent Wasilewski and counsel Douglas Anello—had conferred patiently with top FCC staff members, eliciting from them an interpretation of proposed rules which is said to remove basis for 80% of broadcasters' objections. A major aspect: use of logs prepared in advance, as in current practice.

We hear that there's a "short-short form" circulating in Washington—at FCC or NAB or both—reportedly designed to meet virtually all small-broadcasters' objections.

At the Atlanta conference, FCC staff team of Kenneth Cox, Hyman Goldin and James Juntilla assured apprehensive broadcasters they were well aware of criticisms and that Commission is now studying methods of alleviating major burdens. Cox indicated that pre-logging was being considered—instead of logging

beginning & ending times. He said that Commission didn't intend to require simultaneous logging—rather, recording could be done before and after the event. As for analyzing local content of news programs, he said an estimate would be adequate—no exact accounting needed.

NAB exec. vp Vincent Wasilewski made it crystal clear that NAB had brought criticisms to Commission and achieved the receptive mood there. "When we go to the Commission," he said, "we don't go down and play dead. We are representing the problems of the broadcasters."

FCC FRICTION OVER PUBLIC-AFFAIRS 'REJECTS': "Who's the staff working for—the Commission or Minow?" That's what we were asked last week by one much-irked FCC source, in connection with letter sent to KTVO (Ch. 3) Ottumwa, Ia.-Kirksville, Mo.

What happened was this: An FCC staff member sent station a letter reading in part: "The Commission is in receipt of a complaint which alleges that KTVO fails to carry network public-affairs programs such as 'Meet the Press,' 'Face the Nation,' and 'CBS Reports.' It is alleged that 'CBS Reports' was carried at one time but has been dropped. The general claim is made by the complainant that few of the programs broadcast depart 'from the formula of cowboy-detective-situation comedy.'" We'd like an explanation, the letter concluded.

You'll recall that Minow was outvoted 6-to-1 in his opinion, expressed in program-form rule-making (Vol. 17:28 p1), that broadcasters be required to tell FCC what public-affairs programs they carry and reject, and what shows are substituted for them.

KTVO letter is bound to get an airing among commissioners and we have just a tiny sneaking hunch that more such letters will not be sent.

GE & WESTINGHOUSE DUE FOR FCC APPROVAL: Antitrust sins of GE & Westinghouse—convictions for electrical equipment price-fixing (Vol. 17:14 p1)—won't be visited on their broadcast sons, if FCC follows through on last week's unannounced action.

It's understood that Commission voted 5-2—Minow & Hyde dissenting—instructing staff to draft document aimed at renewing licenses of the 2 companies' stations. It has long been understood around Commission that it would vote this way, but this is first actual show of hands. Minow & Hyde wanted to do something tougher, perhaps 1-year licenses, perhaps conduct hearings—frankly, we don't know.

Interesting angle of case: Broadcast Bureau recommended renewals while General Counsel's office argued for hearing. FCC majority apparently considers this "spirit of the law" vs. "letter of the law."

REORGANIZATION PLANS STILL UNCERTAIN: FCC hasn't decided how to implement reorganization plan approved by Congress (Vol. 17:35 p3) but it's expected to come up with answers in a few weeks. Staff task force is working up details of plan, which enables Commission to delegate to staff minor actions and trivia.

Chmn. Minow and Comr. Ford are hot about moving fast, are said to be in substantial agreement. Rest of commissioners are described to us as "an enigma" on subject. One major question is this: Should new rules be put into effect immediately or should they go through customary rule-making proceedings—with industry comments, reply comments, etc. Top staffers say that rule-making means long delays, but, as one attorney put it, "it may be good policy to get reaction of industry and private practitioners." Leading candidates for FCC staff review board: Dee Pincock, Joseph Nelson, Donald Berkemeyer. Comr. Lee believes board will be so powerful that he's pressing to limit tenures to one year.

FCC is expected to move reasonably soon—because both Senate & House Commerce Committees have given advance warning they want an "early report" on action taken. Incidentally, speaking of FCC's mode of operation in the "business management" sense, Booz, Allen & Hamilton management team is now at Commission with its graphs, charts, time studies and whatnot.

KDB 'ADMONISHED' AND WKKO LICENSE BOBBED: If anyone still harbors notion that FCC Chairman Minow is sort of out in left field when it comes to requiring stations to toe the line, look at these 2 AM actions FCC took last week:

(1) KDB Santa Barbara got a bob-tailed license because—"Information before the Commission indicates that the scope of the past programming . . . was severely limited, and that the operation of the station during the past license term has been inconsistent with prior programming proposals. The Commission has also noted your statement of June 6, 1961 relating to the disparities between the 1959 renewal application and

the 1959 assignment application with respect to live programs and commercial spot announcements. By this statement, you indicate that your prior explanations describing these discrepancies as 'clerical errors' were inaccurate. Under these circumstances, a question is raised of whether, at the time you filed your application for assignment of license on July 1, 1959, you intended to carry out the program proposals set forth therein."

(2) WKKO Cocoa, Fla. got its tenure trimmed, too, because its performance didn't match promise—in terms of "live" percentages, number of spots, educational, religious, etc. Said FCC: "The Commission has considered your application very carefully, and is of the view that the variance between the representations made in 1959 when you acquired station WKKO and the actual programming operations as reflected in the instant application falls short of the degree of responsibility which the Commission has a right to expect of its licensees."

The point we're making is that all 7—count them, 7—commissioners agreed on the actions. Fifteen other stations have had their periods pared to date: WANT Richmond, WINX Rockville, Md., WSID Baltimore, WFAN-FM Washington, WMUR-TV Manchester, WPHB Philipsburg, Pa., WSTS Massena, N.Y., WKVA Lewiston, Pa., WIRA & WIRA-FM Ft. Pierce, Fla., WVOW Logan, W. Va., WPET Greensboro, N.C., WOOK Washington, WAVA Arlington, Va., WILV Boston. Expect more.

CLEAR CHANNEL DECISION FINAL, BUT—: FCC wrapped up its hoary (15 years) clear-channel proceeding with final decision essentially as proposed June 13 (Vol. 17:25), but it's long way from being put into effect. What with House Commerce Committee wanting to dig into subject with hearings, what with certain court appeals, there's at least 2-3 years before decision is "finally" final.

Decision provides for opening 13 frequencies for shared nighttime use by one new Class II station on each. Commission reserved possibility of breaking down remaining 12 clears—and it held in abeyance a decision on higher power for them.

Decision introduces new allocation concept to AM. As in TV, frequency assignments are to be made through rule-making. One of more controversial features of decision is extension of freeze to include all channels adjacent to clears. Heretofore, only adjacent 1-B channels were frozen. Freeze on all new daytime authorizations is extended.

FCC will allow new Class II stations as follows: 670 kc, Idaho; 720, Nevada or Idaho; 750, Anchorage, Alaska; 760, San Diego; 780, Nevada; 880, North Dakota, South Dakota or Nebraska; 890, Utah; 1020, New Mexico; 1030, Wyoming; 1100, Colorado; 1120, California or Oregon; 1180 kc, Montana; 1210, Kansas, Nebraska or Oklahoma.

CAPITAL CAPSULES: FTC appointments—Roy A. Prewitt, Asst. Director, Bureau of Economics; James A. Murray, Asst. Director, Bureau of Deceptive Practices; Charles E. O'Connor, Chief, Industry Guides Div., Bureau of Trade Practice Conferences & Industry Guides; Charles F. Canavan, Chief, Div. of Enforcement, Bureau of Textiles & Furs; J. B. Truly, Asst. General Counsel for Appeals . . . FCC Complaints & Compliance Div. scheduled for personnel changes soon . . . Thomas J. Dougherty, legal asst. to FCC Comr. Lee, resigns to become Metromedia Asst. General Counsel, in Washington, succeeded by Arthur A. Gladstone, currently Chief of FCC's Domestic Radio Facilities Div., Common Carrier Bureau . . . Ch. 9, Wausau, Wis., granted to Central Wisconsin TV Inc., in final decision . . . Bakersfield deintermixture to uhf stands, FCC rejecting petition for reconsideration by KERO-TV (Ch. 10), due to go to uhf . . . FCC Chairman Minow commended by National Religious Broadcasters for "fearless & far-sighted stand" for program improvement and reduction of "violence & brutality" . . . Record payola complaints dismissed by FTC: Chess Record Corp., Argo Record Corp. & Checker Record Co., all of 2120 S. Michigan Ave., Chicago.

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Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

INSIDE LOOK AT FORD'S PHILCO PURCHASE: "There's a Ford in Your Future" has long been a shopworn jest at Philco. Last week, after a year of rumoring, Ford suddenly bought out Philco in an exchange of stock involving some \$100 million. In one fell swap, Ford moved up into major competition on all fronts—military electronics, appliances—with diversified arch rival General Motors. Philco, which originated in 1892 as Helios Electric Co., became Philadelphia Storage Battery Co. in 1906, produced its first "Philco" radio in 1928, stepped down from autonomous operation into a future now undefined.

Sudden deal caught most industry members by surprise, according to corridor talk at last week's EIA conference. Talk of long-rumored deal had flared recently but was denied. However, although caught unaware, industry in general wasn't astonished. Philco's worsening financial situation certainly was no secret, and sale rumors have been flying since 1956 (with CBS and Westinghouse mentioned prominently among those reported interested and/or offering).

Real puzzler to most is Ford's interest in Philco. By Ford's dynamic, bustling standards, Philco is floundering & tired—as its first-half loss of \$4.4 million attests (Vol. 17:33 p20). Ford certainly was not attracted by Philco's TV-radio-phono business (with unattractively low margins at best) or by its appliance business (which nosedived with the industry in general last year).

Clearly, Philco's govt. business & production facilities were the lure—and since price was right, Ford apparently was willing to buy considerable deadwood and unattractive sidelines to get what it really wanted.

What Ford wanted was defined by Chmn. Henry Ford 2nd: "Ford's purpose in purchasing Philco is to broaden its operations, to provide entry into new fields and to make possible a fuller participation by our company in the national defense & space effort."

Philco Pres. James M. Skinner Jr. termed Ford's acquisition "a wonderful opportunity for both companies. I sincerely believe we both can do a better job for defense work by making this move." He indicated that Ford's primary interest was Philco's production facilities for, and activities in, space vehicle & guided missile projects, emphasized that "80% of Philco's work is in electronics, with only 16-20% devoted to household appliances." Defense & industrial business accounted for 1/3 of Philco's 1960 sales. Since March, it has acquired some \$38.6 million in govt. contracts. Conversely, Ford's defense contracts skidded last year.

Ford is no stranger to electronics, although this fact is little known to most car buyers. It is active on the West Coast in the development of space vehicles, guided missiles, other defense electronics. Hub of its electronics operations is its Aeronutronic wing, which, however, is as short on production facilities as it is long on brains.

In addition to broadening its defense-electronics scope, Ford also widens its competitive thrust against GM. Now armed with Philco's refrigerator-washer-dryer-range lines (including the Bendix brand), Ford can—if it desires—compete with GM's Frigidaire appliances. Philco's auto-radio production can be sent in to fight GM's Delco for the private-label radio business.

Unanswered at week's end, and for long time to come undoubtedly, is Philco's role in Ford's future. Although both companies issued the usual statements about no changes being contemplated in Philco management, products, or operation, major changes are expected.

Speculation in consumer-electronics industry concerns fate of Philco's TV-radio-phono business. That operation is hardly salable, observers tell us, and Ford has plain choice of continuing the slipping, low-mar-

gin business in highly competitive market—or junking it. Bright spot in Philco picture long has been its international organization, recognized as a model of efficient, productive overseas operation (Vol. 17:4 p14). Its future in a company which apparently will emphasize govt. electronics over consumer products also remains to be defined.

Fundamentals of the deal—which is still subject to approval of Philco stockholders—provide that Ford purchase Philco's assets and assume its liabilities in exchange for stock on the basis of one share of Ford for each 4½ of Philco common. Philco preferred holders will receive approximately \$101.50 in Ford common for each Philco preferred share. They will also get cash for accrued & unpaid dividends. As of Sept. 1, Philco had 4,104,033 common shares outstanding, 100,000 shares of preferred. Another condition of the deal is a favorable tax ruling which, among other things, assures that no federal income tax gain or loss will result to Philco stockholders from receiving Ford shares.

Net impact of deal, of course, is that a giant in consumer electronics has been unable to stay with the leaders. A longtime leader in TV & radio—once No. 2 in TV production & sales, and still among the top 5—Philco has known sharp ups & equally sharp downs. In recent years it has known more of the latter. Last year, profits plunged 68% to \$2.3 million from \$7.8 million in 1959 (Vol. 17:10 p22) despite a slight sales gain of 0.7% to \$400.6 million from \$397.8 million. The slide quickened in 1961. In the 6 months to June 30 (Vol. 17:33 p20), Philco lost \$4.4 million, compared with a \$1.9 million profit a year earlier. The loss came on sales of \$196.3 million—up from \$194.3 million in 1960's first half.

The time for a change clearly had come. Dynamic Ford may well be what onetime Philadelphia Storage Battery Co. needs to recharge its batteries.

EIA APPROVES TV-RADIO-PHONO AD CODE: After the lawyers pulled all its teeth out, the long-awaited code of recommended ad practices for TV-radio-phono industry was approved by EIA—but its release is being withheld for several weeks pending final revisions.

Patterned after Home Laundry Ad Code adopted in June 1960 by American Home Laundry Assn., the TV-radio code had been held up by EIA lawyers with a nervous eye on possible antitrust problems. As finally approved by EIA's Consumer Products Div. under Chmn. Edward R. Taylor of Motorola last week, code has no enforcement provisions and will be prefaced with language like this:

"EIA has been advised by counsel that it would not be appropriate for it or its Consumer Products Div. to attempt to enforce these standards in any way, to entertain any complaints regarding practices in contravention of these standards, or to interpret these recommendations in their application to any particular circumstances. They are published in the hope that they will be voluntarily observed by all members of the industry who recognize that the best way to avoid excessive governmental regulation of advertising is for each advertiser to deal fairly with the consuming public."

Code will call attention to FTC publications and urge that they be studied & kept in mind, and then will set forth "some of the basic standards of honesty in advertising . . . in the best interest of all members of [the] industry as well as the public."

Code's text is expected to follow Home Laundry Code fairly closely, and include sections dealing with these practices: comparative price advertising; other price advertising; bait advertising; product claims.

Other important actions at EIA's Fall Conference in N.Y.:

(1) Industry-wide sales forecasts for TV, radio & phono will be compiled by the manufacturers' association, probably beginning in 1962. Law committee gave its clearance for the compilation at last week's meeting. Consumer Products Div. will ask each manufacturer to estimate industry sales in each product, and will compile an average or "consensus" figure.

(2) Local-level grass-roots import information campaign will be undertaken by Parts Div., following approval of EIA Board. Because of touchiness of import issue (some EIA members are large importers of Japanese components), EIA Board approved plan to let Parts Div. supply members with factual material to use locally under own names.

Information program will be geared to explaining to public the effect of imports on domestic electronics industry, and particularly on small manufacturers. Campaign will last one year, through next session of Congress, to be directed by local companies at their communities in general, their employes in particular. It will not be consumer-oriented, won't mention or suggest such things as boycotts of foreign end-

products. Parts Div. will spend \$50-60,000 on the program, which will be prepared by Henry J. Kaufman Associates, Washington, ad agency.

(3) Electronics was officially defined by EIA's Board in connection with proposed Association reorganization procedures. EIA's definition of electronics: "That branch of science & technology which deals with the study, application & control of the phenomena of conduction of electricity in a vacuum, in gases, in liquids, in semiconductors and in conducting & super-conducting materials."

Electronics products were defined as "materials, parts, components, subassemblies & equipment which employ the principles of electronics in performing their major functions." EIA defined "electronic industries" as "industrial organizations engaged in the manufacture, design & development, and/or substantial assembly of electronic equipment, systems, assemblies or the components thereof."

(4) "Statement of objectives" of EIA was approved by Board. Among the manufacturing group's objectives: Stimulate public awareness of electronic industry's vital role; provide industry-govt. liaison; provide forum for discussion of industry matters; assist armed services in obtaining better equipment through interchange of ideas; provide technical standards; collect marketing data.

RCA RENEWS TAPE-CARTRIDGE PITCH: Determined to become "an important factor in the tape-recorder business," RCA last week took a new tack in its 3-year campaign to gain acceptance for its cartridge tape system. It introduced a brand-new line of lightweight cartridge-tape recorders priced from \$99.95 to \$169.95.

Although it wasn't stated openly, new pitch represents complete change in RCA attitude toward its own tape system. When it introduced the plastic drop-in cartridge in 1958, RCA boomed it as a home music reproducing system—like records—for the playing of pre-recorded music tapes. Its cartridge machines at that time were primarily "tape players"; some didn't even have the recording feature.

Emphasis in new line is on recording, rather than playing pre-recorded music tapes—although, of course, machines will play pre-recorded cartridge tapes. Outstanding job has been done in weight reduction (now 13¼ lb. vs. 52 lb. for 1958 model), size reduction (7 x 10 x 12 in.)—and particularly in price reduction. Sleek new "Flight Line" design and simplified mechanism feature the first major new product to emerge from RCA's new home-instruments lab in Indianapolis.

"We're very serious about this," mktg. vp Raymond W. Saxon said repeatedly at unveiling for the press in N.Y. last week—and there's no doubt RCA is going to put its mighty weight behind the easy-as-a-record home tape-cartridge system. Three models were shown—mono at \$99.95 & \$129.95, stereo record-play-back at \$169.95. Actually, RCA's new cartridge machine line was preceded to the market by Bell Sound's compact machines which use same cartridge, formally launched at recent Music Show (Vol. 17:30 p20).

TV-RADIO PRODUCTION: EIA statistics for 35th & 36th weeks of 1961:

	Aug. 26-Sept. 1	Preceding wk.	1960 wk.	'61 cumulative	'60 cumulative
TV	143,364	139,342	125,850	3,839,126	3,820,881
Total radio	421,698	422,398	314,846	10,371,108	10,778,910
auto radio	154,430	135,304	105,140	3,301,202	4,096,979
	Sept. 2-8	Preceding wk.	1960 wk.	'61 cumulative	'60 cumulative
TV	118,788	143,364	116,229	3,957,914	3,938,038
Total radio	345,848	421,698	293,802	10,716,956	11,073,788
auto radio	111,078	154,430	95,986	3,412,280	4,192,854

JULY RETAIL SALES SAME AS '60: TV-radio retail sales for July were almost identical with those of July 1960, official EIA figures showed last week. Both TV & radio were off about 1% for the month, as compared with last year, but higher than July 1959, thus confirming our estimate of last month (Vol. 17:35 p16).

TV retail sales for first 7 months of 1961 were within 1% of comparable 1960 period, and cumulative radio sales were about 15% ahead of last year. The official 7-month TV-radio retail sales report below is the last to be compiled by EIA (Vol. 17:22 p16). We are now making arrangements to obtain a substitute monthly TV-radio sales index. The official EIA figures:

TELEVISION							RADIO						
Month	Total Production		Uhf Production		Retail Sales		Month	Total Production		Auto Radio Production		Retail Sales (excl. auto)	
	1961	1960	1961	1960	1961	1960		1961	1960	1961	1960	1961	1960
January	367,935	526,494	25,270	50,119	399,791	590,867	January	1,090,073	1,355,788	387,136	632,461	580,680	803,388
February	444,418	503,453	24,514	43,537	452,282	507,673	February	1,115,029	1,442,368	307,973	596,872	666,228	611,479
March	497,458	549,500	21,450	45,411	530,105	501,829	March	1,381,052	1,667,550	384,227	633,761	853,821	664,441
April	405,808	422,551	19,095	39,240	378,275	351,214	April	1,124,924	1,230,323	375,570	399,963	603,489	547,839
May	470,399	442,176	22,782	32,295	391,467	334,283	May	1,196,949	1,277,040	408,875	463,165	745,818	548,322
June	615,118	518,870	34,641	34,245	487,264	371,661	June	1,626,263	1,551,451	518,010	596,870	940,346	702,889
July	383,378	268,854	23,233	14,621	388,791	392,858	July	1,030,399	890,359	320,128	328,009	697,851	573,363
TOTAL	3,184,514	3,231,898	171,065	259,468	3,027,975	3,050,385	TOTAL	8,567,689	9,414,879	2,701,919	3,651,101	5,088,031	4,451,721

FM radio production (1960 figures in parentheses): Jan. 50,421 (33,816), Feb. 41,357 (36,515), March 75,044 (83,127), April 51,260

(68,196), May 49,705 (65,438), June 88,808 (105,317), July 48,114 (49,707). 7-month total: 404,709 (494,540).

