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**SUMMARY - INDEX OF THE WEEK'S NEWS—July 2, 1955**

**PHILCO ACCENTS RESEARCH** in high-level planning to take advantage of burgeoning "electronics economy"; Balderston & Carmine discuss future (p. 1).

**UHF EXCISE TAX EXEMPTION** blasted by Administration, regarded as dead for this year, though last-ditch attempt will be made to revive it (p. 3).

**OPPOSITION TO UHF** allocations by past top-level scientific committees may provide clue to attitude of Senate Commerce Committee's engineering study (p. 3).

**DEINTERMIXTURE OF VHF-UHF** on "selective" basis given 50-50 chance after oral argument on Peoria, Evansville, Madison, Hartford & Albany (p. 6).

**FINAL DECISION IN PORTLAND**, Ore. gives Ch. 8 to KING-KGW; Ch. 6 finalized in Milwaukee, while WWSW-WJAS merger in Pittsburgh is contested (p. 6).

**NEXT SEASON'S COLOR**: Brilliant network program lineup (p. 2); RCA building chassis for other set makers; Philco offers first color sets, using 3-gun tube (p. 11).

**NEW PHILCO & EMERSON LINES**: Philco offers 48 TVs & battery phono; Emerson discloses new pricing policy, promises transistor TV (pp. 9 & 12-13).

**TRADE PRACTICE RULES** for TV-radio merchandising, issued this week by Federal Trade Commission, run into opposition within RETMA (p. 12).

**ELECTRONICS MERGERS**: General Dynamics-Stromberg approved by stockholders; Sperry-Remington Rand consummated; new Olympic-Victoreen combine (p. 15).

**NOTRE DAME'S UHF STARTS** as Newport News & Reading outlets quit; WFIL-TV buys off-air Lebanon (Pa.) station to revive it; other upcoming stations (p. 8).

**MILITARY HIGH TOWER "BAN"** defied by FCC initial decision overruling Pentagon's rejection of 1610-ft. tower planned by KSWV-TV, Roswell, N. M. (p. 16).

**NETWORK TV-RADIO** billings for May both up from April; PIB report shows 5-month TV total \$165,539,107 vs. \$125,477,346 in same 1954 period (p. 16).

**1955 SPECTRUM CHART IN COLOR**: As a service to our subscribers, and in cooperation with Tele-Tech & