

Television Digest

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

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ALL-CHANNEL LAW BANDWAGON DEVELOPING: Major crack has opened in TV set manufacturers' hitherto solid front against legislation which would require them to build all sets with ability to receive both vhf & uhf.

Zenith & RCA have broken loose. Zenith's marketing exec. vp. Leonard Truesdell told us last week: "We don't object to it at all. We won't fight it. We are in favor of whatever is best for the industry and the public." RCA wouldn't comment, but it undoubtedly backs NBC Chmn. Robert Sarnoff, who came out for legislation in FCC's network hearing last week. Between them, Zenith & RCA produce more than 1/3 of all TV sets—ranking No. 1 & 2.

Though there were rumors Admiral has come out for legislation, spokesman told us flatly that they're false—that it still opposes bill. He said position remains unchanged from that given us last Oct. (Vol. 1:4 p9). Admiral wants all TV to go to uhf after 3 years. During 3-year transition period, govt. should remove excise tax on all-channel sets, so that public wouldn't be penalized by extra cost.

During FCC network hearing, Sarnoff told Commission: "Although we support the purposes of the legislation, we do have a reservation about the principle involved, since it would result in requiring all purchasers of TV sets to pay more for them whether or not they want—or can use—the added feature of uhf reception.

"However, as the objective is to foster better utilization of the uhf band without reducing the value of the vhf band for TV, we feel that on balance its advantages outweigh its disadvantages and on this basis we support it."

NAB endorsed legislation, at board meeting in Fla. last week, as expected, provided that law would "preclude any action by the Commission which would delete vhf assignments." ABC will join in during testimony next week. Thus—full force of telecasting's powerhouse is behind measure.

Though Zenith isn't an EIA member, RCA is—and EIA's Consumer Products Div. members are taking another look at matter. Last time Div. members voted, opposition was unanimous—except for one abstention. Our own survey of 10 representative manufacturers last Sept. (Vol. 1:2 p8) disclosed unanimous opposition.

EIA exec. vp James Secrest, taking exception to a pro-legislation editorial in Washington Post last week, in letter to editor emphasized that industry will make anything public wants but:

"It would seem only prudent that the FCC withhold its proposed legislation until the facts on uhf are available [from N.Y. experiment]. The FCC in asking Congress to force set manufacturers to add a uhf tuner to all TV sets is putting the cart before the horse.

"Probably no manufacturers in the U.S. are more competitive than the radio-TV industry. If the public ever indicates a desire to have a washing machine attached to a TV set, some manufacturer will make it. If the combination proves popular, every manufacturer will make them."

N.Y. Times got aboard too, in Jan. 29 editorial: "There is a natural concern at the idea of the govt. prescribing what manufacturers may make. But govt. already fixes the technical standards for TV broadcasting, as it must. Without some outside force to equalize the risk, no single manufacturer is likely to push sets costing considerably more than its competitors'. Once the vicious circle was broken, the growth of uhf would be a boon to set-makers as well as to the audience."

What FCC is really waiting for is President Kennedy's endorsement. Last year, through Budget Bureau, he sent measure to Congress with indifferent "no objection." Right now, bill is again in Budget Bureau's bowels. Important angle: Commerce Secy. Hodges' view. He's been romanced by both sides, hasn't spoken up yet.

As we've noted time & again, there's every indication FCC will drop its plan to deintermix 8 markets in horse-trade for all-channel legislation. Hence the powerful vhf telecasters' support for the law, because vhf operators generally see such law staving off indefinitely, or stymying altogether, possible spread of deintermixture or govt. drive to move all TV to uhf. This is not fancy. It's fact, comes from those who know most about it.

NBC TESTIMONY—HEAT & LIGHT: FCC network hearing boiled over last week during NBC's presentation, contrasting sharply with mild simmer of CBS's appearance previous week.

That was first major characteristic of week. Second was NBC's support of all-channel-receiver legislation (see above).

It was Comr. Ford, more precisely, who boiled over—and chase was on. As chief architect, when he was chairman in 1960, of FCC's proposed network regulation bill and of its landmark program-policy statement, he finally rebelled at such statements as these from NBC Chmn. Robert Sarnoff:

"Presumably the Commission wants regulatory power over network programs so that it can do something about them. . . . The goals responsible broadcasters set for their programming are no lower than those the Commissioners might personally hold out. . . . Between the initiatives of broadcasters and the responses of audiences, the growth of constructive programming goes forward, and it would be stultified, rather than advanced, by setting official quotas to fix what the Commission might consider a sufficient effort in one field of programming or another . . . Against this remarkably effective system of free choice, some would impose the centralized authority of govt. to determine what is good for the public to see and hear."

Ford took off: "You tell me where we're trying to tell you how to program." Sarnoff replied that network regulation and the program inquiry could influence programming. Ford: "I disagree with you completely. This is so foreign to what we're trying to do." Minow: "Who's recommending govt. control?" Sarnoff said it was previous witnesses, such as producer Robert Saudek, not FCC.

Sarnoff then said he was pleased with Minow's statement at start of hearing, emphasizing FCC's no-censorship position. And Minow responded: "When did we indicate otherwise?" Sarnoff stated that FCC's recommended network regulation bill was so broad that it "could include programming" and suggested amendment to exclude programming specifically.

Sarnoff noted FCC's letter to Sen. Pastore (D-R.I.) last year, in which Commission said that the mere holding of a hearing on programming had produced more informational programs. FCC counsel Ashbrook Bryant pounced with: "The broadcasters finally got the point." Sarnoff countered: "That's just what we mean." Minow, Ford & Bartley all demanded to know whether there's anything wrong with conducting such hearings. Sarnoff said there wasn't.

That's a fair sample. Seven witnesses later, NBC senior exec. vp David Adams wrapped up network's position in a much different atmosphere. A former top FCC attorney, he retains many warm friends at Commission and was received calmly as he concluded with:

"NBC doesn't want to appear intransigent or unreasoning. We're not satisfied with the status quo. We're gratified by the program-policy statement." However, he said: (1) If network-regulation bill is intended to

do nothing that present chain regulations can do, there's no purpose or need for bill. (2) Proposed bill would regulate radio networks—and there's no hearing record showing need for such regulation. (3) If a purpose of bill is to specify what kind of information networks must give affiliates, to enable them to share greater responsibility for network programs, this can be done better through customary FCC rule-making—not through change in law. However, hearing record doesn't indicate that present information-to-affiliates is inadequate.

Between Sarnoff and Adams, there were these witnesses, in 3½ days of testimony: Walter Scott, NBC-TV exec. vp; Hugh Beville, planning & research vp; Mort Werner, NBC-TV program vp; James Stabile, vp & assoc. gen. attorney; Thomas Knode, stations relations vp; Carl Watson, broadcast standards dir.; William McAndrew, news exec. vp. Among highlights of presentations:

- (1) Network costs are up, profits down, while affiliate profits rise. Commissioners & staff questioned NBC's arithmetic, want to examine it further.
- (2) Advertiser influence on news & public affairs is nil, on entertainment is insignificant.
- (3) "Magazine concept" for commercial placement is impractical, would drive support from medium.
- (4) NBC color expenditure to date is around \$50 million.
- (5) "Instructions were given" regarding addition of "sex & violence" to Man and the Challenge, as charged by Sen. Dodd (Vol. 2:5 p4).
- (6) Clearances for public affairs shows are going quite well.
- (7) Ratings are useful and reliable for purposes for which they're used. (Ford hopped on Beville for not being more specific about weight his research recommendations were given in program scheduling.)
- (8) Public's viewing of informational shows is strikingly less than the appetite they profess to pollsters. This was demonstrated by U. of Ore. and ARB (Pittsburgh) surveys.
- (9) NBC has engaged Eugene Gilbert & Co. to study informational programming for youth, Louis Harris & Assoc. to study material for democracy vs. communism series.
- (10) NBC's financial interest in programs has no bearing on its choice of programs scheduled.
- (11) Affiliates do reject sponsored programs at will; 142 are doing it right now, with evening shows.
- (12) Schedule of 92 hours weekly is balanced, containing 20 categories, including 24.3% news, documentaries, talks & discussion.
- (13) News & public affairs lost \$12 million last year, will lose more this year—but viewer interest is rising.

With only ABC to go—this week—long program hearing is near end. In Washington, we find substantial view that Congress will go for a network-regulation bill, carefully circumscribed—nothing like measure which would have passed at height of quiz-payola scandals. It's generally believed, too, that the longer Congressional action is staved off the milder the legislation to be enacted.

Even President Kennedy was pulled into picture last week. At his news conference, he was asked about FCC-industry relationships. Kennedy said he saw no need for change in basic regulation, that Minow was seeking to persuade, not force, industry to offer more children's and public service programs. Erroneously, he said Commission does require certain percentage of public service programs.

NAB IN FRUITFUL FLA. SESSION: NAB board punched out several major decisions in Sarasota, Fla. meeting last week—including some dear to Pres. Collins' heart:

- (1) Appropriated \$100,000 for research & training program, presented by committee under Westinghouse stations' Donald McGannon, to "explore new levels & opportunities for program service, study major aspects of radio & TV beyond range of research now undertaken, seeking improvement in precision of radio & TV audience measurement, contribute to a fuller understanding of broadcasting's role in the national economy, including the increased effectiveness of TV-radio advertising, encourage best qualified people to enter field of communications research, & disseminate research & training information throughout the broadcast industry."

No single university was selected as center. Several will be employed, given title of "affiliated university." Financial support will be sought from ad agencies, advertisers, etc.

- (2) Backed all-channel-receiver legislation (see p. 1).
- (3) Opposed legislation to license networks.
- (4) Authorize Collins to appoint committee to study problems of radio-station overcrowding.
- (5) Authorized study of makeup of radio & TV boards.
- (6) Enlarged TV Code Review Board from to 7 to 9, adding one member from each TV network.
- (7) Decided to hold fall conferences in 9 odd-numbered districts one year, in 8 even-numbered districts next—starting in 1963.
- (8) Voted study of CATV legislation to give FCC power to regulate systems which may depress revenues of small-town stations.
- (9) Deferred study of "over-all reorganization of FCC."

DOUBLE CHECK ON FCC N.Y. UHF PROJECT: Others in addition to FCC are making propagation measurements of Commission's experimental WUHF (Ch. 31)—evidently to satisfy themselves and supplement FCC's findings.

Assn. of Maximum Service Telecasters has had consulting engineers A. D. Ring & Co. making field strength studies, with mobile unit, etc., for some months. Now, a group including MST is prepared to make in-home viewer-reaction studies similar to those being made by Commission.

Financing of \$100,000 project will come from MST, unidentified multiple station owners and several station reps. MST will coordinate.

The new studies will use exactly the same kind of RCA vhf-uhf sets used by the Commission—employing at least 100 receivers. These will be placed in homes beyond 25-mile radius of transmitter, because FCC hasn't gone beyond that distance. However, Comr. Lee, sparkplug of Commission's project, says FCC plans call for placement of sets beyond 25 miles, too. Incidentally, he said he welcomed all studies others might make. The MST-et-al. group will use Jerrold Electronics Corp. to install & measure—just as FCC does. However, group looks toward leaving sets in each home year or so—contrasted with Commission, which moves them every few days or weeks. FCC puts sets where Census Bureau statisticians say they must go for proper sample. Installers continue to meet housewifely reluctance, some 30% refusing to cooperate.

Personals

Everett E. Revercomb unanimously re-elected to 7th term as NAB secy.-treas. . . Leonard F. Ostrom and William S. Hamill named Nielsen vps . . . James Marshutz, ex-J. Walter Thompson senior TV producer, named vp & sales mgr. for Paramount's SIB Productions.

Giles Miller, operator of radio KOKE Austin & KBUY Amarillo, is candidate for congressman-at-large in May Republican primary . . . Richard M. Allerton, ex-NAB research mgr., establishes consultancy in management, sales & research, 20 Arkendale Rd., Alexandria, Va. (South 8-4949).

Richard Krolik leaves own PR firm to become general executive with Time-Life stations . . . Daniel B. Burke, WTEN Albany-Schenectady-Troy gen. mgr., elected Capital Cities Bestg. vp . . . George Vickery, ex-WJBF Augusta promotion mgr., assumes similar post at WTVJ Miami.

David Lundy named Blair TV exec. vp, succeeding Richard L. Foote, resigned . . . Max M. Everett, ex-Everett-McKinney pres., named business development vp, H-R TV & H-R Reps . . . Richard M. Walker named Atlanta mgr. of radio rep Robert E. Eastman & Co.

Richard Williams, ex-Everett-McKinney Inc. (reps), named director of sales & promotion, N. C. Rorabaugh Co. (TV advertising research) . . . Edward Codel, Katz Agency exec. vp, named chairman of SRA awards program for 1962.

Daniel J. Kornfeld, ex-WNEW-TV N.Y., named production dir., TV Affiliates Corp. . . John P. Barton & Jeanette F. Sytsma, Intercontinental Services Ltd. vps, will head newly-created separate ISL TV & radio depts., respectively . . . Carl V. Ragsdale appointed Eastern sales & production vp, Roland Reed Productions.

J. Robert Myers promoted to managing dir. of NBC International's new Federal Nigerian TV Service, in Lagos . . . Nick Gearhart, ex-KFMB-TV San Diego & WWL-TV New Orleans, named KHOU-TV Houston news editor, replacing Dan Rather, who joins CBS news . . . Philip C. Cohan, ex-CBS press information dept., opens own PR firm at 616 W. 54th St., N.Y.

Mrs. Florence Lowe named Washington coordinator of special projects, Metropolitan Bestg.; Richard E. Drummy Jr. ex-WFAA-TV Dallas, named Los Angeles sales mgr. Metropolitan Bestg. National Sales; John H. Bone & George Finnegan promoted to vp-gen. mgr. of Metropolitan's WTVP Decatur & WTVH Peoria, respectively.

Death of Sen. Schoepfel (R-Kan.) brought expressions of "respect and sorrow" from FCC commissioners in resolution sent to Senate. Schoepfel was ranking Republican on Commerce Committee.

FCC Comr. Robert E. Lee speaks Feb. 16 at annual IRE Fellows dinner, Tappan Hill Restaurant, Tarrytown, N.Y.

Radio Moscow newscasts over 6 McLendon stations in 4 states (Vol. 2:5 p2) have produced favorable reactions so far. KABL San Francisco & KEEL Shreveport reported good response but KABL said it was waiting for "the kooks who will complain." WSYL Buffalo reported 50 calls in 7 hours, most inquisitive, none critical. Typical of Russian "news" picked up: "Thousand New Yorkers marching in disarmament demonstration," and denunciation of wealthy Hunt and Murchison families of Texas as "radicals, John Birchers and typical imperialists." McLendon news vp Joe Long said technical reception from Moscow generally has been poor, not all stations picking up good signals.

Despite threat of \$400,000 suit, NBC planned to televise "The Forgery" on its *Dupont Show of the Week* Feb. 4. Program deals with sensational 1947 art-fraud trial in Holland of Hans Van Meegeren, who died before serving sentence for forging paintings of celebrated artists. Van Meegeren's widow and his attorney filed invasion of privacy suit in Washington District Court, asked \$400,000 damages if show is broadcast. NBC said its attorneys were studying case, and it still intended to carry program. District Court Judge John Sirica declined to enjoin telecast, saying that plaintiffs will have adequate legal remedies if they can prove damages.

Decision on satellite communications system ownership & operation has been made by President Kennedy, will be described in recommendations to Congress this week. Reportedly, he has accepted view of National Space Council, under Vice President Johnson, to allow ownership by international & domestic carriers and equipment makers—broadening base beyond the tentative international carriers-only concept of FCC & NASA. Also, President is said to be planning to recommend shift of policy-making decisions on system from FCC to Congress.

Wis. Community Antenna system, Wausau, has been purchased for more than \$200,000 by Americantenna Corp., Denver. System serves 1,200 subscribers, will be expanded to communities of Rib Mountain, Rothschild, Schofield & Stettin, Wis. Purchaser's principals: Charles N. Bellm, pres. of Atlas General Industries, N.Y.; Wendell W. Fertig, exec. secy., Colo. School of Mines Alumni Assn.; Calvin G. Heisler, Boettcher & Co., Denver.

Independent KTVR (Ch. 2) Denver has been bought for \$2 million from Gotham Bcstg. (Elroy McCaw) by CATV executive Bill Daniels. He plans to move station to new quarters, build taller tower, "soon as possible." He's pres. of Daniels & Assoc., management & brokerage firm which operates 33 CATV systems in 12 states, and of Televents Inc., operator of 7 systems in Colo.

VOA's 20th anniversary will be celebrated in Washington Feb. 26 with President Kennedy delivering worldwide broadcast. Audience will include members of Congress, top industry people. Other speakers: Secy. of State Rusk, USIA Dir. Murrow, VOA Dir. Loomis.

Navy communications facilities at Sabana Seca, P.R., will be used by FCC for monitoring activities under provisions of recent FCC-Navy agreement. Move is in line with recent Presidential directive to agency heads to boost effectiveness & economy by coordinating activities.

Saving of \$125,000 is expected by educational WEDH-TV (Ch. 24) Hartford through joint use of WTIC facilities. WTIC-TV last July gave \$30,000 to ETV group, plans to build new tower to handle WEDH-TV & WTIC-FM.

NBC's "Battle of Newburgh" may be just beginning. Rep. Katharine St. George (R-N.Y.) last week read telegram on House floor, from City Mgr. Joseph McD. Mitchell who charged program on public welfare was "hopelessly biased and misleading" and grievously damaging to city. Pledge of NBC Dir. Arthur Zegart to present impartial show (*White Paper No. 9*) was "broken in shameless treachery," Mitchell declared, adding "NBC has done a gigantic disservice to the cause of impartial public enlightenment." Rep. St. George said inquiries revealed most Newburghers agree, as did some of TV columnists. NBC denied charges, said program was "objective & fair report." Network cited telegrams received from HEW Secy. Abraham Ribicoff and Newburgh Mayor William D. Ryan, who praised show as "factual report" and a "needed public service." Newburgh officials have asked full FCC investigation of program.

Prohibit TV & movie exports from U.S., a Protestant missionary has urged government. Rev. Dr. Truman B. Douglas, exec. vp of Board for Homeland Ministries of United Church of Christ, said American TV programs & movies "warp and debase the image of American life." He told meeting of his board: "I have come to regard the misrepresentations of American life and purposes by the movies and TV as a subtler and more disastrous form of treason than the activities of a hundred professional spies and saboteurs."

N.Y.'s new ETV Ch. 13 will go on air about Sept. 1. Dr. Samuel B. Gould, pres. of Educational TV for the Metropolitan Area, said group would seek permission from FCC to delay start until fall to develop "top quality" programming. Initial schedule will consist of school instruction 9:20 a.m.-3 p.m. Mon.-Fri., teacher training programs 4-5 p.m. daily. New call letters have not been selected.

James B. Pearson, attorney and former state senator, has been appointed to U.S. Senate seat of late Andrew Schoepel (R-Kan.), ranking Republican on Senate Commerce Committee. Pearson will run for remaining 4 years of term in Nov. elections. Rep. William Avery (R-Kan.) also announced he is "very interested" in running for Schoepel's post.

Washington's first commercial UHF station WOOK-TV (Ch. 14) will go on air on limited basis during summer. Pres. Richard Eaton said station will carry no films except commercials, is aimed primarily at Negro audience. Outlet initially will program 3 hrs. daily, all day Sunday. Eaton also plans to have WTLF (Ch. 18) Baltimore in operation as satellite of WOOK-TV within 6-12 months after latter begins telecasting.

Portrait of Benjamin Franklin, painted from life in 1767 by Scottish artist David Martin, has been presented to White House by Triangle Publications Pres. Walter H. Annenberg & Mrs. Annenberg. Mrs. Kennedy, honorary chairman of the fine arts committee, said painting will be placed in Green Room.

New translator atop Mt. Diablo, Cal. will relay TV programs of KQED San Francisco to students in Contra Costa & Solano Counties on Ch. 80. Cost of \$15,000 for translator is being shared by school districts & audience.

Persistent color experimenter, Mexican Guillermo Gonzales Camarena, is reported planning color tests in Mexico City soon. In 1949 (Vol. 5:52 p6), he wrote us excitedly about his work on a "sequency" color system.

Cambodia's govt.-owned TV station will increase programming from 1-hr. daily, carry commercials.

Misbranding of 43 vitamin, mineral and other food products through radio health broadcasts was charged against Carlton Fredericks by Food & Drug Administration. Agency claimed nutrition writer & lecturer had recommended substances for treatment of ailments ranging from club feet to gray hair, said articles didn't carry adequate directions for usage. Fredericks replied in a statement that the charges constituted a "threat" to "every commentator on any subject interpreting the news on any station." Food Plus Inc., Moonachie, N.J. producer of products named by FDA, said actions are "unjustified and unwarranted," would vigorously oppose it.

Sale of KXLY-TV & KXLY Spokane (Vol. 2:4 p6) should be reconsidered, former mgr. Richard E. Jones told FCC. He asserted that sellers Norman Alexander and Joseph Harris failed to disclose to Commission that he had owned 10% and had sued and obtained judgment of \$100,000 for his ownership and back pay (appeal pending in state Supreme Court). In addition, he said owners "welched" on contests, fired his son as news editor without cause.

American Women in Radio & TV will honor Senate Commerce Committee at reception Feb. 6 in Appropriations Committee hearing room of New Senate Office Bldg. Chmn. Magnuson (D-Wash.) will preview proposed broadcast legislation. Expected: Senators Monroney, Bartlett, Hartke, Case & Morton of Committee, and FCC members Minow, Bartley, Cross, Ford & Lee.

Closer network-affiliate coordination as result of current FCC hearings was predicted by Westinghouse Bestg. Pres. Donald H. McGannon in WBTW Charlotte interview. Opportunity to establish "a better running liaison by pre-exposure & pre-monitoring of the programs involved" would solve problem of network control of TV programming; licensing of networks would not, he contended.

First prime-time non-network program venture operated by a rep—Katz Agency's "Trailblazer" plan (Vol. 1:14 p2)—will go into action next fall, with Ziv-UA's "The Story of . . ." (David Wolper production) selected as first series. The 40 Katz-repped stations get first crack in their areas, and Katz will attempt to sell program to single national or several regional sponsors.

Samuel I. Rosenman elected chairman of 20th Century-Fox, said he'll serve at least a year. Senior partner in N.Y. law firm of Rosenman, Colin, Kaye, Petschek & Freund, he will continue law practice for clients which include CBS. Fox has been suffering substantial operating losses—running \$11.5 million for 36 weeks ending Sept. 30, including writeoffs of \$9.2 million in movie & TV film inventories.

National Educational TV network will televise NTA's *Play of the Week* series week of Feb. 18 under grant from *TV Guide* magazine Program will be shown in Pittsburgh, Chapel Hill, Oklahoma City, Memphis, Sacramento, Tulsa, Tampa, Lincoln, Albuquerque, Athens, Ga., Gainesville, Fla., Durham, N.H.

Ford Foundation \$31,000 grant has been given to educational WHY-TV (Ch. 35) Philadelphia to conduct one-year study of feasibility of ETV network for state, which could be tied in to Eastern ETV network. James J. Magee, Pa. Dept. of Instruction TV-radio specialist, will supervise.

Tooth paste manufacturer Golden Valley National Sales & Distribution Co., Palo Alto, Cal., has been charged by FTC with falsely advertising (radio included) that its "Vademecum" tooth paste will whiten teeth or make white teeth whiter.

New international film distribution & production combine, Vid-Ex Film Distributing Corp. & Lewis S. Ginsburg Assoc., has been formed by ex-UA executive Lewis S. Ginsburg. He announced purchase of 34 foreign films, 10 in color, for U.S. TV distribution, 16 features for theater release. Vid-Ex headquarters are at Mayflower Hotel, Suite 1620, 15 Central Park W., N.Y., plus offices in New Haven & Paris.

Extensive \$500,000 modernization program at KTTV Angeles begun last week includes: construction of short-wave communications center, new mobile unit, revamped video-tape facilities with addition of AMPTEC & electronic editing equipment, purchase of EMI image orthicon cameras, acquisition of "satellite" camera & transmitter unit weighing less than 100 lbs., centralizing control rooms, renovation of film-control section.

Nationwide closed-circuit telecast to raise funds for National Cultural Center (Vol. 2:4 p5) will be produced by Robert Saudek, who heads own independent producing firm in N.Y. Saudek, former ABC public affairs vp, created *Omnibus* in 1952 when he was chief of Ford Foundation TV-Radio Workshop, is TV consultant to Lincoln Center for the Performing Arts in N.Y.

"Newsfilm Station of the Year" award has been given to WFGA-TV Jacksonville in competition sponsored by National Press Photographers Assn., U. of Missouri Journalism School & *World Book Encyclopedia*. Station was cited for "best fulfilling its responsibility for TV news coverage of the community which it serves."

Community Antenna Co. Inc., serving 9,000 subscribers in Reno & Sparks, Nev., has been purchased for more than \$1 million from Siegler Corp. by H & B American Corp., Beverly Hills, Cal. Purchase is 18th by H & B since entering field in 1960.

Ch. 3, Lafayette, La. has been granted to Acadian TV Corp., KTAG-TV (Ch. 25) Lake Charles agreeing to pull out of contest for Ch. 3 after getting \$65,000 for expenses from Acadian.

Canadian foreign-language broadcasting is subject to new set of ground rules issued by Board of Broadcast Governors. Copies are available from BBG, 48 Rideau St., Ottawa.

TV-carrying Ranger III launched at moon failed to send decipherable pictures back to earth. Mechanism didn't re-position directional antenna to keep it pointed at earth, and resulting TV signal was too weak.

TV cameras in nurseries of Baptist Memorial Hospital, Memphis, permit mothers to peek in on babies via closed circuit. Hospital director said plan has become "sensation."

House ban on TV & radio coverage is a "blackout which diminishes public knowledge," should be dropped, Rep. Van Zandt (R-Pa.) said in newsletter to constituents.

New Census Bureau report, *Family Characteristics of Persons: March 1959*, (Series P-20, No. 112), covering composition, size, income, etc., is available for 25¢ from Bureau, Washington 25.

New Irish TV station, at Maghera, County Clare, will be built by Radio Eireann. Marconi will supply & install equipment.

WHEC-TV Rochester & WINR-TV Binghamton name H-R Television & H-R Representatives as rep.

WEAT-TV & WEAT W. Palm Beach and WINQ Tampa name Bolling rep.

WTHI-TV Terre Haute appoints Edward Petry as rep.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

3 MANUFACTURERS NOTE BOOMING JANUARY SALES: New year got off to flying sales start, reports from Zenith, RCA and Magnavox clearly indicate, although we do understand from other quarters that business is not so good in other quarters. These 3 major manufacturers, however, apparently never had it so good.

Zenith says last month was best January in its history, more than 35% ahead of Jan. 1961, and its factory shipments of black-&-white TVs have set all-time record for any single month, with first-quarter company sales headed for new high. Color sales are reported ahead of expectations and FM-stereo production has been expanded.

RCA reports biggest home instrument January sales volume in 11 years, and best single sales month in color history. Over-all home instrument sales, said RCA, were 85% higher than Jan. 1961, with unit sales of color up 164%, black-&-white 58%, radio 121%, phono 373%. RCA Sales Corp. Chmn.-Pres. W. Walter Watts said color TV orders from distributors for February already exceed production capacity.

Magnavox's January sales jumped 40% to \$12.5-13 million from \$8.8 million in 1961's initial month. Pres. Frank Freimann said military orders rose as expected, but jump in sales of consumer electronic products ran counter to usual January downturn. Commercial sales rose to \$6.5 million from Jan.-1961's \$4.4 million and "it could have been almost \$10 million" if production capacity hadn't limited shipments, he said, adding: "We couldn't begin to fill our stereo orders" in January. Freimann said current sales pace is expected to continue through first quarter, estimated Jan.-Mar. sales increase to about \$55 million from \$32.2 million in 1961's first quarter. Earnings, he indicated, would rise to at least \$2 million from \$1.4 million in Jan.-Mar. 1961. For total 1962, he foresees \$200 million sales. (For more on Magnavox, see p. 12.)

THE NEW PHILCO IMAGE: A fast-moving company . . . hard-headed . . . sales-minded . . . quickly responsive to public's wants & tastes . . . profit-oriented. That's how the new Philco in the Ford constellation sees itself under 40-year-old Pres. Charles E. Beck.

As smoke begins to clear, it's evident Philco is not only still in consumer-product business but will use streamlined Ford formula in attempt to push to leadership in field. Ford will inject substantial amount of capital into Philco operation, confidently believes that consumer business can be big earner. "Our job here is to make money," says Beck. But he's also quoted: "If, over the long term, certain operations don't yield a satisfactory return, we won't continue them."

That contingency isn't even being considered now at Philco. Beck's first problem was reorganization—and that now is mainly completed. Last of major executive appointments was made last week with election of Larry H. Hyde as Philco vp & gen. mgr. of consumer products div., succeeding Henry Bowes, who Feb. 1 became ITT's govt. relations director. Like most new Philco executives, Hyde is young (37), a Ford man (last position, general purchasing agent, Ford International).

Consumer products operation will be run by 5-man team, in contrast to couple of dozen topkicks responsible for management decisions in former Philco operation. Key men involved in consumer products, in addition to Beck and Hyde, are Charles Hakimian, gen. sales & mktg. mgr. (former Philco branch sales offices supervisor); John Pfann, controller (ex-Ford); Armin Allen, product planning mgr. (former Philco electronic operations mgr.); Fred J. Meredith, gen. manufacturing mgr., (ex-Ford).

Beck, who has been a key financial official of Ford and who was in on Philco investigations & negotiations from start, is firm practitioner of Ford method of control operations. Key to new operation of Philco is

use of financial controls as management technique—and that's why Ford has brought so many of its financial management people into Philco organization. As explained by new Philco officials, controller's office is virtual heart of business operation—keeping finger on all phases of company business through financial controls.

Exit of many experienced consumer electronics marketing people from Philco has caused considerable eyebrow-raising in industry, some alarm among Philco distributors. New Philco topkicks, however, are quick to point out that many of old team remain on staff. They're quite frank in saying they wanted to keep Henry Bowes, who left to return to his favorite field of govt. relations in Washington. Consumer products mktg. vp Robert Urban, too, pulled out last November through no fault of Philco, to become president of American Safety Razor Co.

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Philco's new marketing practices, as outlined in distributor meetings by Pres. Beck, and as demonstrated in its first actions, are causing some quiet cheering among distributors. Very first major action by new Philco has been its current ad campaign, including wide use of network TV, stepped-up magazine advertising and beefed-up co-op ad program (Vol. 2:1 p8). Institutional ad approach has been abandoned for 100% product sell—and it's going to stay that way.

In its distribution pattern, Beck says Philco's policy is to favor independently-owned distributors in all locations—but company doesn't intend to drop any branch operations until it can find qualified, competent independents. This, of course, is one of toughest problems Philco has to face, and its formula for making Philco franchise attractive to independents is: Raise Philco sales volume enough to make Philco distributorship attractive.

Can auto industry techniques cope with a business in which dealerships aren't exclusive? Can Philco's new management move fast enough to respond to day-to-day competitive changes affecting dealers who handle not only Philco, but competitive makes?

"Yes," says new regime emphatically—"and we're going to use an auto industry technique to do it." Technique is Ford's "dealer council" system for rapid communication between dealer & factory, augmented by "distributor council" setup.

Here's how Ford's dealer council operation works in auto industry: In each sales district, dealers elect council to deal with manufacturer's district management on matters affecting them in the district. District councils elect representatives on regional councils; regional councils elect men to serve on national council. Problems which can't be disposed of at lower echelons go up to national council, which meets directly with top Ford management, up to & including Chmn. Henry Ford II.

Dealer councils handle virtually every type of communication in both directions between management & dealer—going into such fields as styling, product mix, prices, etc. Philco is now developing plans for both dealer councils on national & regional basis.

One prime Philco goal in its distribution: "We will put our major effort into selling the consumer—our sales dollars will be put at the point of sale. We will not spend our effort and money loading the distributor with items for his warehouse."

In overseas field, internationally-minded Ford is expected to emphasize even further Philco's highly successful foreign operations. If there's any new trend in this field, it will be for Philco to put more money in overseas affiliates for greater ownership. The philosophy: "If the business is profitable, we want a bigger piece of it."

FAREWELL TO THE 'ALL-AMERICAN' SET? Administration trade policies, Common Market concept—and rough-&-tumble competition—may eventually spell end to concept of "all-American" set, in TV as well as radio.

Most—but by no means all—manufacturers of transistor radios have swung over to concept of using imported parts where it's necessary or desirable. In TVs & tube radios, too, there is accelerating trend toward foreign tubes & components, classic example being Motorola's \$139.88 portable, which uses foreign as well as domestic sources for circuit tubes & speakers (Vol. 2:3 p10).

Three stalwart holdouts against imported parts have been Admiral, Philco & Zenith. There were signs last week that at least 2 of these firms will be scouting for components to import.

Admiral purchasing director Gerald T. Keyes is currently in Japan and reportedly looking for such items as complete 6-transistor radios & TV yokes. Admiral spokesman conceded that company is now in mar-

ket for quality components from abroad. He indicated that Admiral's "Buy American" campaign is over and said it had accomplished its objective of calling attention to "unlimited" imports of Japanese electronic equipment and tariff discrimination against U.S. goods in Japan.

Philco's new president, Charles E. Beck, expressed world-trade policies of parent Ford Motor Co. in recent interview. "To be competitive, we must design, build & market our products all over the world. If we must buy components abroad, we'll do it."

Zenith is making no exploratory moves in direction of possible imports now, Zenith Sales Corp. Pres. Leonard C. Truesdell told us. "But we're alert to what's going on," he said. "We're not kidding ourselves—we can't make a \$19.95 transistor radio at our quality using only American-made parts. We have no plans now, but if our dealers felt we should buy imported parts, we would certainly investigate. Right now, we're losing the \$16 & \$19 business [in transistor radios]—and maybe that's just as well. Our radio business is fine."

PHILCO STILL 'TESTING' ID PROGRAM: "We'll know definitely in 30 to 60 days just what we're going to do about the Instant Dividend program," a Philco executive told us last week amid growing evidence that bombshell promotion is starting to lay bombs.

ID program is now in some 350 stores across country, he said, but "Philco still considers it in a testing stage." He continued: "We still think it's an excellent promotion. We have found no basic flaws in it. We think it's good for dealers, good for consumers, good for supermarkets. If we find that it's not good for any one of these groups, we'll drop it." He emphasized that ID benefits only those consumers who buy in volume at supermarkets, noted that Philco's new Ford management was quick to drive this point home in ads in Pittsburgh papers (Vol. 2:2 p9).

Three major food chains are now evaluating merits of promotion, he said. They are Star Supermarkets, 41-store Rochester, N.Y. chain which dropped ID last week after 2-month run; The Kroger Co., which has plan in 3 Battle Creek, Mich. stores; Colonial Stores, which operates 12 outlets in Florida, North Carolina and Georgia.

"These stores are trying to determine ID's impact on sales," he told us. "It's not good enough if supermarket is just selling more merchandise to its regular customers. It has to attract new customers, otherwise it's just giving back more of its profits to its regular customers. These stores want to find out, and so do we, if ID is attracting new shoppers in volume."

Meanwhile, signs continue to mount that ID is coming unglued. Star Supermarkets bowed out Feb. 3 with this statement: "It appears that we have gotten the maximum promotional value from the program during the 2-month period we have used it. Its appeal to new customers is diminishing and we will put our efforts into new programs." The Rochester chain is first to scuttle ID plan. However, in recent weeks other chains have dropped similar tape-register plans. Among them: Giant Eagle Food Markets (Vol. 2:1 p6) and Loblaw Inc., both in Pittsburgh—once ID's hottest area. In Loblaw's case, its plan promoter canceled out.

Pittsburgh's major tape-plan participant now is Thorofare, which uses Philco's ID plan in some 63 stores. Irv Hershon, sales mgr. of Philco Pittsburgh distributor J. E. Miller, told us that ID sales were down, but attributed decline to seasonal factors. "There's been no lack of interest," said, "the program's just setting down to a normal pattern. Just as with stamps and other major promotions, there was a lot of excitement and enthusiasm at first blush, but things are now stabilizing. That was to be expected." He would not divulge number of Philco dealers participating in Pittsburgh ID plan, said, however, that they were in majority.

Major problem in extending ID to large cities, such as N.Y. & Philadelphia, is how to accommodate all Philco dealers who want to participate, were told by John M. Otter, president of Philco's N.Y.-Philadelphia-N.J. distributor John M. Otter Co. Only ID area in his territory is Lansdale, Pa., where Food Fair's testing, and he considers that "a pilot project." He said that any talk that ID is going into Philadelphia is "premature." He told us: "ID has never been in cities as large as Philadelphia. We just don't know how to cut every dealer in, and we don't want to cut anyone out." He also noted that "there's been too much unfavorable talk" about tape plans, but noted that "it's beginning to die down."

We spoke with Food Fair about Lansdale test and got lukewarm response that "we're doing fairly well there, but Harrisburg & Coatesville, Pa. [Food Fair's 2 other test areas; Vol. 1:14 p7] are questionable." Food Fair told us: "We're still in the position of not having any conclusive evidence. We have no plans at this time to extend the ID plan." Food Fair began test in December, has "verbal agreement" to test for 6 months. Chain's only explanation for better performance at Lansdale: "It's a Philco factory area, and we understand that a number of Philco employes are participating in the ID program."

We visited Coatesville in December for case-history look at ID (Vol. 1:14 p7). At that time, participating Philco dealer Lipkin Furniture was highly enthusiastic. Owner Ben Bernstein told us then: "We're done a 6-month volume in 2 weeks. We're selling 10 times as many TVs & appliances as we did before 'ID' and we're moving the big, plush appliances in quantity." Last week, Lipkin Furniture ad & merchandising dir. Albert Barkov told us: ID sales "have slackened off. We're not doing too much now." He attributed decline to failure of Philco & Food Fair to publicize program. He said Lipkin ran a series of testimonial ads and sparked some sales, but since then "sales have dropped back considerably." Lipkin's best ID sellers now: stereo, dryers, freezers, TVs—in that order.

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NARDA confirmed last week that it has been talking ID with Philco's new Ford management, but would divulge no details. Exec. vp Jules Steinberg told us NARDA's official position is unchanged from condemnation of plan voted 25-2 by NARDA board recently. However, he emphasized: "Our opposition is to the tape plan, not to Philco. If Philco can change the philosophy of 'ID' without losing its competitive advantage, so much the better."

Summing up simmering ID stew, highly placed industry official told us last week: "The Ford influence is being felt at Philco. Ford deals in billions, and it's not going to risk any government entanglements over a few tape registers. Ford is evaluating the program in light of its over-all operation. Modifications which could change the nature of the plan, take out some of the strain, may very well develop over the next few weeks."

TOPICS & TRENDS

Trade isn't cooperating on FM stereo in Houston area, complain Pres. Paul E. Taft of KODA-FM and Pres. Leo J. Ringuet of Southwest Hi-Fi Assn. KODA-FM started full-time stereo broadcasting (18 hours daily) last Nov. 26, they said, with contracts with manufacturers & distributors. "The fact remains, however, that participation & support from national manufacturers was at a token level both as far as channeling merchandise to the Houston market and as far as advertising & merchandising support was concerned."

FM-stereo station No. 60 began programming, meanwhile—WISH-FM Indianapolis, which has started with one hour of stereocasting daily, and plans eventually to convert entire schedule to stereo.

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Two large electronics combines are being established in Mexico with Mexican & foreign capital. RCA is organizing consortium of electronics firms, which will include present RCA Victor Mexicana, with RCA supplying part of capital plus technical skills & patent rights. Philips of Eindhoven has established new \$10-million electronics firm, with Mexicans holding majority control. Philips, which now makes TVs & radios in Mexico, will add industrial & military electronics.

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Another Japanese TV is being test-marketed in U.S. Imported by Star-Lite Merchandise Co., N.Y., it's 8-in. AC set, listing at \$129.95. Star-Lite, a novelty importer, has indicated it will concentrate on electronics imports, plans complete radio-phono-recorder line, eventually hopes to offer 19-in. TV.

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IRE's 1962 International Convention, marking Institute's 50th anniversary, will be held March 26-29 in N.Y., at Waldorf Astoria Hotel & Coliseum. RCA Chmn. David Sarnoff, onetime IRE secy., will be principal speaker at Golden Anniversary Banquet March 28. More than 70,000 engineers & scientists are expected to gather from 40 countries for comprehensive program of 240 papers presented in 54 sessions, \$15 million display of latest electronic equipment. Banquet tickets, \$15 each, are available from IRE, 1 East 79 St., N.Y. 21 • IRE & AIEE are studying merger into consolidated organization named tentatively Institute of Electrical & Electronics Engineers. Consolidation was discussed at AIEE's Winter General Meeting last week by officials including IRE Pres. Patrick E. Haggerty & AIEE Pres. Warren H. Chase. Target date for establishment of new IEEE: Jan. 1, 1963. IREE & AIEE have subcommittees studying various aspects of merger.

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Labor shortage has hit Japan and "kicked off a wage-price spiral which ultimately could ease the sales problems of U.S. businessmen who must compete against traditionally low-priced Japanese products at home & abroad," reported recent Wall St. Journal. Unemployment in September "was down to a mere 280,000 out of a total labor force of around 46 million," noted the Journal. Indicative of scramble for workers, battery-maker Ray-O-Vac Co. (Japan) Ltd. "recently raised wages 20% for its Japanese employes," paper said, "and

distributed the equivalent of 6 months' extra pay to each worker in 1961 in the customary Japanese summer & year-end cash bonuses—the highest bonuses it has ever paid. Average Japanese wages have risen nearly 50% in the past 10 years, but 14% of the rise came in 1961 alone."

Hallicrafters has teamed with France's largest electronics firm to form a joint Chicago-based company to produce microwave tubes & devices. Hallicrafters will invest about \$250,000 initially, own 42% of new company, Warnecke Electron Tubes Inc. Paris-based Compagnie Generale de Telegraphie Sans Fils will own 58%.

Motorola will open a consumer products display salon in Chicago April 1, on ground floor of Palmer House. Salon comprises 8,000 ft. of display space on 2 levels. Exec. vp Edward R. Taylor, announcing 10-year lease, said salon, fronting on State St., is at "heaviest traffic location in Chicago."

TV-RADIO PRODUCTION: EIA statistics for week ended Jan. 26 (4th week of 1962):

	Jan. 20-26	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV	146,293	129,986	108,626	491,314	367,935
Total radio	358,231	343,290	320,837	1,331,129	1,090,073
auto radio	132,241	132,087	112,124	518,347	387,136

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
Avnet Electronics	1961—6 mo. to Dec. 31	\$ 9,954,524 ²	—	\$ 841,232 ²	\$0.40	2,128,446
	1960—6 mo. to Dec. 31	8,876,406	—	696,132	.33	2,128,446
	1961—qtr. to Dec. 31	5,728,421 ²	—	511,272 ²	.24	2,128,446
	1960—qtr. to Dec. 31	5,064,211	—	404,431	.19	2,128,446
GE	1961—year to Dec. 31 ¹	4,455,000,000 ²	—	242,500,000	2.72	88,860,183
	1960—year to Dec. 31	4,197,535,440	—	200,071,710	2.26	88,332,778
	1961—qtr. to Dec. 31 ³	1,316,954,000 ²	—	91,506,000	—	88,860,183
	1960—qtr. to Dec. 31	1,144,312,440	—	31,136,710	—	88,332,778
IBM	1961—year to Dec. 31	1,694,295,547 ²	\$425,727,597	207,227,597 ²	7.52	27,561,531
	1960—year to Dec. 31	1,436,053,085	345,880,880	168,180,880	6.12 ⁴	27,466,431 ⁴
P. R. Mallory	1961—year to Dec. 31 ¹	85,197,027	9,363,224	4,513,224	2.88 ⁵	1,501,267
	1960—year to Dec. 31	83,586,283	8,917,403	4,367,463	2.78 ⁵	1,469,743
Meredith Publishing	1961—6 mo. to Dec. 31	36,156,848	—	1,756,105	1.32	1,322,936
	1960—6 mo. to Dec. 31	28,210,657	—	632,509	.48	1,299,621
Packard Bell Electronics	1961—qtr. to Dec. 31	12,045,554	475,144	475,144	.57	840,094
	1960—qtr. to Dec. 31	8,738,350	(590,169)	(365,969) ⁶	—	813,433
Universal Pictures	1961—year to Oct. 28	—	—	3,005,367	3.22 ⁵	888,390
	1960—year to Oct. 28	—	—	6,313,357	6.92 ⁵	888,390
Westinghouse	1961—year to Dec. 31 ¹	1,913,770,000	86,946,000	45,446,000	1.23 ⁵	35,612,003
	1960—year to Dec. 31	1,955,731,000	144,957,000	79,057,000	2.22 ⁵	34,813,842
	1961—qtr. to Dec. 31 ¹	526,258,000	—	20,434,000	.56 ⁵	35,612,003
	1960—qtr. to Dec. 31	498,498,000	—	18,377,000	.52 ⁵	34,813,842

Notes: ¹Preliminary. ²Record. ³Indicated. ⁴Adjusted to reflect 50% stock dividend May 1961. ⁵After preferred dividends. ⁶After \$224,200 tax credit.

Common Stock Dividends

Corporation	Period	Amt. Payable	Stk. of Record
Federal Pacific Elec.	Q (Omitted)		
GT&E	Q	.19 Mar. 31	Feb. 20
Internatl. Resistance ..	Q	\$0.07½ Mar. 1	Feb. 15
P. R. Mallory	Q	.35 Mar. 10	Feb. 13
Tung-Sol	Q	.17½ Mar. 2	Feb. 9
Westinghouse	Q	.30 Mar. 1	Feb. 9
Zenith	Q	.20 Mar. 30	Mar. 9

Walt Disney posted record earnings of more than \$1,250,000 in fiscal-1962's first quarter ended Dec. 31. Year-ago earnings totaled \$115,589. Treas. Lawrence Tyron attributed rise largely to boxoffice receipts from Disney films during latter part of fiscal 1961, said sales & earnings in current year "could equal or better" record \$4,465,000 earned on \$70,200,000 revenue in fiscal 1961.

Mergers & acquisitions: Fairchild Camera & Instrument will acquire in a stock exchange Cosmic Corp., El Cajon Cal. maker of subsystems for cryogenic & nuclear applications and for rocket engines.

Vornado Inc. has been listed for trading on the New York Stock Exchange. Symbol: VNO.

Reviews & Forecasts: Magnavox anticipates 1961 earnings of more than \$9 million, compared with 1960's \$6.5 million. Pres. Frank Freimann, noting that Magnavox was off to flying sales start in 1962's first month (see p. 7), reported that sales in 1961 gained 12% to \$140 million from 1960's \$125 million, that December-quarter's volume rose 13% to \$51 million from \$45 million in the year-earlier quarter. Freimann also emphasized that stereo products, which now constitute about 1/3 of corporate sales, jumped more than 40% in final quarter, 30% for all of 1961.

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Motorola had record sales of \$35 million in December, pushed total 1961 billings to just under record \$299 million recorded in 1960. Earnings, however, were down substantially from last year, reported exec. vp Daniel E. Noble. He said Jan.-1962 sales ran well ahead of a year earlier in virtually all major product categories.

Distributor Notes: Philco Distributors Inc., St. Louis, promotes sales mgr. Joseph Grasser to gen. mgr., succeeding Kenneth A. Cooper, now sales mgr. of parent Philco Corp. (Vol. 2:4 p1); Arthur Grossman named St. Louis branch sales mgr. . . . Sylvania names Overlake Distributors, 58 Lakeview Terrace, Burlington, Vt. (Roy H. Mayville Jr., pres.). . . . RCA's Houston distributor, J. A. Walsh Co., has been purchased from parent Gulf & Western Industries by Arthur H. Jones, Houston businessman & engineer. Jones becomes president; Dean R. Benton, with Walsh for 10 years, exec. vp.

Trade Personals

Philco Pres. Charles E. Beck was slated to leave Sunday for week-long tour of Philco's European installations and interests. First port of call: Paris.

Milton J. Shapp, Jerrold Electronics chmn., gets citation at Allied Jewish Appeal dinner in Philadelphia Feb. 13 for "humanitarian services and dedication to the cause of peace." His activities include submission of Peace Corps concept to President Kennedy, establishment of tuition-foundation for Philadelphia Negro & Puerto Rican youths

John L. Utz, Philco special mkts. dir., resigns. During 25 years with Philco he held various executive posts including national TV sales mgr., 1950-56; portable TV dept. gen. mgr. 1957.

Dr. Harper Q. North, formerly pres. of Pacific Semiconductors, named chmn. & chief executive officer of TRW Electronics, Inc., new electronics subsidiary formed by Thompson Ramo Wooldridge. Warren B. Hayes, TRW vp & TRW Components gen. mgr., appointed pres. & gen. mgr. of new subsidiary will furnish management, marketing, administrative and technical services for 6 TRW electronics organizations: Pacific Semiconductors, Lawndale, Cal.; Radio Condenser, Camden, N.J.; Radio Industries, Des Plaines, Ill.; Good-All Electric Mfg., Ogallala, Neb.; Milam Electric Mfg., Providence, R.I.; TRW Microwave Div., Canoga Park, Cal. All but Pacific Industries had previously been combined into TRW Components Co.

Dr. D. L. Jaffe, Polarad Electronics pres., appointed director of Armstrong Memorial Foundation, established 1955 at Columbia U. to honor late exponent & developer of FM radio.

Tucker Madawick, RCA Sales Corp. industrial design mgr., & Joseph McCurdy, RCA PR executive, both hospita-

lized for surgery; Madawick in St. Vincent's Hospital, Indianapolis, McCurdy at Flower Fifth Avenue Hospital, N.Y.

Y. P. Dawkins named IBM Data Processing Div. vp & Eastern region mgr.; Leonard E. Clark, Western region mgr., and Frank H. McCracken, Midwestern region mgr., also appointed vps; Clark Carrison Jr., named mktg. dir.

Arthur Gaines appointed national director of U.S. operations, Clairtone Sound.

Charles P. Brown, named mfg. dir. of ITT's subsidiary Superenant Mfg. Co.

Correction: New Wells-Gardner sales vp (Vol. 2:5 p10) should be Allan Gardner.

TelePrompter to Sell Projectors: The closed-circuit producer will distribute Amphicon TV projectors through electronics & audio-visual dealers. Manufactured by Dalto Electronics Corp., Norwood, N.J., the first model to be offered will sell for less than \$3,000, weighs 120 lb. One year ago, Dalto demonstrated a smaller unit, sold first production batch to TelePrompter (Vol. 17:4 p16). TelePrompter has contract to install minimum of 100 Amphicon units in Holiday Inn motel chain as part of audio-visual package for both meetings and bar & public-room use. TelePrompter also expects to make some projection-TV sales for use in big private homes.

New plants & expansions: Zenith will begin construction in late spring of a \$7-million, 672,000-sq.-ft. manufacturing-warehouse-office facility on 28-acre site just south of its present hq plant. Manufacturing area is slated to be in operation late this year, building completed by summer of 1963 • Motorola plans a 70,000-sq.-ft. addition to its Western Military Electronics Center at Scottsdale, Ariz.

Recordio Corp. was adjudicated an involuntary bankrupt by Grand Rapids, Mich. federal court on a petition filed by 4 creditors. The Charlotte, Mich. maker of phonos, radios and tape recorders was largely owned by its employes, who mortgaged homes & contributed savings in 1959 to purchase business from Wilcox-Gay.

Ampex has discontinued production of its stereo phonograph-tape recorder console line. The series embraced 5 models ranging from \$800 to \$2,650.

New 1961 edition of *RCA Receiving Tube Manual RC-21* is available from RCA tube distributors or from Commercial Engineering, RCA Electronic Tube Div., Harrison,

Sylvania has introduced a 23-in. uhf/vhf schoolroom TV set "designed to meet the varied state & local requirements governing ETV receiver specifications." It features tamper-proof controls; secondary controls, antenna connections and other operating components are enclosed within the cabinet.

Purchase of military electronics will be taken over July 1 by Pentagon's new Defense Electronics Supply Center at Gentile Air Force Station near Dayton, O. Unit eventually will employ more than 5,000, mostly civilians, is expected to spend \$143 million first year, \$198 million 2nd. Head of new facility will be Brig. Gen. William W. Veal, USAF, commander of Dayton Air Force Depot.

Curtis Mathes forecasts earnings of more than \$3 million on sales exceeding \$30 million for its 1962 fiscal year ending May 31.

IRE Spring Conference on TV & radio receivers is scheduled for June 18-19 at Chicago's O'Hare Inn. Papers may be submitted until Feb. 15 to Al Cotsworth, Zenith Radio Corp., 6001 W. Dickens Ave., Chicago.

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WEEKLY **Television Digest**

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

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

NETWORK HEARING—CONGRESS NEXT with sessions on regulation bill. Commission may have general recommendations in month or so (p. 1).

TONED-DOWN LICENSEE FEE PLAN before FCC—would charge TV applicants \$250, AM & FM \$150 (p. 2).

MADISON AVE. VS. PENNA. AVE.: FCC Chmn. Minow tells AFA convention TV must have more stations or govt. regulation. Admen blast FTC's proposed temporary cease-&-desist, order bill (p. 2).

MORE TV SEX & VIOLENCE HEARINGS ON TAP by Sen. Dodd's juvenile delinquency probes; legislation affecting programming to be introduced (p. 3).

PRESIDENT'S \$1 BILLION SATELLITE PLAN goes to Congress, would let public buy shares, permit common carriers to add investment to rate base (p. 3).

UHFS PUSH FOR DEINTERMIXTURE through central Ill. economic study by Prof. Smythe comparing WCIA Champaign profits with uhfs' (p. 4).

Consumer Electronics

MORE SET MAKERS REPORT Jan. sales boom. Motorola, Sylvania, Philco and others tell us their 1962 got off to flying start; GE warns industry of over-optimism (p. 7).

200 STEREO STATIONS possible by midyear in 100 cities on basis of survey showing 71 on air, 57 equipped, at least 35 more with equipment ordered. Nearly all new FM stations starting with stereo (p. 8).

ALL-CHANNEL BILL causes concern among engineer-executives who object to principle, point out possible technical pitfalls in FCC-sponsored legislation (p. 10).

NETWORK HEARING—CONGRESS NEXT: With Congress impatient to get on with its own hearings on network regulation, FCC is expected to rush its absorption of program hearing, after winding it up with ABC's testimony last week. Sen. Pastore (D-R.I.), chmn. of Commerce Communications Subcommittee, may call Commission up within a month.

If FCC does testify that soon, it will scarcely have time to work up detailed recommendations of kinds of regulations it would like to impose if given new legal authority. However, Commission presumably would point generally to network activities it believes it should regulate.

Everyone was tiring of network hearing last week, and participants began to get testy. ABC-TV Pres. Oliver Treyz was poked & prodded for hours on reasons for telecasting much-criticized Bus Stop episode starring Fabian, for fictionalizing parts of Untouchables, and for alleged overemphasis on sex & violence.

Treyz agreed it was "a mistake" to carry Fabian show—but he defended networks' right to make own program decisions. "I'd rather be wrong than censored," he said. Why did he refuse to let NAB code people preview Bus Stop—if he believes in industry self-regulation? "Our standards are just as high as theirs," he said. He & program vp Thomas Moore stuck to general theme that they didn't believe ABC over-emphasizes sex & violence. Furthermore, Treyz said, children don't identify selves with "evil" characters.

Commissioners got irritated with each other, too. For example, Comr. Hyde asked Treyz if he saw anything wrong with Commission's July 1960 program-policy statement. When Treyz said "no," Hyde said:

"I would suggest to you that it does contain principles which place limitations upon broadcasting which do not apply to the printed press. Perhaps this is an illustration of a bit of censorship being developed in connection with pursuit of very worthy objectives." Treyz: "Perhaps I should take another look." Hyde: "That is the purpose of my suggestion."

This got Comr. Ford's goat: "Mr. Chairman," he said, "I think that in order to make the record straight, it should be stated here that the vote on that was 6 to 1, and Comr. Hyde was in the minority, and I violently disagree with his interpretation of that document, and I do not think it can be supported."

Thrust of Treyz' prepared statement was ABC's long-time objective—full-time affiliates in major markets, competitive with CBS & NBC. Thus, he supported all-channel-receiver legislation as forecast (Vol. 2:6 p1), endorsed deintermixture and short-spaced vhf drop-ins.

News vp James Hagerty presented detailed report on last year's buildup of ABC's news & public affairs staff and programming output, said that AB-PT Pres. Leonard Goldenson was his sole boss and had given him only one order: "For me to do my best to establish ABC as a leader in the presentation of news." Minow congratulated Hagerty, said: "If we had more people like you" in the industry there would be "reason for more confidence in the future."

There's disagreement within Commission about manner in which hearing was handled. The more zealous would have FCC taking a more prosecutor-like role. Others think it should have been worked same as the study of network business practices—long analysis of network documents and interviews, culminating in a staff report.

What it all boiled down to was this expression of opinion: Networks—We have responsibility for choosing our programs, and we do our best. FCC—Not quite so simple. We have job of making sure you do your best.

TONED-DOWN LICENSE FEE PLAN: New schedule of license fees is up for FCC consideration, probably this week, and we've learned that staff has produced plan whereby Commission would get about half its operating costs from those whom it licenses.

First staff plan contemplated getting \$13,182,000 annually, enough to defray all Commission costs—\$5 million to come from .4% levy on gross revenues of stations (Vol. 17:27 p1). Commissioners didn't go for this, sent staff members back to their ledgers.

Current plan uses flat application-filing fee, would produce about \$6,750,000 a year. Major facets of plan are:

(1) For each TV application for new station, major facilities change, renewal of license or transfer of control—\$250. For AM or FM—\$150.

(2) For all broadcast applications, including TV translators—\$30.

(3) Safety & special service applications: amateur, RACES & disaster—\$5; citizens radio—\$10; all other safety & special applications—\$20; special call letters—\$5.

(4) Common carrier applications range from \$5 for rural radio service through \$150 for domestic mobile up to \$250 for cable landing.

(5) Ship inspection runs from \$10 to \$50.

(6) Commercial operator examinations: \$5 for first class, \$4 for 2nd class, \$3 for 3rd. Commercial operator license applications—\$2. Restricted operator permits—\$2.

Rep. Joelson (D-N.J.), who introduced HR-9881 to impose 1% fee on broadcasters' gross receipts (Vol. 2:5 p5), last week called absence of fees "the big giveaway of the 20th century." Said he: "I have received letters from some broadcasting stations warning me that if this bill is passed they will discontinue public service programming. My answer to such stations is that if they do so, the FCC should either discontinue them, or else require a certain percentage of broadcast time to be devoted to public service programming."

MADISON AVENUE VS. PENNA. AVENUE: FCC & FTC High Command squared off against advertising industry first team at 4th annual mid-winter conference of Advertising Federation of America and Advertising Assn. of the West in Washington last week.

Chmn. Minow laid it on line at morning FCC panel session: Nation must have more stations via uhf, or govt. probably will have to step in with some type of regulation to assure top quality programs being made available to all. He cited recent CBS Eisenhower documentary which former President almost missed because stations in Augusta, where he was at time, hadn't planned to carry show. Last-minute arrangements had to

be made to clear time for program. Except for coincidence that Eisenhower happened to be there, Minow pointed out, some 250,000 viewers in area alone wouldn't have had chance to see highly-touted program.

In brief address, Minow (who had to dash back to FCC hearings "because we believe in giving the networks equal time"), told group FCC has little concern with TV advertising "sandpaperwise," but was interested in industry because its revenues support broadcasting. "There is evidence in abundance," he stated, "that the commercial people (ad agencies & sponsors) usually have the upper hand, and it's often a dead hand." He spoke of "pressures" on agencies to justify results to sponsors by ratings and cost-per-thousand, but warned that they still had responsibility to public, should put less emphasis on "cost-per-thousand than understanding per millions." He added that advertisers have "obligation" to allocate part of budget to programs which contribute to public understanding.

FTC Chmn. Paul Rand Dixon had some kind words for ad industry but defended pending House bill (HR-8830) which would allow Commission to issue temporary cease-&-desist orders pending full investigation of alleged unfair business practices. He claimed agency needs the added powers to protect competing businesses which otherwise might be injured while probes dragged on.

Advertisers disagreed violently. Former FTC Comr. Lowell B. Mason delivered blistering, sarcastic speech, called proposal "mail order inquisition." Dow Jones Executive Committee Chmn. Robert Feemster called bill "unneeded, unwise and possibly unconstitutional." "To set up a govt. agency as judge, jury and court of appeals is appalling," he declared, urged withdrawal of bill. Feemster called for resumption of old system of regular meetings between Commission and AFA.

Post-Newsweek stations Pres. John S. Hayes noted that U.S. TV industry, supported by advertising, serves public more extensively & diversely than systems in any other nation, called present system far superior to alternatives, pay-TV or govt. support.

Commerce Dept. Secy. Luther Hodges plumped for increased exports to meet threat of European Common Market. Illustrating effect reduced internal common market tariffs will have for U.S. producers, he pointed out that before organization of the economic union, U.S. and Italy both paid tariffs of 12-15% on exports of TV-radio equipment to W. Germany. Market member Italy now pays 7-9%, U.S. 13-18% for same equipment, he noted. Before market's tariffs went into effect in 1960, he added, U.S. accounted for about 40% of W. German imports of these items, Italy only 4%. U.S. share last year skidded to about 20%, Italy's jumped to 25%.

Rep. Avery (R-Kan.) lauded broadcasters for honest advertising record, noted that estimates place percentage of misleading or fraudulent advertising on TV & radio as low as 1%, said he didn't consider this matter of serious concern.

Food & Drug Administration Consumer Programming Dir. Carla S. Williams made almost apologetic introductory statement about appearing on all-male panel of "eminent experts," promptly uncorked slashing attack against misleading claims and labeling of food products. "The housewife is on the warpath," she warned the admen, called for action to curb abuses in packaging, labeling, advertising.

MORE TV SEX & VIOLENCE HEARINGS ON TAP: Investigation into impact of TV sex & violence on youth, by Sen. Dodd (D-Conn.) and his Juvenile Delinquency Subcommittee, is about wrapped up, Dodd planning to introduce legislation affecting programming.

In report to Judiciary Committee Chmn. Eastland (D-Miss.), seeking \$178,000 for another year's work, Dodd said he plans one final TV hearing (possibly this week), said staff is working on legislation to "help the FCC in its efforts to insure programming in the public interest." He claimed his hearings (Vol. 2:5 p3 et seq.) showed that networks ordered "prurient sex, violence, sadism, crime and brutality into television shows to attract audiences, including millions of children and young people." NBC & CBS topkicks are expected to be questioned at final session.

PRESIDENT'S \$1-BILLION SATELLITE PLAN: Unique organization to own & operate space communications system has been recommended to Congress by President Kennedy—with ownership open to anyone who can muster \$1,000 for one of the 1 million Class A shares to be sold to public. Common carriers would get a look-see, too, for they (exclusively) could buy into 10,000 Class B shares. Class B would carry no dividends or voting rights—but carriers could use their Class B investment in computing their rate

base for other services, getting a return that way. System is expected to become operational in late 1960s—include TV.

Though privately owned, corporation would have strong govt. controls on it—FCC, NASA, State Dept., all under direct policy "coordination" of President. Kennedy said he'd rely heavily for advice on to-be-appointed "Director of Telecommunications Management" in Office of Emergency Planning.

Sen. Kerr (D-Okla.), chmn. of Space Committee, promptly set Feb. 26 for hearings on S-2650, President's bill. When his group finishes, Sen. Magnuson's (D-Wash.) Commerce Committee will take over.

Meanwhile, NASA successfully launched 4th successive RCA TIROS TV-weather satellite which sent to earth pictures of ground & cloud cover along with infrared information.

CURRENT CAPSULES

New standards in uhf—to improve technical quality—should be considered by FCC before it makes final allocations decision. That's burden of first major comments filed in Commission's big rule-making proceeding, submitted last week by multiple-owner Triangle Publications.

Filing early (deadline is Feb. 19), Triangle states: "The basic objective should be to improve the quality of TV in the uhf band so that broadcasters & viewers will on a voluntary basis make maximum utilization of this portion of the spectrum." It recommends study of: increased bandwidth, greater co- and adjacent-channel separations, new color standards, increased number of lines. Triangle, operator of WNBF-TV (Ch. 12) Binghamton which FCC has earmarked for shift to uhf, asserted that Commission's plans to increase number of stations have been limited "to possible techniques for degrading service of vhf stations."

Similar view was offered by ABC-TV Pres. Oliver Treyz last week, in network program hearing, when he recommended that "immediate study be given to whether improved technical standards should be adopted for uhf, which will permit a higher quality picture & sound."

Triangle also asserted that FCC's deintermixture proposals "were based on a patently erroneous analysis of its own assumptions," that Commission now admits that uhf coverage isn't as extensive as it thought when it proposed deintermixture.



First effort to counter pressures against deintermixture came last week in form of economic study by Dallas W. Smythe for uhf group, Committee for Competitive TV. Smythe is U. of Ill. professor and former chief economist of FCC.

Analyzing central Ill. market, where Commission proposes to shift WCIA (Ch. 3) Champaign to uhf, Smythe said that Peoria uhfs, with no local vhf, have come along fairly well—but are still suffering from WCIA competition. He said that Springfield-Decatur uhfs are hurt even more by WCIA.

Smythe gave financial performance of stations to show WCIA's strong position. Using FCC's lumped 1960 figures for area and subtracting figures given him by uhfs, he said WCIA had revenues of \$1,984,000, income before federal taxes of \$850,000. Of 8 uhfs in area, best one had revenues of \$744,000, income of \$123,000. Three uhfs suffered losses up to \$36,000 and income of other 3 ranged from \$26,000 to \$50,000.



Comr. Ford on deintermixture: "The preferred solution would be voluntary action by the manufacturers to market the all-channel sets. Then there would be no need for deintermixture. The public could receive U and V equally well." That's interview in current issue of newsletter issued by National Audience Board, 152 East End Ave., N.Y., organization seeking to improve program quality. Ford also said that TV programming has shown "marked improvement" since 1959 and is getting better, that there's room for many more TV stations—but not for 4th network yet.



Another White House push for federal aid to ETV came last week in President Kennedy's message to Congress on education. "Prompt and final action" to provide matching financial grants to the states to aid in station construction was urged by President, who called progress of ETV construction "discouraging." Senate already has approved Magnuson bill (S-205) providing \$51 million in outright ETV grants to states (Vol. 17:25 p22). Amended Roberts bill (HR-132) calling for up to \$25 million in matching funds still is pending in House. Appropriation of \$2,579,000 to build ETV station for American Samoa also was proposed by President.

"Arab world is teeming with excitement over TV," said TV Program Exports Assn. Pres. John G. McCarthy last week on his return from trip to Middle East. Among his observations at news conference: "There's an enormous demand for program material & TV sets, but big problem is currency restrictions. The market is so big a solution will have to be found." In Egypt alone he envisioned immediate market for "300,000-500,000 sets." Egypt has about 80,000 sets in use and its sole TV plant is assembling at rate of 5,000 a month.

Status of other Near East countries, as outlined by McCarthy: (1) Lebanon will soon have TV competition between 2 U.S. broadcasters. Two TV outlets in Beirut have Time Bcstg. Div. as minority stockholder; the 3rd, due on air this spring, has ABC participation. Lebanon has 42,000 sets, increasing by about 1,500 a month. (2) Iran with 2 privately owned outlets, has about 68,000 sets. (3) Syria's govt.-operated outlet is now experimenting with sponsorship, serves 25,000 sets. McCarthy sees Middle Eastern market becoming so important within year that "it will make sense to dub programs in Arabic."

Hearing on all-channel-receiver legislation (S-2109) has been set for Feb. 21 by Sen. Pastore (D-R.I.), chmn. of Commerce Communications Subcommittee. FCC Chmn. Minow will lead off. Network, NAB and manufacturing representatives are expected to follow.

Better TV coverage of President Kennedy's news conferences and other appearances is needed, News Secy. Pierre Salinger told group of Senate press aides last week. He suggested they call stations requesting more coverage if they get complaints from constituents, added they might also "suggest" that groups be formed to petition stations to carry Kennedy programs. Salinger observed that "certain" stations have stopped carrying White House news conferences, others have reduced coverage.

Personals

Robert Kleiman, ex-*U.S. News & World Report* Paris bureau chief, moves to similar post with CBS, replacing David Schoenbrun, who becomes network's Washington bureau head . . . Edward E. Hewitt promoted to CBS Films Western div. mgr.; William Perkinson named St. Louis office mgr. . . . Julius Barnathan, ABC-TV o-&o stations pres., named to TvB board.

Richard D. Heffner, ex-CBS-TV Special Projects Dir., named gen. mgr., Educational TV for the Metropolitan Area., N.Y. (Ch. 13, ex-WNTA-TV); G. Edward Hamilton, ex-ABC-TV, becomes engineering dir.; John T. Lentz, ex-CBS-TV, appointed technical operations mgr.

Charles W. Bergeson, ex-radios WFDF Flint & WSOO Sault Ste. Marie, Mich., named WJBK-TV Detroit sales mgr., succeeding Herbert Weber, who becomes general sales mgr., radio WMGM N.Y.

Robert N. Vendeland, ex-Jerrold, appointed Giannini Controls Conrac Div. product mgr. . . . Ed Pfeiffer, ex-WRG-TV Buffalo station mgr., named mgr., WFAA-TV Dallas . . . Joseph E. Schmidt promoted to KDKA-TV & KDKA Pittsburgh business mgr.-auditor . . . Jane Pinkerton resigns as *U.S. Radio* managing editor Mar. 1 to open own N.Y. PR firm.

Ross Martin, ex-KGLO-TV Mason City, named KMMT Austin, Minn. mgr.; Don Jones, ex-KMMT sales mgr., becomes regional sales mgr. for KMMT & KWVL-TV Waterloo-Cedar Rapids; Stan Stydnicki, promoted to business mgr., KMMT & radio KAUS Austin; Ken Soderberg, promoted to radio KAUS mgr.

John H. Hicks Jr. joins Dallas office of brokers Hamilton-Landis & Assoc.; he owns radios KOLE Port Arthur, WTAW Bryan-College Station, both Tex., and KPEL Lafayette, La. . . . W. R. Muenster and M. B. White promoted to Nielsen vps.

Raymond E. Rohrer, Robert L. Purcell and Donald F. Ledford, all formerly with Washington consulting engineers Silliman, Moffet & Rohrer, establish Raymond E. Rohrer & Assoc., 436 Wyatt Bldg., Washington (phone 347-9061).

Obituary

Herman M. Paris, 59, radio WWDC Washington sales vp, died of cancer in Washington Feb. 8. He is survived by his widow, son & daughter.

Upgrading public's TV taste is job for ETV, according to Dr. Samuel B. Gould, pres. of Educational TV for the Metropolitan Area. Addressing Thomas Alva Edison Foundation mass media awards dinner in N.Y., he sympathized with problems of commercial broadcasters, declared: "If they could persuade the American public to accept more programming of a cultural nature and at the same time maintain the large audiences they require for financial stability, they would present more and more of such programs."

Communism & its threat to free society will be explored in an NBC-TV news special being planned for next season, Pres. Robert E. Kintner announced. Program will deal with nature, background & meaning of Communism, may evolve into series. Kintner received VFW Gold Medal Award for "outstanding achievements in the field of news and public affairs programming" at group's annual congressional dinner in Washington Feb. 6.

CBS declined Mass. lawmakers' request for showing of controversial "Biography of a Bookie Joint" (Vol. 2:2 p5, et seq.) in state. Mass. House voted 209-3 last week to request network to televise film which wasn't shown in Boston area in original telecast Nov. 30. CBS refused, said program involves impending criminal cases, and showing might delay judicial processes.

Legislative briefing session, and reception, by & for Senate Commerce Committee last week—sponsored by American Women in Radio & TV—produced word from Sen. McGee (D-Wyo.) that hearings would be conducted on bills for all-channel-receivers, network licensing, political equal-time, space communications. Sen. Case (R-N.J.) said that end of WNTA-TV Newark-N.Y. controversy—sale to ETV—was “a happy one.” However, he said, N.J. still needs stations of its own and he’s currently inclined toward all-channel-receiver legislation as tool for promoting station growth. Chmn. Magnuson (D-Wash.) wasn’t on hand, and Sen. Pastore (D-R.I.), Communications Subcommittee chmn., had to leave before the briefing.

Changed stereo logging rules requested by WCRB-FM Walton, Mass.—which asked FCC to require logging of only actual stereo hours broadcast—were turned down. Commission said: “In the present state of its new and rapid development, it is of considerable importance to the public, trade press and other publications, and various segments of the broadcasting industry, to be able to ascertain readily and quickly what and how much stereo broadcasting is being done by stations in a particular area; hence current and readily available information is need for the continuing evaluation of broadcasting activities and development.”

KXLY-TV & KXLY Spokane struck back last week at former mgr. Richard Jones, who had asked FCC to reconsider its approval of sale (Vol. 2:6 p6). Jones had said sellers Norman Alexander and Joseph Harris failed to inform Commission of Jones’ 10% ownership in stations, had “welched” on Miss Spokane beauty contest, etc. Stations said that Jones is a “disgruntled former employe,” that his complaint is “belated,” that they fulfilled their commitments to Miss Spokane, who, they noted, is Jones’ daughter-in-law.

Plumping for pre-sunrise operations for daytime-only AM stations, Rep. Boykin (D-Ala.) wrote FCC Chmn. Minow, telling Commission to quit “what appears to be a harassment of the radio & TV industry. These good, free enterprising businessmen have been under many Commission pressures recently.”

New publication, *Changing Metropolitan Market 1950-1960*, giving population trends in last decade; is available for 35¢ from GPO, Washington 25, or Commerce Dept. field offices.

New uhf final allocations: Ch. 19 & 25 added to Huntsville, Ala., Ch. 17 to Hamilton, Ala.—FCC deleting Ch. 19 Ft. Payne, Ala., Ch. 40 Guntersville, Ala., Ch. 40 Jasper, Ala., Ch. 25 Dalton, Ga., Ch. 25 Humboldt, Tenn.

NBC’s “Victory at Sea” series has been sold to Japan’s Fuji Broadcasting System for nationwide showing. Recent advance telecast of segments of series, which depicts rise & fall of Japanese Empire in World War II, were huge success in Japan.

FCC has heeded scientists who oppose use of Ch. 37 for TV, want it for radio astronomy. It’s understood that Commission will consider putting Ch. 33 into Syracuse, instead of moving Ch. 37 from Clymer to Syracuse, as previously proposed.

Equipment exhibitors lined up for NAB convention April 1-4 in Chicago’s Conrad Hilton number 51 to date, according to Secy.-Treas. Everett Revercomb who predicts use of exhibition space will reach all-time record.

Lively Georgia Assn. of Broadcasters has sent to FCC its first annual public service report, describing members’ activities last year.

First National TV Distributing Corp. filed registration statement (SEC File 2-19721) to issue 200,000 shares of Class A stock for public sale at \$2 per share. Statement also includes 20,000 outstanding Class A shares sold to officers of underwriter International Services Corp. by principal stockholders at 1¢ per share. First National produces, distributes & sells films and tapes to stations, owns TV rights to 13 features, has exclusive foreign distribution rights to more than 278 half-hour TV series. Proceeds will be used to reduce outstanding debts. Principal stockholder is Pres. Bernard L. Schubert.

TV is biggest spur to reading, according to American Library Assn. survey. Poll of 100 cities showed Americans reading more than ever before, with majority of librarians crediting TV, rather than printed media, as most effective promoter of reading & library use. Flint librarian noted “the impact of information made available through TV and other mass media” had caused adult reading public to show growing concern about role of U.S. in world affairs. Mentioned most frequently as effective promoter of use of library materials: Jack Paar.

CATV serves almost 3 million people in some 1,000 communities “but we’ve barely scratched the surface,” NCTA Pres. William Dalton stated in report to board meeting in Las Vegas last week. “American viewers have an insatiable appetite for a broad variety of TV fare,” he said.

Color will be theme of SMPTE Los Angeles convention April 29-May 4 at Ambassador Hotel. Advances in color TV & color film will be treated, with these topics included among session subjects: Closed-circuit TV, set construction & special effects, sound recording & reproduction, TV equipment & techniques, TV recording.

“Operation Alphabet,” 100-program video-taped series designed to teach illiterates to read & write to 4th grade level, is available for use by one station in each market without cost. Series was produced by WFIL-TV Philadelphia & city’s Board of Education under grant by Annenberg School of Communications, U. of Pa.

Radio Moscow may broadcast official comment shortly on recent relay of Soviet newscasts by 6 McLendon radio stations (Vol. 2:5 p2). Russian embassy news secretary requested tapes of broadcasts and news clippings to determine extent of publicity and press reaction.

“My Fair Lady” movie rights were sold to Warner Bros. by CBS for record \$5.5 million. Under 7-year license agreement, CBS also will receive 47½% of gross over \$20 million. CBS financed entire \$360,000 for original show.

“BBC Television Enterprises” is new name of BBC-TV’s overseas operations, formerly called “BBC Promotions.” Ronald Waldman continues as gen. mgr. of N.Y. office; G. del Strother named asst. gen. mgr.

Finale to payola problems of Triangle Stations came recently when FCC renewed its 12 TV-radio licenses, clearing it of charges raised couple years ago by House Legislative Oversight Subcommittee.

Tribute to late FCC Comr. Frieda Henneck, for her contributions to ETV, is planned for July 19 by Fordham U., Comr. Lee to be among participants.

Frederick S. Houwink promoted to vp, WMAL-TV-AM-FM Washington . . . John R. Mahoney promoted to WCAU-TV Philadelphia regional sales mgr.

Sale of WNCT (Ch. 9) Greenville, N.C. to Roy H. Park for \$2,557,458 has been approved by FCC.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

MORE SET MAKERS REPORT JAN. SALES BOOM: Prompted by glowing reports of January business (Vol. 2:6 p7) from Zenith (record month, 35% ahead of Jan. 1961), RCA (85% ahead) and Magnavox (40%), we canvassed industry, came up with more enthusiastic reports & astronomical figures far in excess of total industry increase over Jan. 1961.

We also came up with warning of industry overconfidence, signs that manufacturers are back to playing traditional first-month numbers game, indications that set makers may be taking first steps on road to excessive inventory buildup.

There's little question that 1962 got off to flying sales start. Real question, however, is just how good was January over retail counter where it counts? Zenith, RCA and Magnavox have already reported way-out gains. Motorola told us last week that first-month TV sales soared 113%. Sylvania reports a 50% TV hike. Philco had "a very substantial increase." Coupled with these sizable sales gains is fact that total distributor sales to dealers in Jan. 1962 ran only 12-13% ahead of year-ago month—and Jan. 1961 was poor month, down about 3% from slow Jan. 1960 (Vol. 17:8 p18).

Storm warning is flying, we believe, in already disproportionate ratio of factory-to-distributor & distributor-to-dealer TV sales. Although distributor TV sales in January are up 12-13%, best estimates indicate that increase in factory sales is running far ahead, nearly triple. At that rate, it won't be long before there's an inventory clog-up, unless retail sales take off dramatically.

Warning of overconfidence came from GE TV receiver dept. gen. mgr. William Davidson. Noting "moderately good level of distributor sales" in January, he told us: "Some of this increase may be due to the fact that TV dealers during Dec. 1961 permitted their inventories to be cut back and are now in the process of filling in stocks through limited purchasing." He also attributed "much of the increase" to the "advantage of a strengthening general economy."

"It would seem wise for the industry to exercise caution in interpreting this sales increase and not act on the basis of over-optimism," he continued. "Although January business was better than has been enjoyed by the industry for the past several years, a more detailed study will reveal that during the month distributor sales merely reached closer to a normal level. A more objective interpretation of January sales could be made were complete retail sales figures available."

Only clue to retail sales volume in January came from Motorola, which noted that warranty cards on new sets, mailed in by consumers, were running 35% ahead of last year.

Much food for thought on sales trends is this additional morsel contributed by GE's Davidson: "It is interesting to note that a study made of the TV market in mid-1961 showed sales increasing most strongly in some of the oldest East Coast TV markets. This could indicate a strengthening of the replacement sales market." We understand that GE's survey disclosed that overwhelming bulk of 1961's midyear sales increase over 1960 came from N.Y., Philadelphia, Boston, northern N.J., and, to lesser degree, Chicago. This trend, with all its ramifications, seems worthy of comprehensive investigation by industry.

Here are comments of industry leaders last week on January sales boom they experienced:

Motorola: Pres. Robert W. Galvin said sales pickup in 1961's final quarter (Vol. 2:6 p12) continued in January, produced "substantial" gain over year earlier month. Distributor sales of TVs rose 113% over Jan. 1961, and 94% of Motorola's distributors reported increases greater than industry's 12-13% average. Some distributors had TV sales gains as high as 750%; 1,300% in stereo. Motorola is forecasting Jan.-Mar. period will run 2nd only to record first quarter of 1953.

Philco: Consumer Products Div. gen. sales & mktg. mgr. Charles Hakimian said January distributor sales of TVs & stereo hi-fi sets were up substantially, noted short supply in some models of stereo hi fi. "Our

marketing reports at this time," he added, "indicate very strong first quarter sales in consumer electronic products. There is more confidence & stability among distributors & dealers this year, and this is reflected in the orders now being taken. There is no immediate factor pressing the consumer electronics industry that should prevent this healthy economic trend of high sales volume from continuing."

Sylvania: Home Electronics Corp. Pres. Peter J. Grant told us: "January factory sales of Sylvania home electronic products have shown a sizable increase over the same period a year ago. Our black & white TV sales have increased more than 50%, radio sales are up 110% and stereo hi-fi sales are about equal to last year. The outlook for the first quarter is very encouraging and we expect continued good sales in all product lines. We have encountered shortages in a few specific stereo models, because demand exceeded our expectations, but these are being adjusted rapidly."

GE: TV Receiver Dept. gen. mgr. William Davidson forecast that "based on past experience and this one month estimate, total industry TV sales for 1962 should be something over 6 million units."

Symphonic Electronic: National sales mgr. Alexander (Duke) Wellington noted phono shipments were 30% ahead of Jan. 1961, added: "We must remember that Jan. 1962 had a total of 22 shipping days as compared with 21 for Jan. 1961. This, of course, may account for about 5% of our increased volume. However, a major portion of our increased shipments came from a continuation of the accelerated phonograph sales that have been keeping us ahead of the year-ago figures for the last 3 months. Although February is still too young for a firm prediction, shipments through Feb. 6 are slightly ahead for the same number of days of Feb. 1961."