BROADCASTERS & TRADE COOPERATE ON STEREO: Stirred by charges that manufacturers aren't cooperating with FM-stereo broadcasters—first aired last month in Television Digest (Vol. 17:35 p14)—set makers got together last week with a broadcast association representative to map out informal program of close manufacturer-broadcaster cooperation to promote FM stereo.

Radio manufacturers at EIA's Fall Conference in N.Y. discussed the problem with NAB industry affairs vp Howard Bell, and came up with agreement that NAB will supply manufacturers with data on new FM-stereo market areas and EIA manufacturers will keep broadcasters informed on production & distribution plans for new sets, stereo promotions, etc.

FM stereo was hottest topic of discussion in EIA's Consumer Products Div. Executive Committee and Radio Section meetings. There was general agreement that it won't take off like a skyrocket, but will be a "somewhat spotty" market—good in some areas, poor in others—for next 6 months.

As to charges that manufacturers aren't cooperating, set makers agreed that aggressive, promotion-minded stations will have no trouble at all in gaining manufacturer & distributor sponsorships. What do manufacturers want from the FM-stereo station? Here's consensus: (1) FM-stereo programming during daytime store hours—and plenty of it. (2) Good quality programming, demonstrable music which shows stereo to its greatest advantage. (3) Promotion by station itself. (4) Cooperation with local dealers & distributors.

"What we want is for the FM stations in the area to get together with distributors & dealers," said one manufacturer. "We'll tell them what we can do, and we'll be pulling together, not separately."

Unanimously, set makers pointed to San Francisco as by far the hottest of the dozen FM-stereo markets now open, and credited it to promotion-minded KPEN-FM. Though it has been stereocasting only since Aug. 10, station's time is completely sold out through Feb. 1 and San Francisco market is absorbing all stereo receiving equipment which can be shipped there—and there's still a shortage. "This shows," said EIA exec. vp James Secrest, "that where FM stations are doing a first-rate programming job and are broadcasting during store hours, they are having no trouble selling time."

EIA's stereo booklet, "A New World of Broadcast Sound," was called an unqualified success by set makers at the meeting. The Association has already distributed 100,000 copies.

While EIA manufacturers pondered stereo promotion & distribution problems at the steaming Biltmore Hotel, across the town at the N.Y. Trade Show Building New Yorkers were getting their first earful of FM stereo—courtesy of the hi-fi component manufacturers. Big N.Y. High Fidelity Show, with 125 manufacturers participating, was geared completely to FM stereo.

Component hi-fi manufacturers—catering to sound enthusiasts—are already getting some sweet financial music out of FM stereo. At show's opening, exec. dir. Abe Schwartzman of show sponsor Institute of High Fidelity Mfrs., predicted best 4th quarter in history for hi-fi component industry, thanks to FM stereo. Already, he estimated, entire component industry business is running about 8% ahead of last year and he took a guess that industry volume will total about \$50 million for 1961.

N.Y. hi-fi show was heavily attended, with nearly every exhibitor putting main emphasis on FM stereo. Show was serviced with continuous closed-circuit FM-stereo signal by WDHA-FM Dover, N.J. and hi-fi manufacturer H. H. Scott.

N.Y. area now has 2 FM-stereo stations—WDHA-FM having started broadcasting its full 18½-hour daily schedule in stereo, at the same time increasing its power to reach Manhattan. WQXR-FM began Sept. 7 (Vol. 17:37). Among other stereo starters is WJBR Wilmington, opening Philadelphia-Wilmington market.

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WEEKLY **Television Digest**

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

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HOT DEINTERMIXTURE FIGHT SET in House as Rep. Mack (D-Ill.) rallies 50 colleagues to block FCC proposals. Policy battle will be joined in Jan. hearings (p. 1).

MINOWS 'DOERFER JR.' PLAN envisions each network offering two 5 p.m. children's shows weekly. Attorney general sympathetic about anti-trust relief (p. 2).

END RUN FOR TV SPORTS BILL made by Rep. Celler (D-N.Y.) in spectacular legislative plays to push it over Congressional goal-line before adjournment (p. 3).

WHY INVESTORS LIKE CATV, indicated by confidential cash-flow projection of 50,000-population city—net income up to \$396,760 by 5th year (p. 3).

Consumer Electronics

"NEW" 19-IN. BONDED TUBE bulb & cap to be introduced by Corning before year's end, featuring cost & weight reduction (p. 5). **FIRST REPORTS ON SONY** battery TV sales indicates it's hot item for N.Y. luxury trade. National sales drive begins, with hinterlands acceptance the big question (p. 5).

N.Y. UHF MARKET eyed by converter manufacturer when FCC uhf tests begin; "cultural programming" seen winning over 5-10% of area's TV owners (p. 6).

SET MAKERS VETO uhf-vhf legislation proposed by FCC. Our survey of 10 manufacturers finds opposition to any legislation that dictates the function & design of their products (p. 7).

20 FM STATIONS now stereocasting, providing service in 14 markets—including each of the top 7 (p. 7).

HOT DEINTERMIXTURE FIGHT SET: Legislative fires against FCC's deintermixture proposals (Vol. 17:31 p2 et seq.) were lit in closing days of first session of 87th Congress last week—and Commission may have 4-alarm blaze on its hands by time 2nd session starts in January.

"Don't let FCC take TV away!" That was cry on Capitol Hill as nearly 50 House members formed line to fan Congressional revolt against Commission's plan to make 8 markets all-uhf as one starter toward solution to allocations problems. House Commerce Committee Chmn. Harris (D-Ark.) promised full-dress hearings early next year.

Anti-uhf agitation was coupled with pro-uhf proposals on Hill at same time. Bills calling on FCC to stop its deintermixture moves included provisions authorizing Commission to require manufacture of all-channel receiving sets. Long sought by FCC as another step in wider utilization of uhf, all-channel device had never aroused much enthusiasm in Congress before. Opponents of proposed shifts from vhf to uhf now saw vhf-uhf sets as means of making uhf more viable while preserving existing vhf assignments (for manufacturers' views on vhf-uhf set legislation, and their counter-proposals, see p. 7).

Last-ditch fight against deintermixture had been pledged in August by influential Commerce Committee member Rep. Mack (D-Ill.), whose home-district WCIA Champaign faced loss of its Ch. 3. He got assurance from Harris that hearings definitely would be held, then called caucus of opponents of proposals to chart strategy for next session. No fewer than 25 House members, including representatives of all other to-be-deintermixed districts, turned out for unannounced conference Sept. 19—and Mack told us that nearly that many more enlisted later for legislative campaign.

"The House undoubtedly will pass some legislation on this subject early next year," Mack assured us. He introduced his own bill (HR-9349) forbidding FCC in its assignments to give "undue or unreasonable preference or advantage to any city, locality or region" or subject them to "unreasonable" uhf disadvantage.