Delmonico International: Exec. vp Herbert Kabat reported a 338% increase in unit sales of its imported 8-in. & 19-in. portable TVs, said January dollar volume almost doubled to \$1,010,000 from \$522,000 in Jan. 1961—reflecting, possibly, Delmonico's broadening of its TV line after Jan. 1961. He said radio & stereo sales also were up, noted current \$2-million TV order backlog.

150-200 STEREO STATIONS BY MIDYEAR: Mid-1962 will see minimum of 150 FM-stereo stations—more likely close to 200 of them—in 100 different U.S. cities, including virtually all major markets. This is evident on basis of comprehensive survey completed last week by Television Digest.

Some 71 FM stations are now broadcasting in stereo, and our survey shows 56 more in "ready" stage (equipped or installing stereo gear), plus 35 which have placed orders for equipment. This gives total of 162 stations, almost all of which can be expected on air by midyear. There undoubtedly are some "sleepers," which aren't listed in our tables—there could be 25-50 more.

What it adds up to is this: More than 50 cities now have FM-stereo stations; at least another 50 in U.S. & Canada will get them by summer—probably 35 of these in next 2 months. Obviously, problem isn't one of selling FM-stereo receiving equipment, but of making enough to satisfy demand.

One of principal complaints of FM broadcasters is that not enough stereo receiving gear is available in their markets. Several have postponed stereo debut dates because of this fact and because of "lack of support" (in terms of sponsorship) from manufacturers who don't have enough stereo equipment to offer in their markets.

Major manufacturers of stereocasting equipment for FM stations tell much the same story in outlining saga of FM stereo: First there was mad rush by everybody to be "first," get on before Christmas. Then came sobering-up time, some order cancellations from stations, and slowdown in orders. Now there's been some pick-up and it looks like steady expansion from here on in.

All new FM stations going on air for first time are being equipped for FM stereo from start—every transmitter manufacturer agrees to that. But some existing stations are finding addition of stereo difficult, costly & time-consuming. These are principally stations using transmitters for which no ready-made stereo generating gear is available.

Take, for example, stations with FM transmitters made by GE, which no longer is in FM transmitter business. No manufacturer of transmitters now has blanket FCC type-acceptance for equipment to convert GE transmitters to stereo. As result, type-acceptance must be applied for on individual station basis, with costly measurements made at site—followed by long wait for FCC approval of individual installation.

Transmitter manufacturers are determined to overcome this problem soon. ITA Electronics, for example, is developing stereo generator designed to work with any make of transmitter. Standard Electronics

expects to unveil generator & exciter designed for GE transmitters at NAB this spring. "Big 6" in FM transmitter gear are RCA (which already has shipped more than 40 stereo generators), ITA, General Electronics Lab, Collins Radio, Standard Electronics, Gates Radio.

Here is our list of the 71 stations now broadcasting stereo:

FM STATIONS NOW BROADCASTING STEREOPHONICALLY

ALABAMA	KANSAS	OHIO
BirminghamWCRT-FM	LawrenceKANU	Akron-BarbertonWDBN
ARIZONA	MARYLAND	ClevelandWNOB
PhoenixKEPI, KNIX	BaltimoreWAQE-FM	ColumbusWBNS-FM
CALIFORNIA	MASSACHUSETTS	MiddletownWPFB
FresnoKCIB, KXQR	Lynn (inactive)WUPY	OREGON
Los AngelesKFMU, KMLA	WalthamWCRB-FM	EugeneKFMY
SacramentoKSFM	MICHIGAN	PortlandKPFM
San DiegoKGB-FM, KLRO, KPRI	Detroit ..WDTM, WGPR-FM, WLDM	PENNSYLVANIA
San FranciscoKBAY-FM, KPEN	East LansingWSWM	JohnstownWJAC-FM
San JoseKSJO-FM	Grand Rapids .WJEF-FM, WOOD-FM	NorristownWIFI
Santa BarbaraKMUZ	MINNESOTA	PhiladelphiaWFLN-FM
VisaliaKONG-FM	MinneapolisKWFM, WAYL	Wilkes-BarreWYZZ
DELAWARE	MISSOURI	RHODE ISLAND
WilmingtonWJBR	Kansas CityKCMO-FM	ProvidenceWPFM
DISTRICT OF COLUMBIA	St. LouisKCFM, KSHE	SOUTH CAROLINA
Washington (Bethesda, Md.) .WHFS	NEBRASKA	SpartanburgWSPA-FM
FLORIDA	OmahaKQAL-FM	TEXAS
MiamiWAEZ, WVCG-FM	NEW JERSEY	DallasKIXL-FM
OrlandoWHOO-FM	DoverWDHA-FM	HoustonKFMK, KODA-FM
ILLINOIS	Long BranchWRLB	WASHINGTON
ChicagoWFMT, WEFM, WKFM	NEW YORK	SeattleKISW, KLSN
Rock IslandWHBF-FM	Garden CityWLIR	WISCONSIN
INDIANA	New YorkWQXR-FM, WTFM	MilwaukeeWMKE, WTMJ-FM
IndianapolisWISH-FM	SchenectadyWGFM	CANADA
IOWA	SyracuseWSYR-FM	TorontoCHFI-FM
Des MoinesKDMI	NORTH CAROLINA	
	BurlingtonWBBB-FM	

The following 56 stations are equipped for stereocasting or are in process of installing equipment and can be expected to begin stereo broadcasts within 2-3 months:

STATIONS PREPARING FOR FM STEREO

(Asterisk indicates new stereo city)

CALIFORNIA	KENTUCKY	*PittsburghWKJF, WLOA-FM, WWSW-FM
Los AngelesKBMS, KGGK	*LexingtonWVLK-FM	*WarrenWRRN
*OceansideKUDE-FM	*LouisvilleWLVL	SOUTH CAROLINA
San FranciscoKBCO	MAINE	*SenecaWSNW-FM
*Walnut CreekKWME	*CaribouWFST-FM	TENNESSEE
*WoodlandKATT	MICHIGAN	*NashvilleWNFO-FM
COLORADO	DetroitWOMC	TEXAS
*DenverKFML-FM	*MidlandWQDC	*AustinKTBC-FM
*Manitou SpringsKCMS-FM	MISSOURI	DallasKRLD-FM, KSFM
CONNECTICUT	St. LouisKWIX	HoustonKQUE, KRBE
*MeridenWBMI	NEVADA	*MidlandKNFM
*NewtonWGHF	*Las VegasKORK-FM	*Port ArthurKFMP
DISTRICT OF COLUMBIA	NEW YORK	*Wichita FallsKNTD
WashingtonWASH	*Babylon, L.I.WQMF	VIRGINIA
FLORIDA	*BuffaloWYSL-FM	*RichmondWFMV
*GainesvilleWRUF-FM	NORTH CAROLINA	*RoanokeWSLS-FM
*SarasotaWYAK	*GreensboroWMDE	WASHINGTON
GEORGIA	OHIO	Seattle...KETO-FM, KGFM, KZAM
*ColumbusWRBL-FM	*CincinnatiWAEF-FM	WISCONSIN
ILLINOIS	ClevelandWDGO	*Eau ClaireWIAL
ChicagoWSBC-TV	*ToledoWTOL-FM	*Green BayWBAY-FM
INDIANA	OREGON	MilwaukeeWFMR
*EvansvilleWIKY-FM	PortlandKGMG	CANADA
KANSAS	PENNSYLVANIA	*TorontoCFRB-FM
*WichitaKCMB-FM	PhiladelphiaWHAT-FM, WQAL	

The following list shows some cities where additional stations have ordered stereo generating equipment, but deliveries haven't yet been made:

ADDITIONAL FUTURE STEREO CITIES

(Asterisk indicates new stereo city)

Alaska—*Anchorage
 Cal.—Los Angeles area
 Colo.—*Colorado Springs
 Fla.—*Ft. Lauderdale
 *Jacksonville
 Orlando
 *Pensacola
 Ill.—Chicago
 *Decatur
 Ind.—Indianapolis
 Ky.—*Louisville

Mass.—Boston (2 stations)
 Minn.—Minneapolis (2 stations)
 N.M.—*Albuquerque
 N.Y.—Long Island
 New York
 *Rochester
 Syracuse
 N.C.—*Raleigh
 Ohio—*Cleveland (2 stations)
 Columbus
 *Findlay

Okla.—*Oklahoma City
 Ore.—Eugene
 *Willamette
 Tex.—Dallas
 Va.—*Norfolk
 Wis.—*Madison
 Foreign—Canada (4 stations)
 Venezuela
 Saudi Arabia

ENGINEERS CONCERNED OVER VHF-UHF BILL: Many old-timers in TV research— veterans of intra-industry standard-making committees who now occupy executive posts—are disturbed over what seems possibility that Congress will pass FCC-recommended bill requiring manufacturers to make only sets which will receive all uhf & vhf channels (Vol. 2:6 pl).

We queried several of these research executives, and found them concerned over both engineering & policy angles of proposed law—although there was no unanimity in their views. We promised not to use names, because these top men were giving personal opinions, not speaking for their companies—but here are some of most interesting comments:

All prefaced their remarks by making clear they were opposed to principle of legislation—forcing public to buy something it doesn't want and may not even be able to use for long time. One pointed out that wording of FCC-drafted Senate bill (S-2109) doesn't even mention uhf or all-channel, is broad enough to give FCC extreme power over specifications of TV receivers. Bill's actual language provides that when objectives of Communications Act so require, FCC has authority "to provide minimum performance capabilities" for TV sets shipped between states or imported.

The engineers agreed such law would force public to pay \$20-\$40 extra per set—added annual expenditure of \$120-\$240 million on basis of 6 million sets per year. Said one: "This will put the set maker in an unpopular position; the public will feel the manufacturer should absorb the cost and blame him for 'profiteering.' Actually, costs of this magnitude can't be absorbed."

From engineering standpoint, what would be effect of law? Here are 2 opposing viewpoints: (1) "There will be a real crash program to improve performance of tuners and develop a true all-channel single tuner. This will touch off an engineering race such as we haven't seen in many years. A lot of engineers will get raises." (2) "All they'll try to do is make it cheaper—not better."

These possible pitfalls were pointed out: (1) Even with all-channel set, consumer isn't really equipped to receive uhf. In most cases, separate outdoor uhf antenna & transmission line are needed, even under conditions where vhf can be picked up with rabbit-ears. One engineer thought legislation would inspire strong effort by antenna makers to develop simple, effective all-channel antenna. (2) If genuine single all-channel tuner is developed (as opposed to double tuners now in use), it probably will be "compromise," may reduce performance of vhf section of tuner, penalizing fringe-area vhf viewers. (3) Oscillator tubes wear out quickly in present uhf tuners, and in some cases could be dead before uhf station even begins broadcasting in vhf area where consumer was required to buy all-channel set.

Other dangers outlined: (1) Consumers in vhf areas will have no opportunity even to find out if uhf tuner is working before manufacturer's warranty expires. (2) FCC so far has winked at problem of interference with other radio devices by radiation from uhf tuners. With large number of uhf tuners in field, strict limits must be enforced, increasing costs further.

None of the engineers queried opposed heavier use of uhf, but most thought it ought to be initiated by broadcasters, not by set-buying public. Said one: "The need for vhf channels by qualified non-TV users is so great that sooner or later TV will have to go all-uhf. In the late 1940s, the entire FM band was moved and nobody got hurt. If the stations are on uhf, the public will buy the proper receivers of their own accord. But the govt. telling the consumer what he must buy and what he can't buy—it's like prohibition."

TOPICS & TRENDS

GE 19-in. portable is being advertised at \$139.95 by some dealers—putting GE in under-\$140 race with Motorola, Admiral, Westinghouse. Set is Celebrity model (M200X), with power transformer, antenna and carrying handle. Now carrying open list, it was introduced last year at \$159.95. Step-up Golden Celebrity lists at \$159.95 with stand.

"Color TV is \$200-million-a-year industry (including set sales, servicing, broadcast revenue), RCA group exec. vp W. Walter Watts told Advertising Federation of America midwinter conference in Washington last week. He said color had reached "annual going rate" of \$200 million ahead of last fall's prediction that this rate would be attained by end of 1962. He said color is already having dynamic effect on U.S. economy and pointed out that "20,000 individual firms are right now sharing in the manufacture & sale of color sets."

Do telecasters have obligation to support color? NARDA Chmn. Mort Farr urged FCC members, in telegrams, to add this question to network probe, just completed in Washington (see p. 1). He suggested that FCC inquire "why TV broadcast stations & networks refuse to invest some of their fabulous profits in color TV." Apparently FCC didn't go for the suggestion.

Output of components, tubes & semiconductors in 3rd quarter 1961 were nearly 5% higher than in same 1960 period, Commerce Dept.'s Business & Defense Services Administration reported. Tables showing shipments of individual components are available from BDSA's Electronics Div., Washington 25, D.C.

Real wrist radio with 7 transistors, measuring 1 x 2 in., is due for marketing in Japan this month, in U.S. this spring. Made by Standard Radio, it retails in Japan at about \$22.

RCA has developed microminiature solid-ceramic circuit, 1/3 the size of an aspirin tablet, that "can perform all conventional circuit functions from amplification to computer switching, and lends itself to mass-production by assembly-line techniques." Semiconductor & Materials Div. vp-gen. mgr. Dr. Alan M. Glover said pilot production of microelectronic device will begin before year's end, described circuits as 100 times smaller and potentially less expensive than equivalent circuits for control, computer and communications systems.

Trade Personals

Merle W. Kremer elected Sylvania senior vp, in charge of Electronic Tube and Parts Divisions; he'll headquarter at Emporium, Pa. tube plant . . . Armean L. Wright elected pres. of P. R. Mallory's Mallory Controls Co. Division.

Ralph R. Gayner appointed assistant to Motorola mktg. vp S. R. (Ted) Herkes . . . Maynard F. Nagel named product service mgr., GE commercial equipment dept. . . Allynn W. Bowen appointed mktg. administration mgr. of Sylvania Electronic Systems' eastern operation, at Waltham, Mass.

Richard E. Krafve resigns as Raytheon pres. after less than 2 years "because of differences of opinion on management policies," succeeded by Chmn. Charles F. Adams who held presidential post from 1948 until Krafve's election in April 1960.

James J. Shallow, former vp-gen. mgr. of defunct Columbia Phonograph Dept. of CBS's Electronics Div. (Vol. 17:20 p20), has been appointed consultant to Magnavox; he's been touring Europe as representative of Pres. Frank Freimann.

Walter H. Eichelberger Jr., Philco radio sales mgr., resigns after 14 years with company.

Arjay R. Miller, Philco board member, advanced from Ford finance vp to new post of vp-staff group, in charge of general counsel, finance, industrial relations, marketing,

PR, engineering and research departments, central purchasing office, office of tax affairs, Ford Motor Credit Co., American Road Insurance Co. and Ford Leasing Development Co.; succeeded as finance vp by former vp-controller J. Edward Lund.

Dr. William J. Perry, director of Sylvania's Electronic Defense Labs, Mountain View, Cal., awarded Outstanding Civilian Service Medal by Department of the Army, cited by Army Secy. Elvis J. Stahr Jr. for contributions in electronic warfare field . . . William F. Tait appointed RCA Service Co. division vp, marketing, govt. services.

Harold Dittenhoefer, ex-Symphonic and Olympic, and Ben Goldner, formerly with Capehart and Tele-King, have formed Harben Electronics at Port Washington, N.Y. for contract production of phonographs. Dittenhoefer is pres., Goldner vp in charge of manufacturing.

George J. Renne, Beckman Instruments treas., elected a vp . . . L. P. Saunders elected Westinghouse vp & managing dir., Far East, for subsidiary Westinghouse Electric International, S. A., Geneva.

Howard W. Main appointed vp-gen. mgr. of Kitchener, Ontario-based Dominion Electrohome Industries' new Consumer Products Merchandising Div.; Robert F. Moore appointed sales mgr. of Division's U.S.A. Sales Dept.

Edward J. Baum named manager of EIA's West Coast office, 1717 N. Highland Ave., Hollywood, succeeding Joseph J. Peterson, who resigned to become president of General Data Corp., Orange, Cal.

Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Amphenol-Borg Electronics	1961—year to Dec. 31 ¹	\$ 73,205,000	—	\$ 568,000 ²	\$0.41	1,388,677
	1960—year to Dec. 31	67,805,000	—	2,536,000	1.85	1,368,827
Beckman Instruments	1961—6 mo. to Dec. 31	34,550,469	—	2,092,913	1.37	1,458,689
	1960—6 mo. to Dec. 31	31,423,505	—	1,586,010	1.15	1,423,363
Corning Glass Works	1961—year to Dec. 31	229,568,819 ³	—	25,925,900 ³	3.75 ⁵	6,775,995
	1960—year to Dec. 31	214,871,286	—	22,054,741 ⁵	3.23 ⁶	6,770,003
CTS Corp.	1961—year to Dec. 31	21,468,189 ³	—	1,822,734	1.26	1,447,003
	1960—year to Dec. 31	20,047,758	—	1,649,881	1.20	1,372,153
Walt Disney Productions	1961—qtr. to Dec. 31	15,634,302	\$3,598,213	1,669,213 ³	1.00	1,674,804
	1960—qtr. to Dec. 31	8,972,159	234,589	115,589	.07	1,626,023
Federal Pacific Electric	1961—6 mo. to Dec. 31	48,507,868	3,311,090	1,954,690 ⁴	.60 ⁵	—
	1960—6 mo. to Dec. 31	44,321,000	(600,000)	(287,000) ⁵	—	—
GT&E	1961—year to Dec. 31 ¹	1,200,000,000	—	73,800,000	1.00	73,287,000
	1960—year to Dec. 31	1,100,000,000	—	72,400,000	1.04	69,000,000
Indiana General	1961—year to Dec. 31	22,034,915	3,724,663	1,790,663	1.56	1,150,002
	1960—year to Dec. 31	19,631,041	2,922,631	1,429,811	1.24	1,131,552
International Resistance	1961—year to Dec. 31	23,005,304 ³	—	2,021,432 ³	1.45	1,391,486
	1960—year to Dec. 31	20,824,173	—	1,943,450	1.40	1,386,498
Litton Industries	1962—6 mo. to Jan. 31	168,000,000	—	7,440,000	1.54 ⁵	4,815,000
	1961—6 mo. to Jan. 31	108,202,000	—	4,448,000	1.00 ⁵	4,373,850 ⁷
Loral Electronics	1961—9 mo. to Dec. 31	30,297,000	2,785,000	1,337,000	.62	2,156,640
	1960—9 mo. to Dec. 31	27,083,000	1,980,000	951,000	.55	1,740,444
Pentron Electronics	1961—6 mo. to Dec. 31 ⁹	5,106,546	178,894	134,094	.06	2,346,037
	1960—6 mo. to Dec. 31	997,044	(254,348)	(254,348)	—	810,000
Warner Brothers	1961—qtr. to Dec. 2	22,057,000	3,939,000	1,939,000	1.60	1,207,513
	1960—qtr. to Dec. 2	23,871,000	3,373,000	1,773,000	1.16	1,527,900

Notes: ¹Preliminary. ²After pre-tax loss of \$2.3-million by subsidiary FXR, acquired May 1961. ³Record. ⁴Includes \$566,122 non-recurring income. ⁵After preferred dividends. ⁶After \$313,000 tax credit. ⁷Adjusted

to reflect 2½% stock dividend, Oct. 1961. ⁸Before non-recurring of \$2.3 million from sale of investments. ⁹Includes operations of companies acquired during period.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Walt Disney	Q	\$0.10	Apr. 1	Mar. 16
General Tire & Rubber	Q	.30	Feb. 28	Feb. 19
Magnavox	Q	.12½	Mar. 15	Feb. 23
Magnavox	Q	.12½	June 15	May 25
Meredith Publishing	Q	.35	Mar. 13	Feb. 23
TV Development (New)	—	.10	Mar. 30	Mar. 15
United Artists	Q	.40	Mar. 30	Mar. 16
Warner Bros. (New)	Q	.12½	May 4	Apr. 13

Toshiba common shares were placed on U.S. & European market last week in the form of American depositary shares—each priced at \$15.50 and representing 50 shares. Total offering: 30 million Toshiba shares, or 600,000 American depositary shares. Underwriting group is headed by Smith, Barney & Co. and Nomura Securities Co. Ltd. Toshiba's U.S. offering is 2nd by a Japanese firm, follows successful sale of Sony shares last June (Vol. 17:24 p19).

Electronics Capital Corp., San Diego small business investment firm headed by Charles E. Salik, reported total net assets of \$39,595,323 at end of fiscal-1962's first half, Dec. 31. ECC's commitments totaled \$25,155,000 to 20 companies. Shareholders numbered 16,428.

Warner Bros. stockholders have approved a 4-for-1 split of the common stock, increased authorized shares to 7.5 million from 5 million.

GE Credit Corp. posted net earnings of \$9,540,000 in 1961—up from \$7,325,000 the preceding year.

Distributor Notes: Sylvania names Taylor Distributing Co., E. 204 Augusta (L. I. Taylor, pres.) . . . Radio & Appliance Distributors Inc. (RCA), E. Hartford, Conn., promotes Herman M. Sternberg to vp-gen. sales succeeding Fred G. Cook, resigned . . . Blonder-Techonics appoints Rocke International Corp. as ex-territory affiliate . . . Sylvania and Igoe Bros. Inc. part company, terminating latter's franchise as distributor in metropolitan N.Y.-N.J. area . . . Graybar Electric has been appointed Sylvania TV-radio-stereo distributor for western N.Y. & northwestern Pa.

EIA technical-commercial trade mission leaves for Europe Feb. 15 with W. L. Larson, Switzerland, Antenna Specialists, Hunt, Corning Glass; Gilbert E. Greig, Lawrance Becerra, Sprague; Barton Weiler, V. J. A. Hannan, Globe Union; John Kitka, Graybar Electric; Bailey, Investors Diversified Services; Leslie Peter, Sol; E. M. Paradise, Connector Corp.

Standard Kollsman Industries & Japan Electric have concluded a licensing agreement which will produce Standard Kollsman tuners to all world markets, including U.S.

TV Development Corp. and Nashville Electronics Inc. are among 7 companies which will be listed for trading on National Stock Exchange which debuts Mar. 7.

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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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Broadcast

CONGRESS TACKLES ALLOCATIONS ENIGMA. Sen. Pastore setting all-channel-set hearing, Rep. Harris scheduling full week starting March 5 (p. 1).

CLOSED-CIRCUIT SYSTEM links N.Y. hotels, bringing 3 commercial channels of tourist & convention data to 40,000 visitors. (p. 2).

'BOOZ REPORT'—WHAT'S WRONG WITH FCC—discussed by Commission. Some consider study shallow. Too-powerful executive director rejected (p. 3).

WHITE HOUSE TV TOUR SMASH SUCCESS with estimated 75% of viewers following Mrs. Kennedy through executive mansion. ABC decides to televise show Feb. 18 (p. 3).

ORDERS PROTECTION AGAINST CATV-MICROWAVE, denying denial of more signals to systems in Wyo., favoring CB-TV p. 4).

"SOMETHING NEW" in '62? If there is it's being carefully guarded. Trend to 27-in. being accelerated; little hope for "square" 29-in. Some production likely with new 16-in. bonded tube (p. 7).

HEAVY CONCENTRATION on 19-in. planned in first quarter, with factories now making more than industry is selling, while 23-in. sales outstrip factory production (p. 8).

PICTURE-TUBE INDUSTRY wheels turning fast, production up, but low prices & margins cause shutdown of Thomas Electronics & Pioneer Electronics (p. 8).

OFFICIAL 1961 TV PRODUCTION—6,177,979. EIA's final tally shows TV & radio production slightly higher than preliminary reports indicated; 1961 also a banner year for FM, a dismal one for uhf (p. 9).

1961 PICTURE TUBE SALES rose to 9,306,927 units valued at \$185,553,642, up from 9,013,671 at \$180,832,131 preceding year. Receiving tubes, EIA figures show, lagged behind 1960 in both units & dollars (p. 11).

Consumer Electronics

RECTANGULAR COLOR TUBE development goes on, National Video exploring producibility of Motorola design and hoping to start production by year's end (p. 7).

CONGRESS TACKLES ALLOCATIONS ENIGMA: TV allocations debate reaches another climax this week. Industry files huge mass of comments with FCC, on deintermixture, vhf drop-ins, over-all policy. Senate Communications Subcommittee under Sen. Pastore (D-R. I.) conducts hearing on all channel-receiver legislation (S-2109), starting Feb. 20, running 2 or more days. Rep. Harris (D-Ark.) announced that his hearing on all-channel and anti-deintermixture bills will run full week starting March 5.

...allocations is most intense attention given to TV-radio matters since days ...ings. Rep. Springer (D-Ill.) will testify before Pastore's subcommittee, and ...day of his hearing for House members fighting deintermixture.

Senate hearing: Feb. 20—FCC and Springer; Feb. 21—Frank Stanton, CBS pres.; David JCEB secy.; Lester Lindow, AMST exec. dir.; L. M. Sandwick, EIA Consumer Products Div. staff; Le-Jllins, NAB pres.; Lawrence Turet, WXIX Milwaukee; Wm. Putnam, WWLP Springfield, Mass. More come in, running hearing into 3rd or 4th day. Harris has House members March 5, FCC March 6, every- 7-9.

...asked Congress for all-channel-set bill, but it may ask lawmakers to keep hands off allocations. Chmn. Minow may have foreshadowed latter position in testimony on AM clear channels before House Communications Subcommittee last week. He said: FCC agrees with Rep. Younger (R-Cal.) who asked: "Would not this legislation put Congress into the frequency-allocation business?" "Matters of this sort," Minow went on, "are not well adapted to the 'across-the-board' treatment which is more or less inherent in the

legislative process, as opposed to the opportunity for more detailed, specific, carefully tailored treatment which an administrative agency can give."

Comr. Lee supports all-channel-set idea but doesn't expect much from it. In address to IRE Fellows at Tarrytown, N. Y. last week, he said it may take "lifetime" for benefits to develop because: (1) "You can't write laws to compel people to install uhf antennas." (2) A govt.-industry committee would have to advise FCC on implementing new law—taking about 2 years of study. (3) Rule-making—another 1½ years. (4) Manufacturing tooling up time—a year. That takes you to about 1966, he said, and "the public will still be paying tribute to the prosperous few who cry every day on the way to the bank." Improved standards in uhf, urged by some, are "gimmicks," according to Lee who claimed that resultant incompatibility would be "kiss of death to uhf." Move everything to uhf, he repeated. He also gave engineers brief report on FCC's experimental uhf results in N. Y.:

"The data from the first 100 locations indicates no significant difference, within 25 miles, of low vhf, high vhf and uhf transmissions." He noted that Adler Electronics has placed Ch. 77 repeater on tower of George Washington Bridge, to see how it fills shadows. Minow, Lee and staff engineers were in N. Y. Feb. 15 for look at station, rest of commissioners due for trip this week. Last week's group got fill-in from veteran RCA uhf experimenters headed by engineering vp Dr. George Brown. RCA has tested sets in about 100 locations. According to one FCC observer, RCA offered no conclusions. His own conclusion: "Reception of both vhf & uhf in lower Manhattan is poor—shadows & ghosts—and variations in uhf results seem no greater than vhf variations."

Comr. Ford argues for all-channel measure in Feb. 24 TV Guide, stating that it's constitutional, "drafted very narrowly" to limit it to TV—that it won't let FCC dictate "how toasters are made." He counters argument that many people won't need uhf in their sets with statement that vhf sets have 12 channels, but almost no one can use all 12.

CLOSED-CIRCUIT SYSTEM FOR N. Y.: One of most ambitious closed-circuit TV ventures will make programming debut in Manhattan March 1—hooking up 35-40,000 hotel rooms in nearly 50 midtown hotels for 3 channels of commercial TV specially tailored to tourists & convention delegates. Eventual goal is 75,000 sets in 75 hotels.

Project is operated by Teleguide, owned by Sterling Movies U.S.A. Inc., distributors of free film for TV stations—off-shoot of, but no longer connected with, Sterling TV Films. Teleguide quietly obtained city permission to lay own coaxial cable under 10-year franchise—first such franchise granted by city in 38 years. (City, incidentally, demanded limitation on commercials.) Firm has invested about \$250,000 in project.

Teleguide will provide 3 specialized channels for hotel guests—in addition, of course, to New York's 6 broadcast channels. Principal channel will be Ch. 6 (hotel bellboys are instructed to tune sets to this channel when ushering guests into room). This will feature continuous performance of one-hour program 7 a.m.-1 a.m., giving highlights of entertainment attractions, shopping, sightseeing, together with news, time, weather, stock market reports, etc. Entire show will be changed weekly, although parts of show will be changed hourly. Featured commentators & personalities will be Bob Considine, Kenneth Banghart & Wendy Barrie.

Ch. 3 will contain abbreviated 30-min. version of Ch. 6 show with foreign-language commentary—alternating French, German, Italian, Portuguese, Spanish & Japanese. Ch. 10 will be "convention channel," with live, film & tape pickups from conventions, information for delegates, etc. Teleguide is rushing to get convention channel ready to debut with next month's huge IRE convention—city's biggest.

Teleguide will limit commercials to 2½ minutes per quarter-hour under terms of agreement with city. Service is available to hotels without charge in either direction—hotel doesn't pay Teleguide, Teleguide doesn't pay hotel. However, Teleguide will have optional "local commercial" set-up, installing slide machine & audio tape player in individual hotels to insert local commercials—keyed to operate during last 4 minutes of each hour on automatic signal from Teleguide studios at 43 W. 61st St. Hotels participate in revenues from these "local" commercials but not from so-called "network" commercials which are fed to all hotels.

First Teleguide rate card, issued for Ch. 6, gives these basic rates (based on 50,000 sets). One hourly spot per day (18 times), \$350 for 60 sec., \$270 for 20 sec., \$150 for 10 sec. Weekly rates (126 times) are \$1,800, \$1,200 & \$800.

Most major hotels have signed up—including Waldorf-Astoria, Sheraton hotels, Manger hotels, Summit, new Americana, Plaza, etc. Teleguide principals are Pres. Charles F. Dolan, ex-Telenews; gen. mgr. Morton B. White, ex-Radio Free Europe & former exec. dir., American Council on NATO; sales dir. John R. Porterfield, industry veteran whose posts have included gen. mgr. of WGLV Easton & WNET Providence; chief engineer Fred Green, ex-Jerrold; hotel relations mgr. Thomas A. Cronin, ex-Wells TV. Teleguide hq is at 375 Park Ave.

In Washington, "Hotelevision," headed by CATV veteran Martin Malarkey, plans to start one-hotel closed-circuit system in Sheraton-Park by March 15. Malarkey's negotiating with all major hotels in city. System provides 30-min. program repeated 8 a.m.-8 p.m. daily, film & slide, offering 24 min. "things to do in Washington," 2 min. spiel on hotel facilities, 20-30 ten-sec. spots sold to all comers. Spot price is "very nominal," Malarkey says, is based on number of sets. Staff will be 4-6 initially.

Note: Another venture in closed-circuit entertainment programming—of different type—is scheduled for April 7 when TelePrompTer and show business impresario Lee Gordon will present nationwide "Twist Spectacular," featuring Chubby Checker and other panjandrums of latest dance craze, piped into theaters, arenas & ballrooms. Producers are shooting for 100 viewing locations in 80 cities.

'BOOZ REPORT'—WHAT'S WRONG WITH FCC: FCC chewed over recommendations of management consultant Booz, Allen & Hamilton in special meeting Feb. 12, came up with nothing final. We gather, however, there's considerable belief that BA&H didn't get deep enough into Commission's work.

Another important thing that emerged was expression by Commission, including Chmn. Minow, that the recommended "executive director"—to be attached to chairman's office—certainly shouldn't have as much power as BA&H apparently thinks he should have.

BA&H believes bureau chiefs should funnel work through executive director, rather than reporting directly to full Commission. At last week's meeting, we're told, it was made clear FCC doesn't want that at all. BA&H believes Office of Opinions & Review and Office of Hearing Examiners wouldn't have to report to chairman except on administrative matters—because "due process" laws direct most of their activities.

Big complaint of study was that Commissioners are too involved with routine that staff can handle, don't have enough time for big policy matters. Second most important recommendation is that chairman is loaded with responsibilities but isn't given sufficient power to discharge them—that full Commission has to worry about too many details.

Report recommends greater emphasis on recruiting of competent key staff members, suggests it might be good idea to bring in a little fresh blood from time to time.

Present organization of Commission into bureaus and specialized offices meets with BA&H's approval. However, it considers setups within these rather sloppy, believes they can be shuffled for efficiency. It says that most FCC work is important—which sort of warms the regulatory cockles.

Basically, report urges commissioners to use "self restraint," to delegate administrative and non-policy matters to executive director and staff, to devote their own time to the big picture. Traditionally, Commission is very slow to relinquish any powers—but in last couple years it has shucked a lot of trivia off on staff. Staff, as usual, is overworked—bigger the job, the more harassed. BA&H thinks FCC ought to have more money, gets little argument there.

Commission will get back to report again in month or so. When completed, it goes to Budget Bureau, thence to Congress. No telling now what will come of it. FCC has been waiting for report before deciding how to implement reorganization plan approved by Congress last year.

WHITE HOUSE TV TOUR SMASH SUCCESS: Mrs. Kennedy's guided tour of refurbished & redecorated White House, telecast simultaneously by CBS & NBC, garnered huge audience, caused revised thinking at ABC which decided to carry it Feb. 18.

ARB reported audience of 46,550,000, 75% of viewers, watched First Lady describe restoration & historic background of executive mansion. ABC's popular Naked City wasn't in running, drawing reported 22% of audience.

ABC hadn't planned to broadcast program, claiming Glenn space shot postponements had strained news budget, changed mind after CBS-NBC telecast, scheduled it in place of Maverick in 6.30 p.m. slot last night. Network also announced it would contribute one-third of program's production cost.

Slight squabble developed over reports that networks would be expected to "contribute" to Fine Arts Committee which handles finances of White House refurbishing & redecorating. CBS announced it was considering contribution (Chmn. Paley said to be planning donation of a painting), but denied it suggested other networks do same. ABC news vp James Hagerty reportedly said network would "under no conditions" make "donation to a government." He termed program "one of the finest hours ever seen on TV." White House News Secy. Pierre Salinger denied there was "quid pro quo" involved in plans for program.

FCC ORDERS PROTECTION AGAINST CATV-MICROWAVE: Protection of small-town stations against competition of CATV is now firm FCC doctrine. In final decision last week, Commission denied grant of additional microwaves to Carter Mountain Transmission Corp. to feed big-city signals to CATV systems in Thermopolis, Riverton & Lander, Wyo. It acted on protest by KWRB-TV Riverton (Vol. 1:14 p3). Carter Mountain said it will appeal, may be joined by phone company.

Commission said it would consider microwave applications again when CATV operator could show that it would avoid duplication of KWRB-TV programs and would carry KWRB-TV signals adequately.

"True," FCC said, "a grant of the [microwave] application would permit the rendition of better service by the CATV, but at the expense of destroying the local station and its rural coverage. The CATV would permit the urban areas a choice of coverage, but the local station, especially in this case of a single station market, serves a wider area . . . We do not agree that we are powerless to prevent the demise of the local TV station, and the eventual loss of service to a substantial population; nor do we agree that the Commission's expertise may not be invoked in this instance to predict this ultimate situation." Comr. Cross dissented, Bartley abstained from voting.

In another CATV-microwave case, Commission said that hearing on renewal of microwave serving system in Scottsbluff, Neb. area should include an issue to determine impact on financial health of KSTF Scottsbluff.

CURRENT CAPSULES

License-fee proposal was issued by FCC last week, as we forecast (Vol. 2:7 p2)—most important feature being \$250 for each TV application, \$150 for AM or FM. Proposal squeaked by, 4-3, Comrs. Bartley, Ford & Cross dissenting.

Industry comments are due by April 16—but NAB Pres. Collins didn't wait. He said: "The FCC is not a taxing agency. It is a regulatory one. Its prime responsibility is to the people. In a broad sense its regulatory powers are exercised for their benefit and not for the private advantage of the industry regulated. Hence, as a matter of philosophy and right, the costs of such regulation are justified as a general public expense." He said he endorsed Senate Commerce Committee's 1954 comment: "The Committee feels the Congress should set up the basic standards for each agency to follow in imposing charges for licenses."

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Applications for Ch. 10 Miami will be accepted by FCC until May 21, Commission reminding that WLBW-TV was granted only 4-months license after channel was taken away from WPST-TV (National Airlines) for attempts to influence FCC members off the record. WLBW-TV was given 3-month special authority to continue until May 21, was directed to file application for license renewal. If competitors appear, as expected, it's assumed WLBW-TV will be kept on air until victor is chosen—possibly several years from now. Interesting speculation: Will National Airlines apply now? When WPST-TV quit operating, Pres. George Baker announced intention of getting back into game. Prevalent view among FCC lawyers is that National isn't eligible to apply now—but Baker may choose to contest that opinion.

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CBS got NCAA football broadcast rights for 2 years for \$10.2 million—\$4 million more than ABC paid 2 years ago. Reportedly, NBC bid \$8.8 million, ABC \$8.6 million.

Expressions of horror from critics about TV's "vast wasteland" notwithstanding, medium seems to be A-OK with man-in-the-living-room, better than ever. TIO Dir. Louis Hausman announced results of survey by N.Y. pollsters Elmo Roper & Assoc.: 52% of persons interviewed get most of their news from TV vs. 57% for newspapers, but 39% would be more inclined to rely on TV for accuracy than other media, against 24% who felt that newspapers are most believable. In similar poll in 1959, only 29% voiced most confidence in TV's reporting, 32% for papers. Backing into same question, 28% said they would be least inclined to believe newspapers, only 7% felt same toward TV.

One point about which there was little argument was that if all media but one had to go, most would keep TV. TV was choice of 42%, same as in 1959, but newspapers got vote of only 28%, down from 1959's 32%. Illuminating fact turned up in question about "the bad effects of TV on children." Groups expressing most concern: (1) those with no children, (2) those with no TV or who don't watch it, (3) those with grade-school education or less. Persons with college education voiced least concern.

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Pitch for revision of courtroom TV-radio ban, Canon 35, was made by NAB Freedom of Information Committee Chmn. Frank P. Fogarty in Chicago. He told American Bar Assn. committee that trial broadcasts permitted by some judges "indicate conclusively that so far as technology is concerned, court proceedings may be broadcast in an orderly, unobtrusive manner." He discounted fears that equipment & technicians in courtroom would impinge on dignity or order of proceedings, cited NAB's *Code of Conduct for Broadcasting Public Proceedings* as evidence of industry's determination to handle broadcasts with discretion. Fogarty recommended replacement of Canon 35 with rule permitting each judge to determine whether broadcasts will be permitted.

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NAB is aiming for President Kennedy to address convention in Chicago April 1-4, in addition to FCC Chmn. Minow and USIA Dir. Edward R. Murrow. Engineering conference luncheon speakers: Sir Harold Bishop, BBC engineering dir.; Dr. John Pierce, Bell Labs satellite expert; another to be chosen.

Personals

Charles N. Hill, NBC-TV producer-dir., has been named USIA TV service dir., succeeding Romney Wheeler, who has headed division since inception 3 years ago. Before joining NBC, Hill was CBS-TV producer-dir., in Washington for 3 years, N.Y. for 6. Wheeler is a foreign service officer, may be assigned to post overseas.

Aaron M. Cohen, ex-WPIX N.Y., named research & sales promotion dir., WCBS-TV N.Y.

Howard B. Anderson resigns as ABC Films sales vp . . . Paul A. Erbach promoted to asst. exec. dir., Writers Guild of America, East . . . Alfred Butterfield, independent TV & film producer-writer, named United States Productions chmn. & exec. producer.

Edward R. Murrow, USIA dir., designated recipient of NAB's 1962 "Distinguished Service Award," to be presented during annual convention in Chicago April 1-4. Recent recipients: 1961, former NAB Pres. Justin Miller; 1960, NAB Chmn. Clair McCollough; 1959, NBC Chmn. Robert Sarnoff; 1958, CBS Pres. Frank Stanton; 1957, former President Herbert Hoover.

Lew Shollenberger, of ABC, TV-radio pool producer & coordinator for Glenn space shot, suffered broken arm, 5 fractured ribs, possible skull fracture, in fall from ladder at pool hq in Cocoa Beach, Fla. Frank La Tourette, ABC-TV space shot producer, replaced him; Sid Darion took over ABC-TV coverage.

Alvin Korn, ex-WNTA-TV-AM-FM advertising & promotion dir., named to similar post with WNAC-TV-AM-FM Boston and Yankee Network . . . Carl Cederberg pro-

motored to WJBK-TV Detroit news & public affairs dir., succeeding Dr. John Dempsey, who resigns to resume teaching . . . John E. Horton, who heads own PR firm in Washington, named vp, Norwood Film Studios there . . . Robert Hanna promoted to WCKT Miami local sales mgr.

James F. Macandrew, N.Y. City Board of Education Bcstg. Dir. and Exec. Dir. of Regents Educational TV Project of N.Y. State Education Dept. since 1958, named School Programs Dir., Educational TV for the Metropolitan Area (Ch. 13) N.Y.

Harold R. Sugerman elected finance vp & treas., H & B American Corp.

Albert J. Jaffe, "Sponsor" managing editor, named RAB promotion director, occupying post formerly held by Miles David, now RAB administration vp . . . Frank J. Carlson & Donald F. McCarthy promoted to new posts of Eastern & Western asst. sales mgrs., respectively, for N.Y. office of Avery-Knodel . . . Bob Allison promoted to CBS Washington Bureau news dir. & exec. producer.

Obituary

Abe Montague, 69, Columbia Pictures exec. vp, died Feb. 13 while vacationing at Stuart, Fla. He entered movie business in 1908 at age of 16, operating theatre & dance hall at The Weirs, N.H., joined Columbia in mid-twenties, became exec. vp in 1958. His widow survives.

Kosmo J. Affanasiev, 62, a branch chief in FCC's Telephone Div., died after a long illness at home in Kensington, Md. Feb. 10. Native of Russia, he fled to U.S. during Bolshevik revolution. His widow survives.

Lampoon of FCC network program hearing by critic Jack Gould in Feb. 11 *N.Y. Times* is one of most scathing and hilarious on record. Example: "Counsel: But there has been testimony that you cater only to the majority and neglect the minority. Witness: Our research does not show anything of the kind. In this country there is only a handful of automobile, soap and cigarette manufacturers; they are vastly outnumbered by educators. We constantly address ourselves to the needs of the minority." Gould has FCC chairman winding up with: "In the last analysis, however, the only way to overcome the scarcity of channels is through an abundance of hearings. We will take a 2-year recess and then hear from Pete and Gladys."

Tall-tower jurisdictional fight between FCC & FAA is analyzed in Feb. issue of D.C. Bar Assn.'s *Journal* by Washington attorney Arthur Stambler. He concludes: "The basic jurisdictional difference between FCC & FAA is symptomatic of the absence of and need for a sound and unified national policy on this matter of the inter-relationship of tall broadcast towers and aviation safety. Without such a policy, achieved by the cooperative efforts of both agencies, this entire area of tower regulation is infected by a basic uncertainty and disorder."

President's Committee on Employment of the Physically Handicapped presented distinguished service award to NAB and broadcasting industry for support of "Hire the Handicapped" campaign. Award was given to NAB Pres. Collins at White House Feb. 14 by President Kennedy and committee chmn. Maj. Gen. Melvin J. Maas. TV & radio stations during last 10 years have donated more than \$50 million in free time to promote campaign, Maas estimated.

Network TV gross time billings in first 11 months of 1961 totaled \$679,068,137, up 9.2% from \$621,686,247 in same 1960 period, TvB reported. ABC showed 21% increase, \$143,802,940 to \$174,042,240; CBS rose .8%, \$250,934,013 to \$252,820,720; NBC picked up 11.1%, \$226,949,294 to \$252,205,177. Revised Nov. billings under new compilation system (Vol. 2:5 p5) were: CBS, \$24,808,857; NBC, \$23,346,239; ABC, \$17,719,890.

"Interleaved sound," NBC-developed method of transmitting audio within video, is being tested by network and AT&T. System involves use of single circuit to carry audio & visual signals, with sound inserted as integral part of picture signal, undetectable by viewer. Use of interleaved sound eliminates audio interruptions caused by failure of normal sound circuits.

NAB's first conference on public affairs and editorializing March 1-2 (Vol. 2:4 p2) adds FCC Comr. Ford as participant in panel on "Editorializing on Behalf of Political Candidates"; he joins Ewald Kockritz, Storer Bestg., and NAB Gen. Counsel Douglas Anello.

Modified Zoomar lenses offering "100% optical improvement" over present models have been announced by Television Zoomar. Pres. Jack A. Pegler said all in-service "Super Universals" covered by company's warranty & service agreement will be modified without charge, beginning about Apr. 1.

Exclusive U.S. Govt. film distribution and sales contract was awarded to Norwood Studios Inc., Washington, D.C. Contract has been held by United World Films since 1947.

"Govt. has no business telling broadcasters what to broadcast," *N.Y. Herald Tribune* declared in Feb. 11 editorial. Commenting on FCC programming hearings, paper said TV is in business to please the customers, not FCC Chmn. Minow. "Mr. Minow's programming ideas may be perfectly sound," *Tribune* added, "but he is only one of a good many million set owners." Warning against "bureaucratic meddling," paper opined: "The federal gov't. has enough programs of its own to worry about without taking on those of television, too."

Proceedings to revoke license of radio WGRC Green Cove Springs, Fla., have been begun by FCC, which charged Frank Van Hobbs with operating station without FCC authority from Feb. 1 to Dec. 18, 1961, when it went off air. Station was transferred from Hobbs to Palms Bestg. Corp. in June, 1960, but application filed in Feb. 1961 to transfer station back to Hobbs was dismissed for lack of prosecution. Commission says Palms then apparently abandoned station, Hobbs resuming control without FCC approval.

Favoring uhf translator applicant over objections of CATV operator, FCC Examiner Elizabeth C. Smith recommended grant of 3 translators in Farmington, N.M. area to San Juan Non-Profit T-V Assn. (Vol. 1:7 p6). CATV operator in Farmington, Teleprompter Transmission, had argued that translators were intended solely to relay better signals from Albuquerque to Farmington, not to serve viewers directly—and therefore would violate Commission rules. Examiner Smith concluded that new viewers would be served and that relaying function would be merely incidental.

New Brazilian TV decree represents considerable improvement over last year's stringent rules imposed by Quadros gov't. (Vol. 17:20 p17), TV Program Export Assn. Pres. John G. McCarthy said last week. New ruling permits considerably more foreign film than old, relaxes stiff penalties for infractions set by former gov't. Although new rules require Portuguese dubbing of all foreign film material, McCarthy stated that further clarification is needed, "as our discussions indicate that it was not intended to include feature-length motion pictures in this provision."

With a new vhf channel in Syracuse, FCC now asks whether a uhf should be assigned, as proposed year ago. Commission originally proposed addition of Ch. 37, but after entreaties by radio astronomers who want the channel, it is asking whether Ch. 33—if any channel—should be added (Vol. 2:7 p6).

Slow motion & "freeze frame" TV techniques developed by NBC will be used for first time in Glenn orbital shot. NBC reports system differs from other TV slow-motion techniques by presenting "extremely slow" movement without "jerky" transition, also permits total freeze.

Bomb Soviet-bloc countries with miniature TV sets, so viewers can pick up free world broadcasts, Sen. Alexander Wiley (R-Wis.) suggests. He said he "understands" such sets could be built in quantity for \$20 to \$30, floated behind iron curtain with balloons.

Referendum in Monterey, Cal. upheld grant of CATV franchise to Alarm Corp. after attempt by KSBW-TV Salinas to have grant reversed. Elsewhere in Cal., H & B American Corp. received contract to build system at Vandenberg Air Force Base to begin operations in 3 months.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

RECTANGULAR COLOR TUBE WORK GOES ON: Don't assume Motorola has gone faint-hearted in its quest for 23-in. rectangular 90-degree color tube just because it announced it intends to be in color next fall (Vol. 2:3 p7). Although Motorola has been silent recently about its color tube, there's evidence that development work hasn't been dropped.

It's true that consumer products exec. vp Edward R. Taylor said Motorola may have to use RCA's 21-in. round color tubes in its first sets. It's also true that when Motorola asked tube industry to pick up ball on development of compact rectangular version of shadow-mask tube there were no publicly announced takers. But—

Development of tube is continuing, we understand, in labs of National Video Corp., which turned out first display samples of Motorola's tube last year. It's understood that National Video is now investigating whether tube is producible at cost & quality competitive with round tube; that it hopes to have pilot run and first quantity production of tube by year's end.

Motorola is silent on whole thing, except to say development is continuing and to point out that tube is not being produced anywhere nor is it ready for production.

So don't dismiss it just because you haven't heard anything about it recently. Many people in industry say it can't be done at present time with quality & economy. But others think it just might be possible—and they're working on it.

'SOMETHING NEW' IN '62? This is time of year when TV manufacturers play cards very close to chest to avoid giving competition clues to their plans for new models. Trends for spring-summer lines are still carefully guarded, locked in labs. But we can make some surmises.

Will there be something "really new" in black-&-white new-set introductions this year? We have feeling there will be. Can't say what, just yet . . . or who. And we could be wrong . . . this development could be for next year.

In more prosaic business of guessing trends in picture-tube sizes, here's way we see it:

There's no question 19-in. portable will continue to dominate market—but, with restyling, there could be surprising vitality in 23-in. business. Trend away from 110-degree tube in 23-in. size should continue, with more emphasis placed on slightly deeper (but less expensive) 90-degree.

Sleeper of the year has been 27-in. size, now selling far more heavily than when originally introduced many years ago. Trend to 27-in. will be accelerated (it will soon be joined by private-labelers Wells-Gardner, Trav-Ler & Muntz) and by mid-summer nearly everybody should have his feet in.

Will there be another big size—a square-cornered 27-in., or, more properly, a 29-in.? We say no. Sounds attractive, but as one industry specialist commented, "it would cost & weigh like a pool table." Everybody's interested in this size until they see costs. 'Taint worth it; 27-in. is good enough.

At other end of scale—what about the jelly-glass sizes? Inspired by success of imports with 8½-in. tubes, at least one small U.S. manufacturer is exploring whether to offer tiny-tube personal set. There's some evidence that this won't become trend, that public—which always has preferred bigger & bigger tubes—hasn't changed.

Moving up size ladder, we find little enthusiasm for 14-in., Matsushita's bookshelf portable notwithstanding. We may be wrong, but we can't see it.

Then there's the new lightweight bonded 16-in. bottle being offered by Corning. Nobody knows if public will dig that one, but we think somebody's going to try to find out. Principal advantage of this size is that it may make possible set weighing about 20 lb. (although bulb itself weighs 7 lb., cap & resin 4 lb.). Disadvantage: 16-in. set would cost almost as much as 19-in. Nevertheless, we think somebody will take chance with it.

HEAVY CONCENTRATION ON 19-IN.: Just how big the 19-in. business is going to be this quarter isn't clear—but apparently most TV set makers think it's going to be plenty big, stimulated by new lower prices.

There's evidence that factories are concentrating on low-end merchandise even more strongly than consumers, at the moment. This could be pipeline-filling in anticipation of mad rush for portables when consumer discovers what a great buy he can get in this category.

All of industry's inventory build-up during first 5 weeks of 1962 has been in 17- & 19-in. sets—and then some. Fact is that production of portables & table models during this period has been far greater than distributor sales in this category. At same time, distributors have been selling more 23-in. consoles & combinations than industry is making, and inventories of them are dropping.

Situation could quickly be reversed, but apparently industry's marketing experts are banking on a big run on portables—and trend away from consoles & combinations—and factories are gearing output accordingly. If consumer doesn't act as anticipated, there could even be tight situation in high-end models—glory be!

Trend toward lower-priced portables is sweeping industry—and never has consumer been offered greater bargains in TV. Latest price cut comes from TV's No. 1 producer, Zenith, which announced new version of its formerly \$169.95 portable 19-incher (with carrying handle removed) at \$149.95, including mono-pole antenna, power transformer, 18,000-volt circuit, 3 stages of amplification, front speaker. Step-up at \$159.95 is former \$169.95 set, carrying handle & all.

RCA came out with special promotion for Feb. 26-March 10, including 17-in. portable with roll-around stand at \$149.95, new 23-in. contemporary consolette at \$238.88 and open-list color set.

ATTRITION IN PICTURE-TUBE BUSINESS: Two independent picture-tube manufacturers have discontinued production, blaming industry's pricing structure. There may be other shutdowns by smaller manufacturers & rebuilders—paradoxically occurring in time of good demand for tubes.

Thomas Electronics, Passaic, N. J., 2nd largest "independent" picture-tube maker—that is, with no set maker affiliation—has shut down its TV tube plant pending complete audit of business. Thomas may return to picture-tube business, according to exec. vp Robert J. Hart—but on other hand it may choose to concentrate on its military & component business.

"Our major assembly lines are closed down," Hart told us. "We're looking at the export market, and producing a negligible quantity of tubes for warranty business, and so forth. However, we can start up on very short notice."

On West Coast, Pioneer Electronics Corp., Los Angeles, also discontinued picture-tube production—and again blaming industry price structure. Pioneer will continue to market picture tubes, which will be made for it by Sylvania. Another West Coast picture-tube producer also is understood to be seriously considering bowing out of manufacturing & rebuilding field.

Apparent anomaly of manufacturer drop-outs during time of "good business" in picture-tube industry is explainable in terms of current pricing and emphasis on low-end merchandise. Picture-tube people refer to their hotly competitive field as "a rat race" and point to drop-outs in recent years by such companies as Raytheon, Du Mont & CBS Hytron.

Picture-tube production facilities were expanded to take care of demand in mid-1950s, when sales ran about 10 million tubes a year. First wave of attrition began when tube sales dropped to recent pace of around 9 million annually. At same time, prices dropped sharply. From average factory price of \$24.50 in

1953 (when picture tube sales set all-time high of \$244.6 million at factory) there was slow decline to \$19.34 in 1959 (total sales \$183.8 million), with industry's low ebb in dollar volume reached in 1958 with \$163.5 million.

Probably due to bonded tubes and new square-corner design, average price rose to \$20.10 in 1960, but poor TV year kept total sales at \$180.8 million (9 million tubes.) Figures for 1961, released last week, show increase to 9.5 million tubes, dollar volume of \$185.6 million (see p. 11)—best gross figure since 1956. But figures don't reflect profit squeeze on smaller manufacturers, whose costs rose with introduction of new type tubes but who had to keep prices down to remain competitive. And in 1961, factory price of average tube began dropping again—to \$19.95 from 1960's \$20.10—reflecting heavy price competition.

Tube makers today are particularly concerned about set manufacturers' stress on low-end 19-in. merchandise, which, of course, means more cheap tubes, lower profit per tube—at time when sales volume is high and plants are humming. Before year is over, we may see more drop-outs in 2nd-echelon.

OFFICIAL 1961 TV PRODUCTION—6,177,979: EIA closed its books on 1961 TV & radio production last week, and final tally showed output to be slightly higher than preliminary reports indicated (Vol. 2:2 p7). TV production closed officially at 6,177,797 units, up strongly from 5,708,346 in 1960. Radio, although saddled with production drop of nearly one million auto units, climbed to its 2nd best year with output of 17,373,846 sets, vs. 17,126,518 preceding year.