Most House members at caucus indicated preference for another bill (HR-9267) by Rep. Roberts (D-Ala.), however. It would prevent transfer by FCC of any vhf channel from any community to which it had

been assigned or was in operation as of Sept. 1. Roberts measure also would empower Commission to force manufacture of all-channel sets.

"Public interest is not served by taking TV service away from people," Roberts said in long floor speech denouncing FCC. He protested move which would deprive WSFA-TV Montgomery of its Ch. 12, said that more than 25% of U.S. would lose existing service if all TV were moved to uhf.

Other House members also were heard from in floor speeches against Commission's plan. They included Reps. Stratton (D-N.Y.) & Schneebeli (R-Pa.). Sponsors of measures similar to Mack & Roberts bills included Reps. Grant (D-Ala.), Moss (D-Cal.), Hemphill (D-S.C.), Anderson (R-Ill.), Andrews (D-Ala.).

We probed FCC last week, meanwhile, with this question: "What would you do with all-channel-set legislation if you got it?" Here's essence of most authoritative thinking there:

"We'd continue present vhf-uhf system for substantial number of years, probably more than 5, and see what happened as vhf-uhf set distribution spread. At the end of such period, we'd determine—with close cooperation with Congress—whether desired results had occurred. These are: (1) Growth of uhf stations in substantial markets now overshadowed by big-city vhf coverage. (2) Growth of more competition in major markets—4-5 stations—via uhf.

"We don't want the legislation in order to force a shift of all TV to uhf. We want it to give uhf a chance to expand."

We noted that FCC has moved to deintermix 8 markets which do, in fact, already have considerable all-channel set circulation, asked whether this is an admission that vhf-uhf sets don't equalize competitive situation. FCC sources acknowledge that the question is tough. However, they argue that growth of all-channel sets is particularly encouraging to entrepreneurs in substantial overshadowed markets, such as Easton-Allentown-Bethlehem, which haven't ghost of chance of ever getting local vhf assignments. This, in addition to giving big-city hopefuls a crack at specialized audiences large enough to support them—a radio's successful pattern.

Foregoing gives you some outlines of next year's Congressional battle.

MINOW'S 'DOERFER JR.' PLAN: FCC Chmn. Minow's RTES speech in N.Y. last week was a labor of love. He spurned staff help in writing address urging each TV network to offer two 5 p.m. children's programs weekly. Father of 3 young daughters, he has made theme a recurrent one in everything he says.

Minow plan is much like former Chmn. Doerfer's proposal for adult programming—rotation among networks so that small-audience potentials are shared equally. He said he had assurance from Attorney General Kennedy (father of 7) that network agreements to further plan would meet "prompt and sympathetic consideration" from anti-trust standpoint. "We can," he said "lift a burden as well as an eyebrow."

Acknowledging it's too late to do much about such programming this year, Minow said "this is the season of decision" in terms of planning for next year. He gave as example ABC-TV's projected "Discovery" program for children, which fell by wayside because only 76 stations out of 152 said they'd clear for show, balance having made other commitments before it was offered.

Minow sailed into current children's programs, calling most of them "timewasters"—neither beneficial nor harmful—"dull, grey and insipid . . . like dishwater . . . just as tasteless . . . just as nourishing." Among Minow's other comments:

(1) "I do not retract a single word" of famed "wasteland" speech before NAB (Vol. 17:20 p1).

(2) "This Commission does not believe in censorship . . . and will refuse to let the cry of censorship smokescreen our mutual efforts to improve broadcasting." As for Jack Paar's Berlin episode: "We all may have our personal views about the wisdom or lack of it in planning the program . . . but for the FCC to have suppressed its broadcast would have been censorship in its most deplorable form."

(3) "The country will be in your debt for the heavier emphasis on news and public affairs" this year.

(4) "Why not try your own taste for a change? If you prefer the new, the creative, the daring, the imaginative—why not give your audience a chance to share your preferences?"

Minow enjoys quipping as much as does his former law partner Adali Stevenson. Noting that reorganization lets Commission split into 2 panels, he said: "I don't know whether that doubles your pleasure or makes you feel half-safe." Another: "There are hopeful indications of fewer 'crime-evening' hours this year."

Speech was well received by largest audience in RTES' 23-year history. ("Industry's desire for self-flagellation," Minow called it.) In post-lunch news conference, Minow was asked questions he has answered before—about option time, network hearings, censorship, public stimulation, etc.—and he reiterated his well known views. He said he hadn't consulted with networks about subject of speech.

NBC Pres. Kintner said his network would give "immediate and affirmative study" to Minow plan, work with other networks. CBS Pres. Stanton commented: "An interesting proposal . . . CBS will give serious consideration to this recommendation and looks forward to discussion with the other networks." ABC Pres. Goldenson's reaction: "We fully support the concept of more creative children's programming. We will give serious consideration to the proposal suggested by Mr. Minow in continuing to seek the best approach to fulfill the needs in this area."

All commissioners were on hand except Bartley, who was minding store in Washington, and Craven, who was nursing poison-ivy infection near eye.

END RUN FOR TV SPORTS BILL: In spectacular display of fast legislative footwork, Rep. Celler (D-N.Y.) last week rushed his TV sports bill (Vol. 17:37 p3) through House and sped it to Senate, making end runs to beat adjournment. Measure whizzed through Senate in night session Sept. 21 for final passage.

Celler bypassed House Rules Committee, which controls (and often blocks) legislative traffic, to win quick House floor approval of anti-trust exemption legislation (HR-9096) validating outlawed CBS-TV-National Football League contract and similar package-game deals. He sought & got 2/3 vote suspending rules, then pushed bill itself through Sept. 18 after little floor debate.

Senate teamwork brought bill into goal-line position 2 days later. Skirting end-of-session jam, Judiciary Committee picked measure up as soon as it was formally referred to Senate, held same-day executive session on it without bothering with hearings, reported it back for floor action before Sept. 20 Senate business was concluded. Majority Leader Mansfield (D-Mont.) promptly put bill on his pre-adjournment legislative "must" list.

Reasons for urgency, as explained by Celler: (1) There's imminent danger that weaker pro teams will "flounder" unless they get TV income from league package deals. (2) "The great public interest in viewing professional league sports warrants some accommodation of anti-trust principles." Unspoken reason: Sports fans are voters.

WHY INVESTORS LIKE CATV: After 13 years of community antenna systems' existence, which we've enjoyed covering, there remain people in TV industry who know little about CATV and care less. We thought you'd like some concrete reasons why larger & larger and shrewder & shrewder organizations are moving into the field.

We obtained a cash flow projection for a large system in town of about 50,000 with some 15,000 homes. Here are some pertinent figures for 6 years:

Annual net income: first year, \$53,105 loss; 2nd year, \$115,370 income; 3rd year, \$253,235; 4th year, \$360,010; 5th year, \$396,760; 6th year, \$396,760.

Initial cash requirement is \$580,000. Capital expenditures total \$527,600, broken down to \$17,000 head end; \$420,000 skeleton system; \$36,000 tree trimming & pole rearrangements; \$12,600 auto equipment, furniture, fixtures & test equipment; \$42,000 spare parts & inventory. Depreciation is figured at \$105,520 a year for 5 years.

Initial connection charge is \$25 per home, producing income of \$54,375 first year, \$72,500 2nd, \$54,375 3rd, \$36,250 4th. Service income, at \$5 per home per month, is \$48,940 first year, \$217,500 2nd, \$369,750 3rd, \$478,500 4th, \$522,000 5th, \$522,000 6th. Total service income for 6 years is \$2,158,690.

Homes are hooked up at this rate: 2,175 first year, 2,900 2nd, 2,175 3rd, 1,450 4th.

Total cash disbursements: \$684,020 first year, \$284,630 2nd, \$425,890 3rd, \$369,740 4th, \$125,240 5th, \$125,240 6th—totaling \$2,014,760 and leaving cash balance of \$1,640,870 at end of 6 years.

Salaries: First year—manager, \$7,500; clerk, \$3,120; chief technician, \$5,200; 2 asst. technicians at \$4,160 each. Second year—add 2 clerks at \$3,120. Third year—add 2 asst. technicians at \$4,160. Fourth year—add part-time clerk at \$1,560. Everyone gets 10% increases in 2nd & 3rd years.

Total operating expenses: \$86,820 first year, \$93,430 2nd, \$107,890 3rd, \$109,640 4th, \$110,240 5th, \$110,240 6th. That's about the guts of it. It speaks for itself.

CURRENT CAPSULES: WLOF-TV Orlando should lose its Ch. 9 and former competitor WORZ Inc. "is not disqualified" to get the channel, FCC Chief Examiner Cunningham recommended in an initial decision. He concluded that attorney William Dial sought to influence former FCC Comr. Mack. Crux of case, according to FCC lawyers: Did WLOF-TV principals know & approve Dial's efforts? Examiner found no direct evidence but said that if they didn't it would be "unreasonable, incredible and contrary to normal human experience" . . . "Delaying tactics" of N.J. Gov. Meyner were attacked last week by Educational TV for the Metropolitan Area, which is buying WNTA-TV (Ch. 13) N.Y. Meyner is fighting to keep channel commercial, and in N.J. FCC is expected to approve sale. Steam is expected to go out of N.J. forces when Meyner is out as governor at end of year . . . AM stereo is about to be shelved, FCC due shortly to deny petitions of Philco and Kahn Research for commercialization . . . Anti-sabotage bill (S-1990) providing 10-year prison terms and/or \$10,000 fines for malicious damage to communications systems (Vol. 17:37 p4) has been passed by House & sent to White House . . . CATV operator William Calsam, seeking uhf station in Oneonta, N.J., asks substitution of Ch. 15 for Ch. 62 . . . Louis Stephens, asst. chief of FCC's Rules & Standards Div. who steered such rough matters as pay-TV, TV allocations, clear channels, legislative recommendations, through Commission, takes extended leave to handle international law problems for Urbanizadora S.A., headquartering in Washington. Firm is building low-cost Latin American housing under engineer-builder William Luce of Woodside, Cal. and Guatemala City . . . GE & Westinghouse license renewals, due for FCC clearance soon, probably with severe warning (Vol. 1:1-A p3), opposed by United Auto Workers which told FCC "lucrative franchises" shouldn't be kept by anti-trust violators . . . Peter Kenney, ex-mgr. of NBC's Hartford uhf, recently with WRC-TV Washington, now supervising "Canal 9" station in Buenos Aires, in which NBC has interest. Argentine set count: 800,000 . . . Complaint against "Untouchables" last Feb. by Federal Bureau of Prisons Dir. James V. Bennett may be considered by FCC this week. Intention of Commission, as we hear it, is to agree with Bennett that programs improperly represented fiction as fact; take note that ABC-TV did move, after complaint, to make clear in telecasts that fiction is fiction; rap ABC's knuckles by saying it would weigh episode in network's over-all performance when its license renewals come up . . . FCC's network hearing, which resumes Sept. 26 in N.Y. with 39 national TV advertising executives on tap as witnesses, will run about 7 days, according to Commission's network study chief Ashbrook Bryant. "We got the top ones," he told us. "You can't get any topper. Most were glad to appear. They're able men. They have a point of view. We'll explore it" . . . Deceptive TV commercials have been used by Carter Products for Rise shaving cream, FTC hearing examiner John B. Poindexter held in an initial decision . . . NAB staff realignments in line with Pres. LeRoy Collins's reorganization plans (Vol. 17:25 p5 et seq.) have brought: (1) Promotion of station relations mgr. William Carlisle to new post of station services vp, heading up engineering, research and economics depts. (2) Designation of Hollis Seavey as govt. affairs mgr. to take over Washington beats from former govt. affairs vp Vincent T. Wasilewski, now exec. vp. (3) Retitling of chief counsel Douglas A. Anello as gen. counsel . . . TV sex-&violence probe by Senate Judiciary Juvenile Delinquency Subcommittee, which plans more headline hearings (Vol. 17:37 p3), is getting expensive. Senate had to raise Subcommittee's appropriation \$20,000 to \$198,000 this year . . . Sen. Hart (D-Mich.) backed United Auto Workers' complaint to FCC against radio WLW Cincinnati for dropping daily labor-liberal-directed "Eye Opener" news-commentary, arguing in Sept. 20 floor speech that such programs are needed to balance "conservative" point of view . . . Trouble for FCC, GE and Westinghouse is threatened by Sen. McGee (D-Wyo.) if Commission proceeds to renew companies' station licenses despite electrical-equipment price-fixing convictions (Vol. 1:1-A, p3). Member of Commerce Committee & its Communications Subcommittee, McGee says "cold, calculating assessment" now by FCC of "flagrant" wrongdoing by GE & Westinghouse could prevent "more stringent action" by Congress.

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Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

'NEW' 19-IN. BONDED TUBE: Corning is taking another crack at the 19-in. bonded tube with a new lighter-weight, lower-cost bulb-&-cap combination.

Success of Corning's 23-in. bulb with laminated safety plate is now assured—nearly all major TV manufacturers are using it. But 19-in. version has not attained this industry-wide acceptance. Only one TV manufacturer—Sylvania—has been making extensive use of it. Other set makers have steadfastly maintained (and Corning has just as steadfastly denied) that the 19-in. bonded tube is heavier & more expensive than other versions of 19-in. tube.

Corning has gradually been cutting weight of 19-in. tube by reducing amount of resin required to bond shield to bulb—but this hasn't been enough. The big glass maker is now tooling up for brand new 19-in. bonded bulb which will be several pounds lighter (and presumably less expensive) than present version, but will be interchangeable with current 19-in. bulbs.

New 19-in. bulb and associated safety-glass cap are due to be available by year's end. Finished tubes with their bonded-on caps will be identical in external measurements & electrical characteristics with current 19-in. bonded tubes. Difference will be in configuration of faceplate to which external cap is bonded. It will be designed to require several pounds less of the costly & heavy resin which fastens cap to faceplate.