TV was helped by strong December finish which saw output of 580,262 sets, compared with 405,468 in 1960's final month. Radio also finished fast, production jumping to 1,845,206 from 1,521,734 in Dec. 1960.

Year was not a good one, however, for uhf. Sets with uhf tuners totaled 370,977, down from 428,527 in 1960, down from 435,600 in 1959, down to a new low from 1953's high of 1,459,500. Since 1953, uhf production, with sole exception of 1959, has tumbled each successive year. December uhf production rose to 38,772 from 22,689 in year-earlier month, but rise wasn't enough to affect year-long production drag.

1961 was a good year, banner, for FM, EIA's figures, which count only table radios and FM, show healthy rise to 915,297 from 904,766 in 1960. FM radio also had big December, with output of 110,822 units, up more than double Dec. 1960's 52,437.

FM's real 1961 story, however, is that production reached record heights, counting all FM-receiving devices. Adding to the 915,297 FM table radios the FM-equipped phono consoles, imports and other FM-receiving units purchased by public in 1961, total figures soars for record of more than 2.5 million units. This compares with some 2 million in 1950, another good FM year. With FM stereo starting to take root, and manufacturers unable to keep up with stereo demand (Vol. 2:7 p7), FM's future never looked brighter.

Here are EIA's official 1961 production figures, with 1960 comparisons:

	TELEVISION				RADIO					
	Total Production		UHF Production		Total Production		Auto Radio Production		FM Production	
	1961	1960	1961	1960	1961	1960	1961	1960	1961	1960
January	367,935	526,494	25,270	50,119	1,090,073	1,355,788	387,136	632,461	50,421	33,816
February	444,418	503,453	24,514	43,537	1,115,029	1,442,368	307,973	596,872	41,357	56,515
March	497,458	549,500	21,450	45,411	1,384,052	1,667,550	384,227	633,761	75,044	83,127
April	405,808	422,551	19,095	39,240	1,124,924	1,230,323	375,570	399,963	51,260	68,196
May	470,399	442,176	22,782	32,295	1,196,949	1,277,040	408,875	463,165	49,705	65,438
June	615,118	518,870	34,641	34,245	1,626,263	1,551,451	518,010	596,870	88,808	105,317
July	383,378	268,854	23,233	14,621	1,030,399	890,359	320,128	328,009	48,114	49,707
August	514,674	462,286	33,946	26,829	1,385,101	1,048,406	451,374	340,860	69,090	71,125
September	694,580	678,937	41,253	46,161	2,048,698	1,945,092	591,493	788,961	110,174	111,745
October	620,815	499,999	43,198	38,999	1,796,391	1,727,560	576,529	639,357	95,318	88,596
November	582,952	429,757	42,743	34,381	1,730,761	1,468,847	588,343	596,872	125,184	86,323
December	580,262	405,468	38,772	22,659	1,845,206	1,521,734	658,687	520,907	110,822	52,437
TOTAL	6,177,797	5,708,346	370,977	428,527	17,373,846	17,126,518	5,568,345	6,432,212	915,297	904,766

Factory sales of phonos dropped sharply in 1961, paced by first annual slump in stereo sales since rise began in 1958. Mono sales, which have been slipping yearly since 1958, continued downward trend.

Total 1961 factory phono sales closed out at 3,988,680, down from 4,523,385 in 1960. EIA's compilation shows stereo sales sagged to 2,900,249 from 1960's record 3,339,777; mono to 1,088,431 from 1,183,608.

Month	PHONO FACTORY SALES					
	1961		Total	1960		Total
Mono	Stereo	Mono		Stereo		
January	80,366	211,383	291,749	118,400	341,329	459,729
February	50,710	204,638	255,348	92,648	324,666	417,315
March	62,396	227,469	289,865	63,264	242,523	305,787
April	53,074	152,974	206,048	30,962	142,409	173,371
May	53,887	142,450	196,337	36,793	146,176	182,962
June	61,533	197,170	258,703	69,293	198,407	267,700
July	70,681	171,331	242,012	70,992	222,559	293,551
August	106,157	242,164	348,321	109,321	307,517	410,838
September ..	124,142	328,045	452,187	146,997	384,289	531,286
October	151,580	350,254	501,834	143,160	391,821	534,981
November ..	141,083	358,285	499,368	177,786	343,006	520,792
December ..	132,822	314,086	446,908	123,991	295,075	419,066
TOTAL ...	1,088,431	2,900,249	3,988,680	1,183,608	3,339,777	4,523,385

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HEAVY CONCENTRATION ON 19-IN.: Just how big the 19-in. business is going to be this quarter isn't clear—but apparently most TV set makers think it's going to be plenty big, stimulated by new lower prices.

There's evidence that factories are concentrating on low-end merchandise even more strongly than consumers, at the moment. This could be pipeline-filling in anticipation of mad rush for portables when consumer discovers what a great buy he can get in this category.

All of industry's inventory build-up during first 5 weeks of 1962 has been in 17- & 19-in. sets—and then some. Fact is that production of portables & table models during this period has been far greater than distributor sales in this category. At same time, distributors have been selling more 23-in. consoles & combinations than industry is making, and inventories of them are dropping.

Situation could quickly be reversed, but apparently industry's marketing experts are banking on a big run on portables—and trend away from consoles & combinations—and factories are gearing output accordingly. If consumer doesn't act as anticipated, there could even be tight situation in high-end models—glory be!

Trend toward lower-priced portables is sweeping industry—and never has consumer been offered greater bargains in TV. Latest price cut comes from TV's No. 1 producer, Zenith, which announced new version of its formerly \$169.95 portable 19-incher (with carrying handle removed) at \$149.95, including mono-pole antenna, power transformer, 18,000-volt circuit, 3 stages of amplification, front speaker. Step-up at \$159.95 is former \$169.95 set, carrying handle & all.

RCA came out with special promotion for Feb. 26-March 10, including 17-in. portable with roll-around stand at \$149.95, new 23-in. contemporary consolette at \$238.88 and open-list color set.

ATTRITION IN PICTURE-TUBE BUSINESS: Two independent picture-tube manufacturers have discontinued production, blaming industry's pricing structure. There may be other shutdowns by smaller manufacturers & rebuilders—paradoxically occurring in time of good demand for tubes.

Thomas Electronics, Passaic, N. J., 2nd largest "independent" picture-tube maker—that is, with no set maker affiliation—has shut down its TV tube plant pending complete audit of business. Thomas may return to picture-tube business, according to exec. vp Robert J. Hart—but on other hand it may choose to concentrate on its military & component business.

"Our major assembly lines are closed down," Hart told us. "We're looking at the export market, and producing a negligible quantity of tubes for warranty business, and so forth. However, we can start up on very short notice."

On West Coast, Pioneer Electronics Corp., Los Angeles, also discontinued picture-tube production—and again blaming industry price structure. Pioneer will continue to market picture tubes, which will be made for it by Sylvania. Another West Coast picture-tube producer also is understood to be seriously considering bowing out of manufacturing & rebuilding field.

Apparent anomaly of manufacturer drop-outs during time of "good business" in picture-tube industry is explainable in terms of current pricing and emphasis on low-end merchandise. Picture-tube people refer to their hotly competitive field as "a rat race" and point to drop-outs in recent years by such companies as Raytheon, Du Mont & CBS Hytron.

Picture-tube production facilities were expanded to take care of demand in mid-1950s, when sales ran about 10 million tubes a year. First wave of attrition began when tube sales dropped to recent pace of around 9 million annually. At same time, prices dropped sharply. From average factory price of \$24.50 in

1953 (when picture tube sales set all-time high of \$244.6 million at factory) there was slow decline to \$19.34 in 1959 (total sales \$183.8 million), with industry's low ebb in dollar volume reached in 1958 with \$163.5 million.

Probably due to bonded tubes and new square-corner design, average price rose to \$20.10 in 1960, but poor TV year kept total sales at \$180.8 million (9 million tubes.) Figures for 1961, released last week, show increase to 9.5 million tubes, dollar volume of \$185.6 million (see p. 11)—best gross figure since 1956. But figures don't reflect profit squeeze on smaller manufacturers, whose costs rose with introduction of new type tubes but who had to keep prices down to remain competitive. And in 1961, factory price of average tube began dropping again—to \$19.95 from 1960's \$20.10—reflecting heavy price competition.

Tube makers today are particularly concerned about set manufacturers' stress on low-end 19-in. merchandise, which, of course, means more cheap tubes, lower profit per tube—at time when sales volume is high and plants are humming. Before year is over, we may see more drop-outs in 2nd-echelon.

OFFICIAL 1961 TV PRODUCTION—6,177,979: EIA closed its books on 1961 TV & radio production last week, and final tally showed output to be slightly higher than preliminary reports indicated (Vol. 2:2 p7). TV production closed officially at 6,177,797 units, up strongly from 5,708,346 in 1960. Radio, although saddled with production drop of nearly one million auto units, climbed to its 2nd best year with output of 17,373,846 sets, vs. 17,126,518 preceding year.

TV was helped by strong December finish which saw output of 580,262 sets, compared with 405,468 in 1960's final month. Radio also finished fast, production jumping to 1,845,206 from 1,521,734 in Dec. 1960.

Year was not a good one, however, for uhf. Sets with uhf tuners totaled 370,977, down from 428,527 in 1960, down from 435,600 in 1959, down to a new low from 1953's high of 1,459,500. Since 1953, uhf production, with sole exception of 1959, has tumbled each successive year. December uhf production rose to 38,772 from 22,689 in year-earlier month, but rise wasn't enough to affect year-long production drag.

1961 was a good year, banner, for FM, EIA's figures, which count only table radios and FM, show healthy rise to 915,297 from 904,766 in 1960. FM radio also had big December, with output of 110,822 units, up more than double Dec. 1960's 52,437.

FM's real 1961 story, however, is that production reached record heights, counting all FM-receiving devices. Adding to the 915,297 FM table radios the FM-equipped phono consoles, imports and other FM-receiving units purchased by public in 1961, total figures soars for record of more than 2.5 million units. This compares with some 2 million in 1950, another good FM year. With FM stereo starting to take root, and manufacturers unable to keep up with stereo demand (Vol. 2:7 p7), FM's future never looked brighter.

Here are EIA's official 1961 production figures, with 1960 comparisons:

	TELEVISION				RADIO					
	Total Production 1961	1960	UHF Production 1961	1960	Total Production 1961	1960	Auto Radio Production 1961	1960	FM Production 1961	1960
January	367,935	526,494	25,270	50,119	1,090,073	1,355,788	387,136	632,461	50,421	33,816
February	444,418	503,453	24,514	43,537	1,115,029	1,442,368	307,973	596,872	41,357	56,515
March	497,458	549,500	21,450	45,411	1,384,052	1,667,550	384,227	633,761	75,044	83,127
April	405,808	422,551	19,095	39,240	1,124,924	1,230,323	375,570	399,963	51,260	68,196
May	470,399	442,176	22,782	32,295	1,196,949	1,277,040	408,875	463,165	49,705	65,438
June	615,118	518,870	34,641	34,245	1,626,263	1,551,451	518,010	596,870	88,808	105,317
July	383,378	268,854	23,233	14,621	1,030,399	890,359	320,128	328,009	48,114	49,707
August	514,674	462,286	33,946	26,829	1,385,101	1,048,406	451,374	340,860	69,090	71,125
September	694,580	678,937	41,253	46,161	2,048,698	1,945,092	591,493	788,961	110,174	111,745
October	620,815	499,899	43,198	38,999	1,796,391	1,727,560	576,529	639,357	95,318	88,596
November	582,952	429,757	42,743	34,381	1,730,761	1,468,847	588,343	596,872	125,184	86,323
December	580,262	405,468	38,772	22,659	1,845,206	1,521,734	658,687	520,907	110,822	52,437
TOTAL	6,177,797	5,708,346	370,977	428,527	17,373,846	17,126,518	5,568,345	6,432,212	915,297	904,766

Factory sales of phonos dropped sharply in 1961, paced by first annual slump in stereo sales since rise began in 1958. Mono sales, which have been slipping yearly since 1958, continued downward trend.

Total 1961 factory phono sales closed out at 3,988,680, down from 4,523,385 in 1960. EIA's compilation shows stereo sales sagged to 2,900,249 from 1960's record 3,339,777; mono to 1,088,431 from 1,183,608.

Month	PHONO FACTORY SALES					
	1961			1960		
	Mono	Stereo	Total	Mono	Stereo	Total
January	80,366	211,383	291,749	118,400	341,329	459,729
February	50,710	204,638	255,348	92,648	324,666	417,315
March	62,396	227,469	289,865	63,264	242,523	305,787
April	53,074	152,974	206,048	30,962	142,409	173,371
May	53,887	142,450	196,337	36,793	146,176	182,969
June	61,533	197,170	258,703	69,293	198,407	267,700
July	70,681	171,331	242,012	70,992	222,559	293,551
August	106,157	242,164	348,321	109,321	307,517	416,838
September	124,142	328,045	452,187	146,997	384,289	531,286
October	151,580	350,254	501,834	143,160	391,821	534,981
November	141,083	358,285	499,368	177,786	343,006	520,792
December	132,822	314,086	446,908	123,991	295,075	419,066
TOTAL	1,088,431	2,900,249	3,988,680	1,183,608	3,339,777	4,523,385

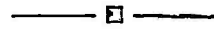
TV-RADIO PRODUCTION: EIA statistics for weeks ended Feb. 9 (5th and 6th weeks of 1962):

	Jan. 27-Feb. 2	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV	132,423	146,293	112,301	623,737	480,236
Total radio	334,491	358,231	289,045	1,665,620	1,379,118
auto radio	122,407	132,241	101,244	640,754	488,380

	Feb. 3-9	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV	142,731	132,423	110,410	766,468	590,646
Total radio	246,894	334,491	264,411	1,912,514	1,643,529
auto radio	125,431	122,407	79,281	766,185	567,661

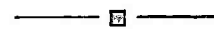
TOPICS & TRENDS

European approaches to picture-tube implosion shielding: Mullard, Philips' British subsidiary, is marketing bonded tubes with plastic caps similar to Corning's molded glass caps. Its parent Philips, Netherlands, is experimenting with unique approach—picture tube which uses no shielding at all. Developmental "implosion-proof" tube has neck encased in polyester & fiberglass sleeve for strength. Preliminary experiments have shown that while tube can be cracked or broken, it won't implode, because added strength around neck prevents "faults" in glass from spreading, permitting air to enter.



ID suit against Philco & Philco Finance Corp. has been filed in Los Angeles Superior Court by Sol Hirschhorn, secy. of Credit Merchants Assn. of S. Cal., asking \$250,000 damages on charge that Philco based its ID tape-plan on idea he submitted in 1955 at company's request. He charges he copyrighted plan in 1952, conceived it to merchandise food freezers via retail groceries. Hirschhorn says Philco requested plan in 1955.

• Loblaw Inc., Pittsburgh supermarket chain is suing Appliance Associates officials, including Pres. Melvin S. Landau, for \$39,934 it claims is still due on ad allowances in connection with AA's tape-register plan carried in 43 Loblaw stores. Appliance Associates had notified Loblaw it was canceling tape-promotion, effective Feb. 15 (Vol. 2:6 p9).



New Sonora TV-Stereo line, made by Trav-Ler for national distributor Park Radio Service (Vol. 2:5 p9), was introduced last week in N. Y. Five-set TV line starts with 17-in. portable at \$139.95, with 19-in. sets at \$159.95 & \$179.95, and 23-in. consoles at \$229.95-\$259.95. Stereo line includes portables at \$69.95, consoles \$124.95 & \$129.95 with AM radio. Sonora also has special full-feature open-list 19-in. portable for marketing thru electronic parts jobbers, may eventually offer full TV line for jobbers.



Macy's is taking orders for 14-in. Panasonic TVs by Matsushita in its N. Y. stores—delivery in 3-4 months. Unique full-page newspaper ads last week were devoted to this Japanese import, stated that Macy's had 6 sample receivers—one in each N. Y. store—and offered to take orders for May-June delivery. Ads said sets were "flown VIP on a jet flight from Tokyo to N. Y." Macy's ads even told readers how to pronounce Matsushita.



GE will gradually close its tube plant at Scranton, Pa., starting in April, and will move production facilities to its Owensboro, Ky. plant. Scranton plant mgr. James E. Campbell said the facility, operated by GE since 1953, has been operating at less than 1/3 capacity for some time, that consolidation of operations is necessary if GE is to remain competitive with other tube manufacturers. Plant employs 300 persons.



TelePrompter Corp. enters component hi-fi field with acquisition of Weathers Industries, Barrington, N. J. manufacturer of speakers, turntables & stereo pickup systems.



FM stereo came to Pittsburgh last week, with debut of stereocasts on WKJF—72nd station to initiate stereo broadcasting.

Trade Personals

Robert S. Alexander, board chairman of Wells-Gardner, elected vp of ITT's U.S. Instrumentation & Equipments Group, including ITT Industrial Products Div., Industrial Labs & Export Dept. ITT owns about 10% of Wells-Gardner stock.

Charles G. Sherwood, former exec. asst. to head of ITT's U.S. Commercial Group, elected exec. vp of ITT Europe Inc., ITT's Brussels-based European headquarters organization.

Robin Kersh named Westinghouse corporate sales vp, headquartering in Pittsburgh, succeeded as head of North-eastern region by R. H. Wagner, elected a vp; Roy V. Gavert elected mfg. vp, succeeding D. C. Burnham, appointed vp-gen. mgr. of Westinghouse's new industrial products group (see below); S. W. Herwald, formerly research vp, elected vp-gen. mgr. of new electronic components & specialty products group.

John L. Hanigan, Corning Electrical Products vp-gen. mgr., has left on business tour of Europe; Allen W. Dawson, mgr. of Corning's TV bulb sales dept., recently returned from Europe.

Henry J. Noebels appointed Beckman Instruments international research dir. . . Donald T. Spaulding named pres. of IBM's Federal Systems Div. . . Charles T. Zavales joins Del Electronics, Mount Vernon, N.Y., as engineering vp.

John Bennett appointed parts & service ad & sales promotion dir., Philco Consumer Products Div. . . Felix N. Millecan, ex-Stromberg Carlson, named Sylvania Home Electronics product planning supervisor.

Stewart Pfannstiehl elected Oak Mfg. senior vp, a new post, succeeded as mktg. vp by Eugene M. Keys.

Edward G. Dooley named antenna mktg. mgr., Sylvania Electronics Systems eastern operation, Waltham, Mass.; James R. Wescott named programs mgr.

Jesse R. Lien, Sylvania Electronics Systems' western operation gen. mgr. (Mountain View, Cal.), Richard M. Osgood, eastern operation gen. mgr. (Waltham, Mass.) and H. C. Tittle, central operation gen. mgr. (Buffalo) appointed vps.

Amateur William G. Welsh, Burbank, Cal., has been awarded GE's 1961 Edison Radio Amateur Award for public service. An engineering writer who operates station W1SAD/6, he has voluntarily taught electronics to more than 2,800 people during last 10 years. Special citations went to Robert T. Herndon, Port Lavaca, Tex., for providing emergency communications following Hurricane Carla; Eugene M. Link, Boulder, Colo., for assisting Denver Weather Bureau; George L. Thurston, Tallahassee, Fla., for organization, planning and coordination of civil emergency radio communications in Fla. Awards will be presented at banquet in Washington Mar. 1.

Westinghouse has realigned 6 former product groups into 8, including consumer products, air conditioning, and new industrial and electronic components & specialty groups. Explained Pres. Mark W. Cresap: "New products developed within the past 6 years alone now account for a very substantial and rapidly growing share of our annual sales. The new structure will enable us to define our targets more clearly and exploit our opportunities more promptly and fully in the period of renewed growth which is clearly indicated for our industry."

1961 PICTURE TUBE SALES UP: Factory sales of TV picture tubes in 1961 outran the 1960 volume in both units & dollars by comfortable margins, EIA reported last week. Receiving tube sales, however, lagged behind the year-ago pace in both categories. Picture tubes sales rose to 9,306,927 units valued at \$185,553,642 in 1961, compared with 1960's 9,013,671 units at \$180,832,131. Receiving tubes slumped to 375,006,000 units at \$311,098,000 from 393,055,000 units at \$331,742,000 in 1960.

Both TV picture & receiving tubes closed out 1961 with rousing December finishes. Factory sales of TV picture tubes jumped to 709,556 units valued at \$14,099,555 from 531,747 units at \$11,042,159 in 1960's final month. Receiving tube sales rose to 29,052,000 at \$25,084,000 from 27,066,000 at \$23,571,000 in Dec. 1960.

Here are EIA's final figures for 1961:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January	707,833	\$14,430,602	26,343,000	\$22,227,000
February	728,989	14,395,981	25,803,000	21,865,000
March	936,098	18,725,011	36,635,000	30,719,000
April	722,110	14,233,375	28,687,000	24,392,000
May	673,315	13,238,774	29,823,000	25,308,000
June	806,852	15,887,776	31,463,000	25,989,000
July	457,181	9,364,364	27,566,000	20,979,000
August	870,578	17,239,228	36,907,000	31,347,000
September	946,405	18,981,210	37,611,000	30,472,000
October	912,281	18,000,957	32,480,000	26,155,000
November	835,929	16,896,809	32,636,000	26,561,000
December	709,556	14,099,555	29,052,000	25,084,000
1961 Totals	9,306,927	\$185,553,642	375,006,000	\$311,098,000
1960 Totals	9,013,671	180,832,131	393,055,000	331,742,000

Japanese manufacturers are worried about "cheap imports from the U.S.," reported Feb. 12 *Wall St. Journal*, adding: "In words reminiscent of U.S. companies' statements, they're arguing that Japanese firms & workers must be protected from an inflow of cheaper goods from abroad. Where American manufacturers talk of low labor costs of their foreign competitors, the Japanese contend their rivals abroad are better financed & more efficient." To protect home manufacturers, *Journal* noted, Japanese authorities in some case permit import of only most expensive models made by foreign firms. Example: "A 21-inch RCA color TV set is priced at \$1,380, exactly equal to the price of the most expensive Japanese model. A Sunbeam toaster sells for \$37.50 compared with \$7 for a Japanese National."

Packard Bell Electronics anticipates record TV & radio sales and profits this year, is forecasting a "minimum 60% increase for the entire home products line," Home Products Div. vp Kenneth R. Johnson reported. His optimism is based on these factors: Packard Bell's January dollar volume of home product sales jumped 87% ahead of year-earlier month; Dec.-Jan. b&w TV factory sales soared 94%; color TV sales are running 5 times ahead of year-ago pace; Dec.-Jan. stereo sales increased 12%.

Manufacturers of TV & radio sets, phonographs, components and allied items paid excise taxes of \$45,944,000 during quarter ending Dec. 31, 1961, compared with \$41,411,000 in same 1960 period, according to Internal Revenue Service. However, in first half of fiscal 1962, taxes were \$93,454,000, vs. \$97,081,000 in same 1961 period.

Distributor Notes: Sylvania appointments: Graybar, 180 Perry St., Buffalo (E. H. Wilkinson, branch mgr.) and Gilbert Distributors Inc., 2160 E. Main St., Rochester (Richard C. Gilbert, pres.); Carl A. Johnson named Sylvania Western district sales rep, headquartering in Omaha.

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
Belock Instrument	1961—year to Oct. 31	\$ 9,342,210	\$(1,260,212)	\$(3,390,920) ¹	—	928,533
	1960—year to Oct. 31	13,206,555	(848,352)	(424,352)	—	928,533
Bendix	1961—qtr. to Dec. 31	187,741,209	—	5,041,782	.94	5,390,926
	1960—qtr. to Dec. 31	181,661,340	—	7,632,537 ^a	1.42 ^a	8,637,290
CBS INC.	1961—year to Dec. 31	473,843,935 ²	—	22,037,828	2.55	5,379,529
	1960—year to Dec. 31	464,598,318	—	23,235,074	2.69	8,633,706
	1961—qtr. to Dec. 31	134,825,689 ²	—	9,384,315 ²	1.08	8,637,290
	1960—qtr. to Dec. 31	128,016,098	—	7,738,761	.89	8,633,706
GT&E	1961—year to Dec. 31 ²	1,227,000,000 ²	—	73,774,000 ³	\$1.00 ⁴	73,287,000
	1960—year to Dec. 31	1,179,000,000	—	72,430,000	1.04 ⁴	71,698,000
International Rectifier	1961—6 mo. to Dec. 31	7,748,801	1,062,423	501,413	.21	2,412,028
	1960—6 mo. to Dec. 31	6,941,832	1,242,204	602,204	.25	2,405,708
	1961—qtr. to Dec. 31	4,219,170	471,373	216,333	.09	2,412,028
	1960—qtr. to Dec. 31	3,604,336	665,021	321,537	.13	2,405,708
Lofoyette Radio & Electronics	1961—6 mo. to Dec. 31	12,131,076	—	338,897 ⁷	.31	1,050,050
	1960—6 mo. to Dec. 31	10,991,625	—	376,348	.36	1,025,000
MPO Videotronics	1961—year to Oct. 31	8,328,662	375,688	210,688	.50	420,000
	1960—year to Oct. 31	7,865,971	677,499	349,499	.85	410,000
NT&T	1961—qtr. to Dec. 26	9,853,388	—	(28,880) ⁵	—	2,830,363
	1960—qtr. to Dec. 26	9,845,535	—	(114,574)	—	2,816,247
Perkin-Elmer	1962—6 mo. to Jan. 31	12,865,000	—	430,931	.34	1,257,449
	1961—6 mo. to Jan. 31	11,909,095	—	435,681	.35	1,248,860
Transcontinent TV	1961—year to Dec. 31	—	—	1,331,179	.75	—
	1960—year to Dec. 31	—	—	1,185,056	.67	—
Transitron Electronic	1961—27 wks. to Dec. 30	16,224,973	786,105	416,601	.06	7,503,368
	1960—26 wks. to Dec. 24	23,526,301	7,685,495	3,667,645	.49	7,502,500

Notes: ¹ Includes \$1.7-million loss from operation of Everest Record Div. & \$880,000 provision for estimated losses on fixed-price contracts. ² Preliminary. ³ Record. ⁴ After preferred dividends. ⁵ Before non-recurring net of \$411,270 from sale of motion-picture process. ⁶ Includes

non-recurring net of \$3,214,287 (60¢ a share) from sale of Elliott-Automation Ltd. shares. ⁷ After non-recurring \$125,000 expenses incurred establishing new warehouse & retail facilities at Syosset, L.I.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
AB-PT	Q	\$0.25	Mar. 15	Feb. 23
AT&T	Q	.90	Apr. 2	Mar. 1
Andrea Radio	Q	.12½	Mar. 15	Mar. 1
Famous Players Can	Q	.25	Mar. 9	Feb. 21
CBS Inc.	Q	.35	Mar. 9	Feb. 23
GE Co. Ltd.	A	3%	Apr. 17	Feb. 27
GPE	Q	.30	Mar. 15	Feb. 28
Hazeltine	Q	.20	Mar. 15	Mar. 1
Indiana General	Q	.20	Mar. 9	Feb. 23
Minnesota Mining	Q	.20	Mar. 12	Feb. 23
Sprague Electric	Q	.30	Mar. 14	Feb. 28
Time Inc.	Q	.75	Mar. 9	Feb. 23

Transitron Electronic profit in fiscal-1962's 2nd quarter, ended Dec. 30, rose to a "little more" than the \$204,653 (3¢ a share) earned in July-Sept. period despite sales decline to around \$7.7 million from \$8.4 million. Indicated first-half profit of \$410,000 is down substantially from year-earlier net of \$3,667,645; sales dropped to about \$16.1 million from \$23.5 million in fiscal-1961's first half.