Original 19-in. bonded tube used "center face contact" principle—that is, faceplate was extremely convex, touching safety-glass cap at center. New bulb, like 23-in. bonded, uses "parallel" principle—faceplate is roughly parallel to external contour of cap, resulting in substantial savings in resin.

Whether new bulb will mean reduction in prices of 19-in. tubes hasn't been made clear yet—but best guess is that it will; otherwise there's not much point in the redesign.

New bulb design is just one of major steps being taken by Corning to attain universal acceptance of bonded tube. Another step, which appears on verge of paying off, is new "Velvetone" anti-reflective surface. Unlike Corning's earlier non-glare cap, this one gradually is gaining adherents. It's now being used on some RCA, Sylvania & Silvertone (Sears) sets, and it's understood that 2 more manufacturers will introduce Velvetone sets by early next year.

FIRST REPORTS ON SONY TV SALES: Satisfied with results of its test campaign in Eastern markets, Sony is now ready to go nationwide with its 8-in. battery-operated portable at \$279.80 including battery—backed by national ad campaign in prestige & shelter magazines.

We queried a group of key Eastern dealers who have been test-marketing the Sony—and the words used to describe sales varied from "not so good" to "phenomenal." Results of our survey indicate Sony's battery set is a novelty item which has been selling quite well to the N.Y. luxury trade to whom money is no object. How it will do in the hinterlands is still the big question.

In N.Y., Sony portable was handled this summer by 4 prestige retailers—Liberty Music Stores, Abercrombie & Fitch, Bloomingdale's and Harvey Radio. All are satisfied and will continue to feature it.

Most enthusiastic was plush Abercrombie & Fitch, one of few stores which can handle a \$280 "impulse" item. "It's absolutely a runaway, fantastic," we were told by A&F camera-radio dept. chief Lou Skinner. "It's one of the biggest things I've ever seen. We're shipping them all over the country. Since we began handling this set early this summer we've sold 100-150 in the N.Y. store alone. We're offering them in all our stores now [Chicago, San Francisco, Hyannis, Long Island, Palm Beach] and in our catalog, and expect to sell 200-500 during the Christmas season."

What do customers use them for? A large number are used on boats—A&F being big with yachting trade. Some customers have asked about automobile installation, but A&F discourages this, Skinner said. He added that some people buy the Sony completely on impulse, the first time they see it. Some others order it by telephone. Since A&F also handled the 2 American-made transistor portables—Philco's reflex Safari and Motorola's 19-in. battery set—Skinner was able to make direct comparisons. "This is outselling both of them by 3-to-1. Why? The Philco set was too small, the Motorola too heavy. The Sony's compact size & weight are in its favor."

Bloomington's department store was less enthusiastic, but "satisfied" with sales performance. "This is a satisfactory product for our type of luxury trade," we were told by a store official. "Some people come in carrying the ad; others buy it completely on impulse. Why do they buy it? That's easy—it's because they want something they don't have."

Liberty Music Stores, which has done most newspaper advertising of the Sony portable, says sales are "going very well." Customers for the set are "people who want luxury," and, especially in Liberty's Madison Ave. store, "a lot of executives in the TV industry."

Harvey Radio Co., big hi-fi and electronic parts house, is also "pleased with sales" of the Sony, Harvey's Paul Sampson told us. "Everybody wants one," he said, "but not everybody can afford it. It has a great deal of gadget appeal. We have a tremendous amount of store traffic—lots of gadget-happy people—and this is a real eye-catcher out on the counter. We'll continue to carry it. It's cute. Everybody wants one. Don't you want one?"

One of first reports from the hinterlands indicates considerably less enthusiasm. In Philadelphia, Snellenberg's dept. store (main store & 5 branches) has been carrying the set on an exclusive basis for 2 weeks before other Philadelphia outlets. Its only promotion for the set has been a single one-third-page Sunday newspaper ad.

In 2 weeks, Snellenberg's sold exactly 2 sets, we were told by asst. TV-radio buyer Robert Thompson. Nevertheless, he said, the store will continue to carry it. Why? "It's a good traffic-builder. People came in to look at it, saw the price and realized they could buy a console for the same amount. Many wound up buying other merchandise."

"It's going very well, and sales are running into many thousands," we were told at week's end by merchandise vp Milton Thalberg of Sony Corp. of America. If he was worried about the set's acceptance in non-N.Y. markets, he gave no indication.

By best estimates, a little more than 3,000 Sony portables have been shipped to the U.S. to date (Vol. 17:36 p12). There's an industry axiom which states that "people will buy 5,000 of anything," and it's still too early to make any judgments on the mass-marketability of 8-in. battery TVs. The industry will be watching with extreme interest how Sony does with its second 5,000.

NEW YORK—A UHF MARKET? FCC's New York uhf experiment may well mean more than a mere technical test to the TV manufacturing & distribution trade. It means the introduction of uhf to the nation's biggest TV market—and if programming plans of municipally operated WUHF are followed with action, uhf television could serve much of the same program needs that FM now does among urbane & cultured New Yorkers who are considered the community's (and the nation's) opinion leaders.

Blonder-Tongue Labs, which now calls itself the biggest manufacturer of uhf converters, estimates the uhf test will bring as much as \$100 million in added income to electronic equipment dealers—in converter & antenna sales and installation. The estimate is made on basis of tentative programming plans for WUHF, which is due to start full-time programming Nov. 1.

For purposes of FCC's tests, the station will be required to rebroadcast network programs for 50% of its broadcast day. Programming the rest of the day seems to be the type designed to appeal to people who say: "I have a TV set but I never watch it." For WUHF seems determined to televise programming similar to the radio fare now broadcast by the city's WNYC—symphony concerts, UN sessions, specialized cultural attractions—in addition to educational programs for schoolroom & adult use.

No "mass market" is anticipated, but Blonder-Tongue Chairman Isaac S. Blonder sees N.Y. converter potential at "5-10% of the population." He says he expects some dealer advertising & promotion keyed to reception of the new cultural channel.

After the test—what? Very few people believe WUHF will go off air after FCC is through with it. It's expected that somehow the city will hold onto the channel & equipment—and non-commercial cultural TV will continue in N.Y. as a counterpart of the city's highly regarded WNYC & WNYC-FM.

20 FM STATIONS NOW STEREOCASTING: FM stereo is now on air in 14 markets—including all of the top 7—with 20 stations providing programs. This up-to-the-minute information comes from FCC and broadcasting sources.

Here's the list of stereocasting stations arranged in descending order of market size: N.Y.C.—WQXR-FM, WDHA-FM (Dover, N.J.), WLIR (Garden City, N.Y.). Los Angeles—KFMU, KMLA. Chicago—WEFM, WKFM. Philadelphia-Wilmington—WFLN-FM(Philadelphia), WJBR (Wilmington). Detroit—WDTM. Boston—WUPY (Lynn), WCRB-FM (Waltham). San Francisco—KPEN. Houston—KODA-FM. Seattle—KLSN. Cincinnati-Dayton—WPFB (Middletown). Dallas—KIXL-FM. Albany-Schenectady-Troy—WGFM (Schenectady). Columbus—WBNS-FM. Spartanburg, S.C.—WSPA-FM.

Of the top 10 markets only Pittsburgh, St. Louis & Washington (8th, 9th & 10th) are currently unserved with FM stereo signals. WHFS, a-building in Washington suburb Bethesda, Md., is believed ready to spring in FCC's backyard.

TRADE TOPICS & TRENDS: Distributor TV sales for August were 10% higher than in Aug. 1960, preliminary figures indicate, bringing total 8-month distributor sales to within 1% of 1960 total. Distributor sales of radios were up 34% over Aug. 1960, the 8-month total up 15%. The figures: Distributor TV sales for Aug., 458,000 vs. 417,000 in Aug. 1960; 8-month sales. 3,359,000 vs. 3,395,000. Aug. radio sales, 904,000 vs. 675,000; 8-months, 6,030,000 vs. 5,264,000.

EIA's Parts Div. is going it alone in its anti-import information campaign (Vol. 1:1-A p6); all other EIA divisions are understood to have voted against participation . . . Motorola expands its auto-industry horizons with its first under-the-hood product—an all-electronic alternator system to replace generators in cars. Motorola's automotive products vp Elmer H. Wavering predicts that by the end of 1964 "all cars & trucks will be alternator-equipped" . . . New gadgets shown at Milan (Italy) TV-radio exposition: By Emerson (Italy), a remote-control unit which swivels the TV set (on motorized turntable), in addition to performing normal remote functions; by Atlantic, a TV set whose screen becomes a mirror when not in use . . . National Video stockholders have approved a 2-for-1 split . . . Electronic-equipment industry wage floor for workers on govt. contracts will be set by Labor Dept.'s Wage-Hour Div., which has started hearings on rates following EIA-contested determinations of minimum pay for component-parts & tube contractors (Vol. 17:21 p19).

TV-RADIO PRODUCTION: EIA statistics for 37th week of 1961:

	Sept. 9-15	Preceding wk.	1960 wk.	'61 cumulative	'60 cumulative
TV	143,430	118,788	138,092	4,101,344	4,077,021
Total radio	400,235	345,848	385,823	11,117,191	11,460,735
auto radio	89,551	111,078	147,804	3,501,831	4,340,487

SET MAKERS VETO UHF-VHF LEGISLATION: TV-receiver manufacturers are opposed without equivocation to any legislation—for whatever benefit or purpose—that dictates the function or design of their products.

We got this expected reaction loud & clear last week when we queried 10 manufacturers on their views of FCC's proposed legislation requiring all TVs sold in interstate commerce to include all-channel uhf-vhf tuners (Vol. 17:5 pl et seq.).

Some foresee an ultimate shift to uhf-only, others sympathize with FCC's current problems & objectives, still others blame TV manufacturers in general for having dragged their uhf feet—but all are opposed to being compelled to add uhf channels by a federal law. Their opposition centered on 3 essential themes:

1. Compulsory uhf channels will add \$25-30 to retail price of TV sets—and will force vast majority of viewers to pay for a service they can't use.

2. There are sufficient uhf-vhf TVs available now to meet the needs of viewers in uhf areas.

3. Sales depression likely would develop because of higher set prices, resulting in unemployment at factory level and a squeeze on small TV dealers.

Composite comments of 10 manufacturers differed not one whit from sum-up last March by Motorola's Edward R. Taylor, chmn. of EIA's Consumer Products Div. Executive Committee. Following his committee meeting at EIA's Spring Conference (Vol. 17:12 p13), Taylor re-stated EIA's opposition to FCC's proposed legislation: "The FCC should decide the allocation policy first. It makes no sense to force 93% of the people to buy something they can't use now. We're opposed to any edict of that sort by the government. We don't believe govt. should dictate what manufacturers should produce. Making such sets would penalize the consumer about \$20-25. There are enough elements of confusion in our business as it is. Further confusion would stop the market."

Alternate proposals for solution of TV space problem were submitted by several of the TV makers. Here are some of their ideas:

Packard Bell Pres. Robert S. Bell would support a proposal requiring that all TV sets sold in interstate commerce after a given date be equipped with either all-channel vhf-uhf tuners, or with a vhf tuner which is easily convertible for the reception of all uhf channels.

"The conversion could be simple enough for the consumer to do it himself," Bell suggested, adding: "This would leave it up to the consumer to convert to uhf whenever he feels the additional cost is warranted, and, therefore, TV set sales would not be adversely affected."

Setchell-Carlson Pres. B. T. Setchell is another manufacturer who believes that "use of a vhf tuner which accommodates individual channel strips that can be converted from vhf to uhf would be a possible solution." "Another solution," he suggested, "is that chassis design be made such that a continuous uhf tuner can be added to the chassis at a later date if required, and that the TV manufacturer have available to his distributors & customers the complete kit of parts which should mainly consist of the uhf tuner itself, knobs and panel."

Motorola Pres. Robert W. Galvin notes "the simple fundamental that a basic overhaul of the spectrum is the primary need of this industry. This is going to be achieved only by the establishment of a single spectrum agency. The administrator of this agency must have the power to move things around so that we come up with, effectively, a single grouping of frequencies for the TV industry. There need not be as many frequencies as at present in the vhf & uhf allocations. Obviously, the change can be accomplished only on a long-term basis, but it is a long-term fundamental solution that we need."

Olympic Pres. Morris Sobin believes FCC "should submit the final allocation of channels prior to proposing that manufacturers be required to produce only all-channel receivers." Elsewise, he said, "FCC is putting the cart before the horse." He took note of FCC's forthcoming uhf tests in N.Y., declared: "Certainly, the results of tests like this should be studied prior to passing any legislation defining the technical characteristics of receivers."

Emerson Pres. Benjamin Abrams opined "that a better solution to the problem will be for the broadcasters and particularly the networks to equip themselves to broadcast simultaneously on both vhf & uhf bands, thereby increasing the immediate interest in all-channel receivers on the part of the buying public. Then, at a later date and in the foreseeable future to make the change, but only after enough all-channel receivers have been placed in the hands of the public."

In addition to the above manufacturers, "vetoes" on the proposed all-channel legislation were registered by Capehart sales vp Seymour Mintz, Symphonic Pres. Max J. Zimmer, Westinghouse TV-radio Div. gen. mgr. O. H. Yoxsimer, and Zenith Pres. Joseph S. Wright, who criticized the FCC proposal but concluded that "our industry has an obligation to cooperate in finding a way to solve this difficult problem so that the whole medium of TV can continue to grow in importance & scope without being limited to a 2 or 3 network system of 12 vhf channels." Warwick Pres. Lawrence G. Haggerty, voted neither pro nor con because his company makes only private-label TVs, but noted: "The ultimate good that might be obtained if all-channel tuners were required would have to be very major in view of the increased expense to the consumer."