Vornado is offering common stock holders rights to subscribe to about \$5,243,400 of 5% convertible debentures due Mar. 1, 1982. Stockholders may purchase securities at par at rate of \$100 principal amount of debentures for each 25 common shares held of record Feb. 14. Rights expire Mar. 1. Underwriters are headed by Bache & Co.

CBS Sets 1961 Sales Record: CBS Inc. sales rose to record \$473.8 million in 1961 from previous record \$464.6 million in 1960, but net earnings dropped 5% to \$22 million from \$23.2 million (see financial table).

Sales & earnings in 1961's final quarter also set records. December-quarter volume rose to \$134.8 million from \$128 million in year-earlier quarter. Profits increased to \$9.4 million from \$7.7 million.

Chmn. William S. Paley & Pres. Frank Stanton, in year-end report, noted that unprofitable CBS Electronics Div. was discontinued last summer (Vol. 17:23 p18) to eliminate its drain on earnings. Virtually all of its assets have been disposed of and losses & expenses related to the disposition were charged to and retained earnings, not income.

CBS directors voted to hold 1962 annual meeting at Television City in Los Angeles on April 18, marking first time stockholders will meet away from N.Y. Decision was taken to accommodate CBS's many West Coast stockholders; 10% of shareholders reside in California alone.

Axe Science & Electronics closed its 1961 calendar year Dec. 31 with net assets of \$22,707,087—up from \$19,428,288 in 1960. Net assets per share rose to \$12.20 from \$11.34; capital shares increased to 1,860,639 from 1,712,599.

American Electronic Labs proposes a 2-for-1 split of common stock, subject to shareholder approval at Feb. 28 annual meeting. AEL currently has 116,960 shares outstanding.

FEB 26

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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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Broadcast

PUBLIC ACCLAIM OF TV AT PEAK, industry in position to make most of coverage triumph with public and public officials (p. 1).

PROSPECTS OF ALL-CHANNEL-SET LAW believed fair, most weight on side of bill prohibiting vhf-to-uhf shifts (p. 1).

ALLOCATIONS FILINGS AFFECT PICTURE LITTLE, with deintermixture chances still fading. Strong opposition, including political, to any pro-uhf moves (p. 3).

FCC'S 'STUDY IN DEPTH' OF CHICAGO will have Comr. Lee conduct hearing on local live programming of all 5 stations; Lee calls it "experiment" (p. 3).

STEWART ON GOVT. COMMUNICATIONS HOTSPOT, named by President to ride herd on all govt. spectrum users, given very broad powers (p. 4).

Consumer Electronics

PHILCO SCUTTLES 'ID' PLAN in sudden action, reporting that projected long-range results don't justify continuance (p. 7).

TV IMPORTS UP SHARPLY THIS YEAR, first 5 weeks bringing 8,000 Japanese-made receivers—compared with 18,000 in all of 1961 (p. 7).

PRICE DROP continues in new TV lines, RCA shaving its portables \$10-\$20. Packard-Bell develops low-low-lowboy stereo configuration to fit under windowsills (p. 8).

RECORD FM SALES of about 2.5 million units—radios, tuners, combinations—estimated for 1961, up 500,000 from 1960. Even sharper rise predicted for 1962 (p. 8).

FM STEREO SALES REFLECT growing pains. Consensus of manufacturers surveyed is that business is good & getting better but there's no runaway demand and there are problems (p. 9).

PUBLIC ACCLAIM OF TV AT PEAK: Networks and whole TV industry are riding extraordinary crest of public & governmental acclaim—achieved at extraordinary expense in funds and talent. As communicators, industry leaders would have none but themselves to blame if they fail to thrust home fully their costly triumphs, to public and public leaders.

Glenn-orbit coverage, including preliminaries and post-orbit celebrations & ceremonies, left scarcely anything to be desired. At cost of at least \$3 million, U.S. TV-radio covered the world. At Senate Commerce Subcommittee's hearing on all-channel bill (see below), Chmn. Pastore (D-R.I.) suspended proceedings so everyone could watch coverage of flight finish, later announced quietly that Glenn was safe aboard ship. Next day, when Sen. Yarborough (D-Tex.) complained of poor TV programs he'd seen while home ill, FCC Chmn. Minow was quick to remind him that orbit coverage was "magnificent—the finest public service, at the cost of millions of dollars." Pastore was right behind him with assertion that TV debates "were responsible for the great man we have in the White House today."

Add these to great success of Mrs. Kennedy's White House tour, to an upcoming NBC special "The World of Jacqueline Kennedy," to fact that White House is counting on networks to carry projected Kennedy-Khrushchev program designed for U.S. & Russian TV—plus countless other major public affairs & informational coups—and industry has every reason to expect governmental recognition.

Industry should be well on way to blunting drive toward more govt. regulation—if it makes most of its current contributions.

PROSPECTS OF ALL-CHANNEL-SET LAW: Both Congress and FCC found themselves in strained & awkward dilemma on TV allocations last week, caused by very effective campaign of vhf operators to hold their channels and forestall shift to uhf.

Sen. Pastore (D-R.I.), chmn. of Communications Subcommittee, made situation clear very quickly during hearing on FCC-proposed bill to require manufacture of all-channel sets (S-2109). He told Com-

mission, directly, that he has serious doubts about getting bill passed as is—because so many influential senators & congressmen won't go for it unless it is amended to preclude any shift of any vhf's to uhf.

Will FCC's hands be tied in solving allocations problem, he asked, if anti-vhf-shift-to-uhf provision is put in bill? Or, how's about forgetting bill now while you try to lick problem without it?

FCC Chmn. Minow had to beg off—and Pastore said he understood—because Commission is right in middle of determining 8 deintermixture cases. However, Minow said that Congress should leave such things as deintermixture to FCC “unless Congress wants to go into the frequency allocation business. I would hope you'd trust our processes. We don't want to be frozen by law.”

Minow reminded Pastore that Congress had once asked FCC to deintermix. “I'm the guy who said it,” Pastore responded, “but that was 7 years ago. Times may have changed.” He said he was impressed by reports of dislocations of service which might come from deintermixture—as emphasized by his colleagues. He noted strong views against deintermixture presented by Sen. Dirksen (D-Ill.) and Sen. Thurmond (D-S.C.), plus similar testimony at start of hearing by Reps. Springer (R-Ill.), Mack (D-Ill.), Hempbill (D-S.C.), Roberts (D-Ala.). Thus, he told Minow, one must face “political facts of life.”

All witnesses except EIA favored an all-channel bill, but virtually all—except couple uhfers—argued for an anti-uhf-shift provision, such as contained in Roberts bill (HR-9267). And all believed that bill should be tightened to make sure FCC powers to prescribe receiver performance be limited vhf-uhf reception capabilities—not color, screen size, etc. Minow said Commission would have no trouble agreeing on latter limitation.

What's probable upshot? FCC is 7-0 for all-channel bill. It's 4-3 for deintermixture. Quite apparent, then, isn't it, that it wants bill whether Congress freezes vhf status quo or not? We'd say that an all-channel bill has fair chance. Time & again, Pastore indicated reluctance to “shackle” FCC by putting anti-deintermixture language directly into law. However, there's strong possibility he'd work for “legislative history” and/or an FCC commitment to that effect—to mollify his anti-deintermixture colleagues. Maybe a Committee or Senate resolution would be the vehicle.

Pastore yearned for compromise, telling Minow: “Let's give a little to get a lot. Let's not give nothing and get nothing.” Talking about FCC powers, Minow observed: “We could go to all-uhf tomorrow.” Pastore shot back: “And get away with it?” This brought a large laugh from commissioners & audience.

EIA was the only major opponent of all-channel bill. Witness was L. M. (Sandy) Sandwick, staff dir. of Consumer Products Div., who told Subcommittee that manufacturers resent “unfair distortion” of their set-production policies—implication that they don't produce all-channel sets because of some dark reason. He repeated what set makers have always said—that they'll produce whatever public will buy.

To illustrate his thesis, Sandwick described his hegira to Allentown & Scranton-Wilkes-Barre, Pa., and Louisville, Ky. Operators of off-air WFMZ-TV Allentown told him, he said, that station went under simply because viewers got all the services they wanted from 3 network-affiliated Philadelphia stations. Successful Scranton-Wilkes-Barre operators, by contrast, said they flourish because they have network affiliations and terrain blocks out big-city vhf's. Louisville's new uhf WLKY offered still another kind of success story, he said. Though faced by 2 vhf competitors, it got primary network affiliation, did tremendous job of programming, promotion and dealer-serviceman evangelism—and is in black after a few months' operation.

EIA wants to help uhf, Sandwick said, offering EIA's aid in 3 ways: (1) It would inform manufacturers of uhf set-converters needs, so that ample uhf receiver supply would be available wherever needed. (2) It would help members promote sale and proper installation of uhf equipment. (3) It would do everything it could to spread word of uhf telecasting successes.

Sandwick argued that inclusion of uhf tuners in sets would raise average price of sets by \$30 to \$242—a 14% increase that might reduce sales by 14%. Antennas, he added, would cost \$14-\$35, with installation another \$15-\$25, considerably more than the \$25 total vhf-uhf set cost quoted by Minow.

RCA Pres. Elmer W. Engstrom submitted letter for record. It endorsed “aim of legislation” but expressed reservations about bill—concern lest it give FCC too much latitude in specifying “minimum performance” of receivers. Engstrom noted that addition of uhf to set would cost about \$30 at retail, adding 20% to price of portables which comprise 60% of production. He said that cost of uhf inclusion would be “substantially eased” by elimination of excise tax on vhf-uhf sets—long a goal of set makers.

Admiral sent letter repeating its position (Vol. 2:6 pl): go to uhf in 3 years; remove excise tax on vhf-uhf sets; don't pass all-channel bill. Motorola took position similar to EIA's—objecting to govt. dictation of production, asserting bill is too broad, urging all to wait for results of FCC's N. Y. uhf experiment.

Witnesses favoring bill, but with a protect-vhf provision, included: CBS Pres. Frank Stanton, NAB Pres. Collins, MST counsel Ernest Jennes, Meredith Bcstg. Pres. Payson Hall. National Grange PR dir. Jack Jackson was concerned lest bill lead to a vhf-to-uhf shift. Favoring bill, but not worried about vhf, were: Joint Council on Educational Bcstg. Secy. David C. Stewart; Lawrence Turet, uhf WXIX Milwaukee; William Putnam, WWLP Springfield; Lawrence Speiser, American Civil Liberties Union.

ALLOCATIONS FILINGS AFFECT PICTURE LITTLE: Allocations comments are in—hundreds of them—and we don't see that situation has changed much. Deintermixture's chances are slimmer, if anything, assuming all-channel-receiver bill will be passed, and there's at least fair chance of that (above).

Weight against any pro-uhf move—except all-channel bill—is so heavy, includes so much direct political power, that Commission may well finally settle for all-channel sets and hope that years of set-substitution will gradually produce audience large enough to encourage uhf construction.

Comments were much what you expected. The 8 vhfs which FCC proposed to deintermix filed massive reports predicting loss of service, particular rural. The 8 uhfs in same cities endorsed deintermixture's prospects for equalizing competition—or said: "Give us a vhf drop-in, instead." Newcomers who want to apply for short-spaced vhf drop-ins cheered FCC on. The vhfs whose contours would be invaded by drop-ins argued "loss of service."

In the over-all proceeding on "how to help uhf grow," here's essence of major filings:

ABC—Let's study higher standards for uhf, more lines, etc. CBS—Supports all-channel legislation, short-spaced vhf drop-ins and relaxed technical requirements for uhf. Opposes deintermixture, simultaneous vhf-uhf operations by single licensee, elimination of uhf table and uhf comparative hearings. NBC—Opposes dual vhf-uhf operations. RCA—Supports deintermixture, opposes dual vhf-uhf operations. Also agrees on elimination of maximum-minimum DA requirements proposed by FCC, says aural power shouldn't be reduced, recommends vestigial sideband attenuation should be function of transmitter power.

EIA—Don't cut aural power. Be careful in Ch. 14 assignments because of interference to land mobile service in 450-470 mc. Motorola—Same as EIA. National Assn. of Mfrs.—Give us the deintermixed vhf channels. Zenith—Pay TV will help uhf. So will deintermixture. Vhf drop-ins are no good; they'll degrade service. Philco—Make uhf tuner production simpler by having 3-channel separation among transmitters in any area. Committee for Competitive TV—Let's have more vhf drop-ins, in Akron, Asheville, Bridgeport, Milwaukee, Worcester. Relax uhf technical requirements. Dual vhf-uhf operation won't do much good unless there's move of TV to uhf. Adler—Relax technical requirements, remove uhf channel separation taboos for translators, increase translator power, give translators more channels.

National Assn. of Educational Bcstrs.—ETV needs 97 vhf, 825 uhf, assignments, so start a new rule-making to consider ETV requirements. Supports all-channel-set bill. Storer—Keep vhf. If uhf replaces vhf in Zone I, there wouldn't be enough uhfs to fill in white areas caused. Purdue U.—Give us 4 more uhf channels for airborne ETV.

Maximum Service Telecasters—Opposes deintermixture, short-spaced vhf drop-ins, dual vhf-uhf operations, elimination of uhf allocation table and uhf comparative hearings. Supports all-channel bill, relaxation of uhf technical requirements, more uhf for ETV.

FCC'S 'STUDY IN DEPTH' OF CHICAGO: FCC uncorked a dilly last week when it announced plans for "public inquiry" into Chicago TV programming—sessions in Chicago presided over by Comr. Lee.

Though such "studies in depth" were long ago promised by FCC, they'd been largely forgotten outside Commission. Nobody's renewal is in jeopardy. All 5 stations are involved, including educational WTTW.

Why Chicago? Well, Commission said: (1) The 1960 program policy statement said that licensees should determine needs of their communities. (2) Chicago is big, therefore complex and a "challenge" to telecasters. (3) People have complained to Commission about paucity of local live programming there. AFTRA, the talent union, has been particularly persistent in attacking WNBQ on that score.

Another barely possible reason—though not mentioned by FCC: Both Lee and Chmn. Minow are Chicagoans.

Start is scheduled March 19, with parties wishing to testify to notify FCC by March 12. Lee said such short notice may make it hard for him to turn down request for delay. He said he expects to keep hearing to no more than 5 days, will have his legal asst. Arthur Gladstone as counsel. "It's an experiment," he added. "I'll write a summary—no conclusions." Specifically, Commission said it wants information on:

"The efforts made by Chicago TV stations to determine the needs and interests of Chicago residents in the area of local live programming.

"The effectiveness with which Chicago TV stations have met the needs and interests of Chicago residents by broadcasting local live programs.

"The extent of public demand, if any, for additional or different types of local live TV programs than those now broadcast by Chicago TV stations."

Vote was 5-1, Hyde dissenting, Ford absent. Interestingly, when vote was taken, Ford was in Atlantic City, telling educators that broadcasters have duty to go out into community and "seek out needs." Then, he said: "Once having stirred up the various components of his community, it will be difficult for him to ignore them in designing his program schedule" (see p. 5). It's not difficult to visualize Chicagoans getting "stirred up" by some reports of the hearing. Outcome of Chicago test-case will determine whether Commission will do same in other cities.

STEWART ON GOVT. COMMUNICATIONS HOTSPOT: Most powerful man in U.S. govt. communications history was named by President Kennedy last week when he appointed Dr. Irvin Stewart to new post of Director of Telecommunications Management. Technically, he'll be an Asst. Director of the Office of Emergency Planning, now under Defense Dept.—but it's understood he took job with assurance he really reports directly to President.

Dr. Stewart is a veteran of govt. communications administration, highly respected by industry. He was FCC member 1934-1937, headed President's Communications Policy Board which reported to President Truman in 1950-1951, served on Special Advisory Committee on Telecommunications in 1958. He served as pres. of U. of W. Va. 1946-1958, is currently prof. of govt. at the university. He's 62.

Stewart must be confirmed by Senate, though, curiously, it's not yet certain which committee has jurisdiction—Commerce, Banking & Finance, Armed Services, Govt. Operations—or what.

President's order setting up position makes clear extensive powers it embraces. His basic role:

"Coordinate telecommunications activities of the executive branch of the Govt. and be responsible for the formulation, after consultation with appropriate agencies, of overall policies and standards therefor. He shall promote and encourage the adoption of uniform policies and standards by agencies authorized to operate telecommunications systems. Agencies shall consult [him] in the development of policies and standards for the conduct of their telecommunications activities within the overall policies of the executive branch."

Such powers include all assignment of frequencies to govt. users—taking over job of IRAC, which he could abolish if he chooses. Order also makes clear that he can't trespass on FCC's terrain: "Nothing contained in this order shall be deemed to impair any existing authority or jurisdiction of the FCC."

Now, all pulling & hauling over spectrum demands—between govt. & non-govt. users—will focus on Stewart and FCC. Obviously, job is one of toughest in govt., but those who know Stewart say he'll handle it if anyone can.

CURRENT CAPSULES

Closed-circuit "road shows" of Broadway hits are planned by Dynamic Theatre Networks Inc., div. of Dynamic Films Inc. Pres. Nathan Zucker announced last week Dynamic will televise 5 performances of Paddy Chayefsky's play "Gideon" from N. Y.'s Plymouth Theater to big-screen viewers in theater in Rochester, N. Y., starting March 28. Rochester ticket prices will range from \$1.50 to \$3 vs. Broadway price scale of \$3-\$7.50. Next fall, Dynamic plans similar closed-circuit telecast of Broadway plays to other N. Y. & Pa. cities.

Philosophy behind FCC's program policy, as reiterated by Comr. Fred Ford last week, in address at American Assn. of School Administrators convention in Atlantic City: "The fundamental basis of Commission program policy is to require a broadcaster to search out the needs of his community. In so doing he must inquire of the various groups in a community such as the religious, educational, agricultural, social, charitable and other groups that make up his service area. Once having stirred up the various components of his community, it will be difficult for him to ignore them in designing his program schedule, nor will he want to ignore them. . . . If the public demands different types of programming they will make that demand known—there is nothing reticent about the American people—and broadcasters will be responsive. Good business practice compels them to be responsive, both for local good will, listenership and advertising."

"Guidance" in grant of CATV franchise was offered by FCC to Thomas G. Dunne, Salinas, Cal. city mgr. who had told Commission that city council was considering bid. Commission told him of its concern lest CATVs hurt local stations, described what it seeks in legislative authority to protect stations. FCC said it wants to require CATV to carry local station's undegraded signal and not duplicate station's programming with simultaneous relays of shows from out-of-town stations. Letter strongly suggested that city impose similar restrictions in granting franchise.

Largest CATV sale to date is purchase of 7 systems from Antennavision Inc. by RKO General's Vumore Co. They include 7,600 subscribers in Ariz. towns of Winslow, Cottonwood, Holbrook, Page, Showlow, Snowflake, Lakeside, Pinetop, McNary, Safford, Clifton, Morenci. Antennavision Pres. Bruce Merrill said he's keeping his other 10 systems serving 15,000 homes, has plans to expand. Vumore now has systems in 20 communities in Tex., Okla., Kan., Miss. Broker was Daniels & Assoc., which reports transaction was largest it has handled—price not disclosed.

Pepsodent commercial showing tobacco stain brushed from glass isn't deceptive, according to initial decision of FCC Examiner Harry R. Hinkes. "The complaint," he said, "charges that the demonstration is not valid for the purpose of proving that Pepsodent toothpaste is effective in removing accumulated stains from the teeth of habitual smokers. At no point does the commercial refer to accumulated stain or to an habitual smoker. The stain is shown removed immediately after its deposit on the glass plate. There is no accumulation. The models used in the demonstration appeared to have clean teeth, not the stained teeth of the habitual smoker. The stains are referred to as yellow smoke stains, which is the usual color of a fresh tobacco stain, instead of the brown or black color usually associated with accumulated stains. It is well settled that the Commission may not inject novel meanings into advertising which expand the claims beyond their intended scope and then strike down the advertisement because the expanded claim cannot be supported." Final decision is up to FTC.

GE will boost prices of its TV & broadcast equipment line Mar. 1. Increase will average about 5% for typical TV station installation, will affect audio & video studio gear, camera equipment, transmitters, antennas, microwave links.

Foreign TV executives from 14 countries, including Communist Hungary, are interested in hugely-successful CBS-produced White House TV tour (Vol. 2:8 p3). Nations which have requested prints from CBS with eye toward purchase are Switzerland, Great Britain, Belgium, W. Germany, Italy, Sweden, Netherlands, Philippines, Japan, Hungary, Australia, Argentina, France, Ireland. Network also has granted USIA permission to distribute show abroad as feature film.

FCC joined broadcasters in urging American Bar Assn. to relax ban on TV & radio in courtrooms. Chmn. Minow sent letter to committee studying possible revisions of Canon 35, said: "Those in the broadcast industry promoting public service programming should not be a second class part of the press merely because their portrayal of news is audio or pictorial rather than through the printed word."

Canadians favor printed press over TV & radio as means of improving public knowledge, recent survey reveals. Viewers of program *Telepoll*, asked which medium they thought most useful in improving Canadian knowledge & interest in international affairs, responded: press, 32.2%; TV, 27.5%; radio, 5.3%; schools, 34.2%.

"Soviet Philosophy of Broadcasting" and "Content Analysis of Japanese & American Television" are among articles in Winter issue of *Journal of Broadcasting*. Also: analysis of personal and political backgrounds of FRC & FCC commissioners, 1927-1961.

First prime-time TV series by Storer Programs Inc., *The Littlest Hobo*, will go into production soon. Color series of 39 half-hour programs featuring London, clever German Shepherd, will be produced in cooperation with McGowan Productions. Series is adapted from highly successful motion picture of same title.

Personals

Richard A. Moore, pres. of KTTV Los Angeles and its chief executive since 1951, resigns to head new firm planning pay TV operation in Los Angeles and other cities.

John F. Tobin promoted to ABC Films vp & domestic sales dir. . . . E. Jonny Graff, pres. of NTA broadcasting subsidiaries, resigns following sale of WNTA-TV & WNTA, continues as special NTA consultant, will report plans after vacation.

P. Scott McLean promoted to Crosley Bcstg. Eastern sales mgr., N.Y., succeeded as radio WLW Cincinnati gen. sales mgr. by James J. (Steve) Crane. William Murray is named sales development mgr.—Eastern Div., Tony Kraemer appointed mgr. of sales research & analysis.

William C. Chadwick promoted to WJZ-TV Baltimore publicity-PR mgr.

Mortimer Fleishhacker Jr., educational KQED San Francisco pres., and chmn. of Precision Instrument Co., named to board of National Educational TV & Radio Center, N.Y. . . . Leslie Nichols, ex-KTVU San Francisco, named KATU-TV Portland news dir.

Dean Linger, ex-ABC-TV advertising-promotion dir., joins Corinthian Bcstg. as advertising-PR dir. in N.Y. . . . Dale Schussler promoted to WTRF-TV Wheeling news dir.

Homer Lane, former vp-asst. gen. mgr., promoted to vp-gen. mgr., KOOL Radio TV Inc., Phoenix; Mrs. Emma Williams, secy., and Leslie Lindvig, sales mgr., elected vps . . . John C. Bechtel, ex CNP, appointed asst. to Trans-Lux TV vp Richard Carlton . . . Edward J. De Fontaine named chief of new WBC West Berlin news bureau . . . Jerome L. Medford named RAB research dir.

Bert Briller, ABC TV network sales development vp, promoted to TV affiliate communications vp.

Thomas V. Dukelhart, ex-WJZ-TV Baltimore PR dir., named to similar post at Robert Goodman Agency Inc. there, succeeding Edgar L. Feingold, who becomes head of firm's new press & publicity div. Walter W. Jones, ex-Md. TB Assn. PR dir., also joins new div.



Ampex's 1,000th Videotape recorder has been delivered to Southwest Texas ETV Council, which will install it at upcoming educational KLRN Austin-San Antonio. KLRN is 58th ETV station to receive Videotape recorder. Ampex reports that 642 of its TV recorders are in U.S., leading foreign users Canada with 83, Great Britain 70, Japan & Germany 38 each.

TV cameras to dock ships are being developed in Britain. Mounted on bow of huge cargo vessels, cameras supply "eyes" for pilots whose view is blocked by bow in rear-bridge ships. Closed-circuit systems are being developed by Marconi.

New pan-tilt-zoom device for TV cameras has been developed by American Microwave & TV Corp., San Carlos, Cal. Used with 35mm slide projectors, it eliminates manually-operated cameras and rear screen slide projection when scenes are simulated.

Radio WOR N.Y. celebrated 40th anniversary on Washington's birthday, noted its unusual position as "an adult talk" station—20 hours daily "devoted to the human voice," mostly news.

CBS Films Pty. Ltd., has been established in Australia, with hq in Sydney. William G. Wells, CBS Films Australia service mgr., named managing dir.

Actions at NCTA board meeting in Las Vegas: (1) Re-affirmed opposition to federal regulation. (2) Set up microwave study group. (3) Approved plans for management training seminar at U. of Wis. in August. (4) Authorized production of promotional film. (5) Elected to board Lloyd Calhoun, Hobbs, N.M. to succeed Norman Hendry, Prescott, Ariz., resigned. (6) Heard Pres. William Dalton report 20% membership increase in year, his plans for expansion of hq services, and his criticism of NAB's plans to study legislation to control CATV.

Survey of ETV activity by CATV systems, reported to FCC by NCTA Pres. William Dalton: 72 systems, able to receive 23 ETV station signals and those of midwest airborne operation, now feed programs to 131,793 homes, 231 elementary & high schools, 11 institutions of higher learning. In near future, he said, 27 more CATV systems will serve additional 40,000 homes, 174 elementary & high schools and 9 colleges. Some CATVs, he added, supply signals from 2 ETV stations.

Bribe charge was levied against N.Y. music publisher Alan Kallman for attempting to induce employe of accounting firm of Ernst & Ernst to give him advance information on stations to be spot-checked for frequency of records played. Asst. District Atty. Jerome Kidder said Kallman, who also owns record distributing company, could learn in advance stations to be tabulated, wangle extra plays for his records, with possible \$50,000 yearly gain.

Tax on local commercials on Washington, D.C. TV & radio stations will be proposed by Sen. Wayne Morse (D-Ore.). During debate on D.C. revenue bill in Congress, he said tax, possibly \$1-per-minute, would open up "very fruitful" field of revenue, urged other cities to do same. Tongue-in-cheek, Morse also suggested it might be in public interest to impose steeply graduated tax for each repetition of same commercial.

FM multiplex services will be taxed under different section of tax code according to revised ruling issued by Internal Revenue Service. Following Court of Claims decision that musical programs transmitted by radio are not subject to communications tax on "wire & equipment service," IRS announced such service will be taxed under "wire mileage service" provisions, Sec. 4252 (e).

Bangor-Calais, Me. allocations went through another gyration at FCC when Commission held up decision which had said that Ch. 7 should stay in Calais. It reopened case to consider adding Ch. 7 to Bangor and substituting Ch. 3 for Ch. 7 in Calais—as sought by Dirigo Bcstg. Inc.

Another ETV CP (Ch. 36) has been granted to Milwaukee Board of Vocation, which operates WMVS-TV (Ch. 10).

Florida broadcast editorial record is best in nation, according to Fla. Assn. of Bcstrs. which reports 65% of stations giving their views—6 TV, 34 radio.

WPSD-TV Paducah names Advertising Time Sales national rep, also announced tower height increase to 1,638 ft.

Shift of WPTV (Ch. 5) W. Palm Beach from 2 miles north of city to 12 miles southwest, plus height increase to 990 ft., has been granted by FCC over objections of WTVJ & WCKT Miami.

Church overflow at Sunday services of First Presbyterian Church of Red Bank, N.J., will be handled by \$4,000 closed-circuit TV system to feed services to adjacent chapel and other areas.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

PHILCO SCUTTLES 'ID' PLAN: In surprise move at week end, Ford Motor Co. pulled trap on Philco's controversial "Instant Dividend" tape-register promotion which has had industry stewing for 4 months or so (vol. 1:13 p7 et seq.).

Plan is being withdrawn, consumer products div. gen. sales & mktg. mgr. Charles Hakimian announced, explaining that "surveys have not proved to Philco's satisfaction that the present and future increased sales volume, over a long period, will be profitable enough to dealers and supermarkets to support continued promotion of the plan." Earlier this month, a Philco executive had told us decision was in wind, that "we'll know definitely in 30 to 60 days just what we're going to do about the ID program" (Vol. 2:6 p9).

"When Philco became a wholly owned subsidiary of Ford," Hakimian continued, "Philco's new management immediately began a review of the ID plan to determine as thoroughly as possible whether this plan did in fact serve the interests of Philco customers, dealers and supermarkets. It also authorized extensive market research among consumers to determine the plan's effect on their purchases." Results of the survey led to Philco's decision, he said, noting also that "several supermarket chains, checking the results of the plan independently, are reaching the same conclusion." In recent weeks, several chains have dropped plan (Vol. 2:1 p6) currently used in 300 stores in 20 states.

"Philco is notifying all who are participating in the ID test plan that, subject to existing agreements which are being terminated as quickly as possible, the plan is being withdrawn," Hakimian continued. "Every customer who made a Philco purchase under the ID plan will be able to complete that purchase in its original terms—that is, his cash register tapes will continue to be honored by the supermarkets until his purchase has been fully paid."

TV IMPORTS UP SHARPLY THIS YEAR: Imports of TV sets started off with a bang this year—at about 8 times last year's rate. First 5 weeks saw more than 8,000 Japanese-made sets arrive at U.S. ports—N. Y. & Los Angeles. This still isn't large amount compared with domestic production, but when you consider that about 18,000 were imported in all of 1961 and only 3,000 in 1960 it shows trend is still upward.

By far largest importers of Japanese sets are Delmonico & Sony—both now receiving shipments on East & West coasts. They're only ones with Japanese sets actually on market, but at least 7 other importers are now beginning to receive shipments.

Many of these are merely exploring U.S. market without large-scale commitments, and they've so far received shipments of 25 to 150 sets each to sound out marketing possibilities. But success of Delmonico & Sony with specialized Japanese-made TV products would indicate that more are preparing to come in.

So far, no U.S. TV manufacturer has turned to Japan for complete sets—although some use a few Japanese-made parts. Olympic has been exploring possibilities of importing Japanese TVs, but last week emphatically denied published report from Tokyo that it had signed agreement with Nippon Columbia for large number of 19-in. sets. "We're still looking at Japanese products," we were told by Olympic's T. W. Buchter, asst. to Pres. Morris Sobin, "but we have signed no purchase orders."

Foreign trade is 2-way street, and some U.S. manufacturers are now exploring Japanese market in anticipation of Japanese govt's plan to remove currency & trade restrictions next fall. Japanese sets retail domestically at higher prices than U.S. sets do here, and American TVs may well show up in Japanese marketplace. More likely result of general lowering of trade barriers, however, will be more U.S. parts (particularly picture tubes) in Japanese sets, more Japanese parts in U.S. sets.

NEW LINES FEATURE LOWER PRICES: Trend toward lower process continues to show up in new spring lines & drop-ins, with few real innovations so far.

RCA joined ranks of manufacturers offering \$139.95-list portables last week when it introduced lengthened line of portables to distributors in Chicago. However, RCA was cautious, made its leader a new version of its 17-in. (previously \$149.95); its lowest-price 19-in. is now \$149.95 (from \$169.95) a la Zenith.

Official explanation of RCA's resistance to parade of 19-in. portables at \$139.95, as offered by TV sales mgr. Jack K. Sauter: "We feel enough customers will prefer a high-performing 17-in. receiver rather than a steppod-down 19-in. portable which is only 2½% larger in screen size."

New portable line features 6 models with \$10 step-ups to \$179.95—each generally running \$10 below last-year predecessor in cases where comparison with previous line is possible. Top of portable line is lowest priced remote-control set ever offered by RCA—at \$229.95, which is \$20 lower than predecessor.

Expanding market for portables was attributed by marketing vp Raymond W. Saxon to "increasing number of consumers buying portables as interim sets before deciding in favor of purchasing color." And to sweeten this color market, RCA dropped in new color set—lowest-priced lowboy in line. Open-list model probably will be sold for about \$650, which puts it just above "compact consolette" (\$595) and makes it 3rd cheapest color set.

RCA also showed 6 new transistor radios—from \$19.95—4 of them gift-packed (case, battery, ear-phone). Saxon estimated 1962 transistor radio market at 11 million—6 million U.S., 5 million imported.

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One of few innovations in consumer electronics this year came last week from Packard-Bell in form of new type of stereo cabinet. Only 26-in. high, it's 6 inches lower than lowest conventional set now on market, says Packard-Bell—and it's 6 ft. wide. Why this low-low-lowboy silhouette? Home products vp Kenneth R. Johnson says research shows there's little wall space available for stereo in most American living-rooms—what with TVs, fireplaces, bookshelves, furniture, windows, doors, and all—so new unit is designed to fit under window without hitting sill. New long, low set lists at \$475-\$495 (including FM stereo) and is one of 5 sets in complete new stereo line in which all radio-phono combos have built-in FM stereo.

Also shown by Packard-Bell were new portable TVs at \$189.77 & \$199.77 and 12-in. combinations in \$470-\$530 range, some with built-in FM stereo.

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Two brand-new items were announced last week: (1) Bulova AM-FM table model at \$59.95 which converts to FM stereo with addition of companion unit at \$49.95. (2) Tiny imported portable stereo phono & 2-band transistor radio from Hoffman at \$79.95. Unit, which plays both 33 & 45-rpm discs has single 3-in. speaker and binaural earphones, is smaller than cigar box.

RECORD FM SALES — 2.5 MILLION UNITS: For 2nd successive year, purchases of FM receivers by U.S. public set new record in 1961—and 1962 unquestionably will be another record-breaking year. Given up as dead in 1954 by most of industry, 8 years later FM radio is very healthy corpse indeed.

There are no really accurate statistics on sales or production of FM receiving devices, so any figures can only be estimates at best—and ours are derived from what we consider to be most reliable industry sources. We feel our figures are on low side, if anything.

FM sales in 1961 topped preceding year's by about 500,000 units and exceeded 1948 postwar peak by nearly full million sets. Most important factor last year was not FM stereo, but the fanning out of FM broadcasting into truly nationwide medium. As of mid-February this year, 1,162 FM stations were on air or authorized.

Here are our estimates of retail sales of FM receiving devices in 1959, 1960 & 1961:

Type	1959	1960	1961
FM & AM-FM radios	540,500	900,000	900,000
Phono-FM combinations	623,000	840,000	1,000,000
FM tuners	150,000	160,000	300,000
Imports (all FM types)	100,000	150,000	300,000
TOTAL	1,413,500	2,050,000	2,500,000

For first time, public's appreciation of hi-fi quality of FM stands out as major selling point in 1961—notice that sale of FM in packaged phono combination exceeds FM & AM-FM radio category, which consists entirely of table models.

Percentage of stereo phonos factory-equipped with FM tuners rose sharply from 1960 to 1961, even though total sales of phonos declined. Only 26% of stereo phonos included FM in 1960, while 35% had FM last year. We expect rise to continue until stereo console without FM—stereo FM—is exception rather than rule.

Sales in FM-tuner & import categories roughly doubled in year. FM tuner category rose for 2 reasons: (1) Widespread availability of drop-in tuners (installed by dealers) for packaged stereo consoles. (2) Appearance on market during last half of year of substantial quantities of FM-stereo component tuners. Only in component category did FM stereo cause important sales lift last year.

Imports increased largely because of entry of Japanese-made FM sets on market last year. Previously, this market had been almost entirely reserved for German-made hi-fi & all-wave sets. In addition, introduction of transistor FM sets from both Europe & Japan helped swell import total.

Other factors in steady increase of FM sales include rising popularity of relatively new FM receiving devices: (1) Transistor portables, made in U.S. as well as abroad. (2) FM & AM-FM car radios, whose sales were somewhat disappointing last year, but nevertheless sharply higher than 1960. (3) Clock radios with FM. (4) All-in-one component hi-fi AM-FM-tuner-preamplifier-amplifier (complete radio less speakers).

Unquestionably most significant sales booster for FM this year will be FM stereo (see below), which will give biggest push to phono combination category.

Here are our estimates of retail sales of all FM receiving devices annually since 1956:

1946	163,055	1950	1,400,000	1954	189,000	1958	850,000
1947	1,175,100	1951	960,000	1955	256,000	1959	1,413,500
1948	1,590,000	1952	526,000	1956	420,000	1960	2,050,000
1949	1,298,000	1953	455,000	1957	530,000	1961	2,500,000

We think 1962 will see sharpest rise yet in FM sales, and year's total may well be around 3.5 million—full million over last year—assuming this is good year in phono business, to which FM radio is now strongly tied.

FM STEREO SALES REFLECT GROWING PAINS: For a new product, FM stereo is off & running—but there's little evidence of a boom or of industry's collective inability to cope with demand. Our discussions with manufacturers last week indicated that sales are strong & rising, but it's still too early in game to chart patterns & growth—and there are problems & pitfalls.

Some dealers think FM stereo's a dead issue now that Christmas business is over, one major manufacturer told us. Memories of reverb & headaches of selling stereo on heels of hi-fi have made other retailers new-product shy, he said. This cautionary note also was sounded by Granco Pres. Henry Fogel, who told us: "Most dealers sell what is easiest to sell. Unless the customer walks in and asks for FM stereo specifically, few dealers introduce the subject. New products mean more problems & confusion for dealers & customers—and most dealers shoot for the quick sale with the fewest problems. Those are the retailing facts of life."

All manufacturers we spoke with agreed, however, that FM stereo business is good and getting better all the time. However, they have differing experiences on what's selling and divergent views on FM stereo's direction. For example, Granco is experiencing "good demand" for its all-in-one Model 809 table receiver, but, Fogel noted, demand for rest of line (adapters, stereo "companions," FM radios with multiplex facilities) "is not outstanding." Conversely, RCA, which makes no table FM-stereo unit, told us demand is so far ahead of supply of its adapters that it has doubled production requirements. Sales Corp. mktg. vp Raymond W. Saxon also told us that RCA is in short supply of its FM-stereo built-in models, which start at \$399.95.

RCA will stay with adapters & higher-priced built-ins, Saxon said, adding that company doesn't see much of a market yet for FM stereo table radios. He also forecast that industry's bottom price for radio-phono combos with built-in FM stereo would not be much lower than \$300 for at least a year or so. Best markets so far for RCA FM stereo, he said, are N. Y., Chicago, San Francisco and Cleveland.

"Interest in FM stereo is gaining, but markets are spotty," Granco's Fogel told us, adding: "We're playing our production close to the vest to see what happens." Fogel is certain that FM stereo ultimately will

replace FM receivers. "However," he continued, "I estimate that we're at least a year away from putting FM stereo across. In the normal course of events it takes 1-to-1½ years for a new product to take hold. Stereo records & tapes illustrate the pattern. It took stereo records a good year before they caught on. Tapes took even longer."

Orderly, evolutionary growth of FM stereo is also anticipated by Motorola consumer products exec. vp Edward R. Taylor, who told us: "Growth of FM stereo has been exactly as we predicted at the outset. We were warm to it but never expected it would skyrocket. We have no inventory problems. We're not producing more than we are selling, we're not selling more than we're producing. We expect steady, gradual growth in this field."

Sharp growth is anticipated by Packard Bell Home Products Div. vp Kenneth R. Johnson. Announcing introduction of a complete line of stereo phonos—all with built-in FM stereo—he told distributors: "Our current FM stereo sets have shown a 12% increase in the past 2 months and we are projecting a 60% increase [for the next 12 months]."

Admiral told us it's doing "very well" with FM stereo, but notes that over-all market still is small and needs greater exposure to FM stereocasts. Admiral's new line, introduced in December, features consoles with FM stereo multiplexers built in. Also carried are adapters for earlier models. Latter are doing "fairly well," Admiral noted, "but preference is for built-ins."

GE, which offers a \$175 table model FM stereo unit, described current market as "very strong." Radio receiver dept, mktg. mgr. William B. Clemmens emphasized that sales are going to dealers who are actively promoting & demonstrating FM stereo. GE also offers adapters and features built-ins in most high-end combos, has no problem keeping up with FM stereo demand.

Japanese govt. will operate FM-stereo station as experimental prelude to proposed nationwide allocation for FM broadcasting. We are informed by Masanobu Tada of Sony's Patent & Govt. Liaison Div. that govt. "has been discussing authorization of FM broadcasting including frequency allocation & stereophonic multiplex system but has not decided the multiplex system yet." A notation in our Dec. 25, 1961 issue (Vol. 1:15 p7) gave erroneous impression that Japan had adopted U.S. stereo system.

Note: CFRB-FM Toronto has been broadcasting in stereo for 7 months. In our recent tabulation of stereo stations (Vol. 2, Col. 7, p9) it was inadvertently placed in list of "Stations Preparing for Stereo." CFRB-FM should have been in list of "FM Stations Now Broadcasting Stereophonically." We regret error.

Trade Personals

Leon C. Guest Jr. appointed Sylvania senior vp-administration, a new post, succeeded as GT&E vp-controller by William F. Bennett, former Colgate-Palmolive controller. Guest was Sylvania's corporate controller prior to merger with GT&E in 1959.

Dr. C. B. Jolliffe, RCA vp & technical consultant, making excellent progress after gall bladder operation, convalescing at home, 4500 Westridge Ave., Ft. Worth.

Dr. William M. Duke, ex-Space Technology Labs senior vp, elected ITT Federal Labs pres. . . . Harold Nuttall appointed exec. vp of English Electric Co.'s subsidiary English Electric Corp., N.Y., succeeding Alan Barraclough who becomes pres. of parent company upon retirement in March of E. Stanley Dean.

Philip J. Wood elected Zenith Sales Corp. vp . . . David S. McNally named vp of Amphenol-Borg Electronics' Amphenol Connector Div. . . . John C. Zahora appointed vp-gen.mgr. of Admiral's subsidiary Midwest Mfg. Corp.

W. G. Paradis, ex-Webcor vp, named gen.mgr. of Warwick Mfg.'s Radio Products Div., Nilas, Ill., succeeding G. A. Godwin, consultant who held post on interim basis . . . Howard P. Barnes named Sylvania division industrial engineer, Receiving Tube Operations (Emporium, Pa.), succeeding Albert A. Dettbarn, resigned.

Wilson H. Oelkers named gen. mgr. of Philco Lansdale Div., succeeding William J. Peltz, resigned . . . R. Jack Cherry, former Philco white goods vp, named gen. mgr. of Philco Distributor Inc. factory branch in Boston, succeeding Raymond Gordon, resigned.

Stephen H. Larrabee elected ITT Sud America pres., appointed deputy area mgr. for ITT System's South American region, headquartering in Buenos Aires. Duties include responsibility for ITT System manufacturing & radio companies in Argentina, Brazil, Bolivia, Chile.

John A. Dwyer named contracts mgr., Sylvania Electronic Systems eastern operation, Waltham, Mass. . . . Edwin A. Andress named vp of Ling-Temco-Vought's Ling Elec. Div.

Obituary

John Walter Griffin, 68, onetime RCA & Columbia Recording executive and founder in 1922 of Haynes-Griffin, one of N.Y.'s first retail radio stores, died Feb. 15 at N.Y.'s Columbia-Presbyterian Medical Center. He retired last year as exec. secy. of Record Industry Assn. of America.

Sound Corp. of America has been formed in Silver Spring, Md. (9162 Brookville Road) to manufacture & distribute magnetic tape cartridges and recording & playback equipment. Richard P. Ellison is pres., succeeded as pres. of Foley Electronics by Robert Foley.

Officers-&Directors stock transactions as reported to SEC for January:

Allied Artists. Samuel Broidy sold 2,000, held 74,506. Roger W. Hurlock bought 400, held 27,700. Edward Morey sold 1,000, held 2,350. Earl Revoir sold 1,000, held none.

American Bosch Arma. Charles Allen, Jr., bought 5,000, held 45,457.

Ampex. John Jipp bought 3,000, held 4,500. Erwin Tomash bought 7,500, held 19,000.

Amphenol-Borg Electronics. Henry Feldmann sold 2,500, held 35,480. Donald Hilliker bought 200, held 900.

Arvin Industries. Thomas A. Danner sold 142, held 588. Harlan B. Foulke sold 855, held 5,000.

Automatic Radio Mfg. David Housman bought 1,210, held 698,175.

Avnet Electronics. Leonard Carduner sold 700, held 10,033.

Capital Cities Bcstg. Donald A. Pels bought 2,000, held 2,000. Frank M. Smith sold 200, held 123,788.

Columbia Pictures. Paul N. Lazarus, Jr., sold 1,729, held 3,867.

Corning Glass. Charles D. LaFollette sold 400, held 12,450. Thomas S. Wood, Jr., sold 300, held 1,150.

Emertron. Benjamin Abrams bought 41,440, held 41,440. Max Abrams bought 10,000, held 10,000.

GPE. Robert Rinear bought 238, held 338.

NT&T. Eugene Klein bought 6,700, held 95,223.

National Union Electric. Harry E. Collin sold 2,000, held 202,750.

Oak Mfg. Frank A. Astrologes bought 100, held 100.

RCA. John Q. Cannon bought 208, held 1,244. Charles R. Denny bought 4,161, held 5,557.

Raytheon. David D. Coffin sold 1,450, held 437.

Reeves Bcstg. & Development. J. D. Hastie sold 350, held 73,750.

Screen Gems. Jerome Hyams bought 200, held 4,239.

Texas Instruments. R. C. Dunlap, Jr., sold 400, held 22,050.

Thompson Ramo Wooldridge. Dean W. Wooldridge sold 300, held 40,443.

Thompson-Starrett. Herbert Kabat sold 10,000, held 197,365.

Zenith. Alexander Ellett sold 500, held 2,320. Jack M. Ferren bought 220, held 400. Albert Franczak sold 440, held 640. Clarence Isgrig sold 200, held 2,200. Donald MacGregor sold 600, held 7,050.

Bankrupt Recordio Corp., Charlotte, Mich. maker of tape recorders, phonos & radios which closed last month (Vol. 2:6 pl2), may resume operations in "a week or so," according to Donald Harnisch, onetime Recordio exec. vp. He's now associated with group seeking to reopen plant under new name, Wilcox-Gay Electronics. Plant initially was operated by Wilcox-Gay Corp. as Recordio Tape Recorder Div., went out of business in 1958, was reopened in 1959 with new capitalization furnished by employes & townspeople who purchased business for \$336,058. Building, machinery and land are still owned by Wilcox-Gay.

General Instrument and Pirelli S.p.A., Milan, Italy, have teamed to form a new European electronics firm, Pirelli Applicazioni Elettroniche S.p.A., to make & sell GI's products to Common Market & other European countries. New firm will construct 50,000-sq.-ft. plant near Naples.

GT&E Prods Sylvania: Signs continued to mount last week that General Telephone & Electronics was less than enchanted with subsidiary Sylvania Electric Products, acquired in 1959. Into new Sylvania post of administration senior vp Leon C. Guest Jr., GT&E vp-controller. In speeches on East Coast & West, GT&E Chmn. Donald C. Power made clear that Sylvania isn't pulling its anticipated weight in profit boat, that Sylvania executives heretofore have been more concerned with sales than with earnings.

Addressing San Francisco security analysts last week, Power forecast Sylvania's 1962 earnings in \$10 million range, up from \$6 million in 1961. However, Sylvania's 1961 earnings were down some 50% from preceding year, he said.

Earlier, Power had told financial analysts in Philadelphia that GT&E had acquired in the Sylvania package executives who thought more of sales than profits. However, he added, GT&E men are now at Sylvania's switchboard and corner on manufacturing profits has been turned.

GT&E's electronics & manufacturing businesses account for about 60% of total revenues. Last year, however, these businesses contributed only 33% of earnings, down from 42% in 1960. For 1962, Power forecast a 12% pickup in manufacturing profits to more than \$26 million from \$24 million in 1961. For total GT&E operations, he predicted a 1962 net income of \$81-83 million, or \$1.10 a share—up from 1961's \$73.7 million (\$1 a share).

"Japan: Asia's first consumer market" titles Feb. 23 *Time* analysis of Nippon's post-war industrial growth. Front-cover spotlight goes to Konisuke Matsushita, founder of giant Matsushita Electric, "a daring manufacturing & merchandising genius who, starting out at 9 as an errand boy, has built Japan's biggest appliance business from nothing." *Time* notes: "Unlike many Japanese industrialists, Matsushita exports only 10% of his production . . . But although he exports less than such competitors as Toshiba, the high quality of the goods Matsushita sends abroad is helping to erase the old image of Japan as a producer of cheap junk. In dramatic evidence of the changing international reputation of Japanese goods, New York's Macy's last week took full-page newspaper ads to tout Matsushita's 'world-wide reputation for finest quality, finest performance,' and to boast that it had the U.S.'s first stock of his new Panasonic portable TV sets."

Walkouts halted production at Philco Philadelphia-area plants for 3 days last week in wake of furlough of 69 workers at Communications & Weapons Div. plant. Philco said "furlough had not been expected to last longer than 2 weeks," resulted from "a critical shortage of parts" on a govt. contract. IUEW Local 102 charged company with violating seniority procedures. Among placards on picket line: "Ford-Philco broke seniority rules. Employes laid off improperly." At week's end, production shutdown had spread to 5 Philco plants, including TV, involving some 4,500 workers. However, injunction against picketing was granted by Common Pleas Judge Bernard J. Kelley, and company & union accepted Federal Mediation & Conciliation Service's recommendation to end walkout.

Minnesota Mining & Mfg. has increased its quarterly dividend from 17½¢ to 20¢ a common share, payable Mar. 12 to holders of record Feb. 23.

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
AT&T	1961—year to Dec. 31	\$8,592,860,000 ¹	—	\$1,325,587,000 ¹	\$5.52	232,627,000
	1960—year to Dec. 31	8,110,217,000	—	1,250,955,000	5.53	219,234,000
Dominion Electrohome Industries	1961—year to Dec. 31	16,321,850 ¹	—	397,981	.95	—
	1960—year to Dec. 31	15,175,000	—	333,104	.79	—
Electronic Specialty	1961—year to Dec. 31	27,574,379 ¹	\$ 1,727,144	1,482,144 ¹	1.67	885,768
	1960—year to Dec. 31	11,735,516	57,219	37,219	.07	548,240
Emertron	1961—year to Oct. 31	14,005,269	647,499	333,499	.17	2,000,000
	1960 ²	—	—	—	—	—
Gabriel	1961—year to Dec. 31	30,304,892	1,294,016	591,049	.82 ²	711,313
	1960—year to Dec. 31	31,237,141	(861,556)	(436,556) ⁴	—	675,838
GPE	1961—year to Dec. 31 ⁵	234,620,431	—	5,866,366 ⁶	3.45 ³	1,558,328
	1960—year to Dec. 31	244,427,566	—	5,312,692	3.22 ²	1,492,508
	1961—qtr. to Dec. 31 ⁵	63,424,341	—	1,677,326	.98 ³	1,558,328
	1960—qtr. to Dec. 31	67,873,016	—	1,690,180	1.05 ³	1,492,508
Giannini Controls (Conrac)	1961—year to Dec. 31	22,042,394	—	858,799	.81 ³	1,065,268
	1960—year to Dec. 31	15,848,007	—	599,401	.72 ^{3,7}	814,380 ⁷
Hewlett-Packard	1962—qtr. to Jan. 31	24,738,000	—	1,887,000	.17	9,889,446
	1961—qtr. to Jan. 31	20,608,000	—	1,452,000	.13	9,816,561
Hoffman Electronics	1961—year to Dec. 31	57,243,000	—	647,000	.42	1,534,088
	1960—year to Dec. 31	54,271,837	—	(968,400)	—	1,524,221
MCA	1961—year to Dec. 31	82,393,116	15,389,281	7,482,951	1.83 ³	4,040,735
	1960—year to Dec. 31	67,317,103	12,962,433	6,270,230	1.55 ³	3,995,735
Oak Mfg.	1961—year to Dec. 31	23,017,077	1,182,662	557,662	.85	655,794
	1960—year to Dec. 31	17,642,295	1,513,612	351,310	.54	647,794
	1961—qtr. to Dec. 31	—	—	251,785	.39	655,794
	1960—qtr. to Dec. 31	—	—	(81,603)	—	647,794
Republic Corp.	1961—year to Oct. 28	31,729,670	3,577,629	1,977,629	.74 ³	2,443,448
	1960—year to Oct. 28	29,073,164	4,396,209	2,096,209	.80 ³	2,004,190
Tung-Sol	1961—year to Dec. 31	65,946,154	—	1,510,577	1.40	925,783
	1960—year to Dec. 31	66,471,971	—	1,476,259	1.37	924,521

Notes: ¹Record. ²Not in existence. ³After preferred dividends. ⁴After \$425,000 tax credit. ⁵Preliminary. ⁶Includes net of \$545,258

(35¢ a share) from sale of properties. ⁷Adjusted for Aug.-1961 2-for-1 stock split.

Common Stock Dividends

Corporation	Period	Amt. Payable	Stk. of Record
Consol. Elec. Ind.	Q	\$0.25 Apr. 5	Mar. 20
GE	Q	.50 Apr. 25	Mar. 16
Pathe Equipment "A"	—	.05 Mar. 1	Feb. 15

Mergers & acquisitions: Siegler will acquire Lear Inc. if stockholders of both firms approve at special meetings this spring. Siegler would exchange 5 of its common shares for each 7 of Lear's outstanding 2,802,448 shares; transaction would involve some \$44 million at current market prices. Siegler already has purchased from Lear Chmn. William P. Lear Sr. & family 650,000 shares currently worth \$13 million • Macfadden Publications and Bartell Bestg. will merge into Macfadden-Bartell Corp. Under terms approved by shareholders of both firms last week, Macfadden holders will get 2 shares of stock in merged company for each share of Macfadden common held; Bartell shareholders will exchange their stock on 1-for-1 basis. Bartell, which owns 121,000 shares of Macfadden, has 1,318,000 shares outstanding. Macfadden has 445,889 shares outstanding • Avco and Ultra Electronics have signed agreements for joint studies and possible joint ventures in general fields of communications and electronics.

Davega Stores plans to petition a federal court for reorganization under Chapter XI of the Bankruptcy Act. Chmn. Mike Goldgar said the 26-store chain's assets & liabilities each amount to about \$3 million, blamed "unprofitable" sales of appliances for Davega's inability to pay all creditors. If reorganization plan is approved by court & 51% of creditors, Goldgar said, United Star Co. of Atlanta, which recently bought control of Davega, "will then advance \$500,000 to \$1 million additional working capital." Goldgar also is United Star chmn. Davega is forced to seek court help, he continued, because "some 3 or 5 uncooperative vendors had refused to wait" for payment of bills.

Emerson Radio & Phonograph scored a sharp profit rise to about 30¢ a share on \$21-million sales in fiscal-1962's first quarter ended Jan. 31, compared with 6¢ on \$15-million sales a year earlier. Pres. Benjamin Abrams told annual meeting last week that Emerson anticipated total-year gains over \$1.9 million (84¢ a share) earned on \$70.9-million sales in fiscal 1961.

National Video secondary offering of 74,840 Class A shares was oversubscribed after going on market at \$15.50 a share. Bache & Co. and associates were underwriters for \$1,160,020 offering by National Video officers & directors and a charitable foundation. No proceeds accrued to company.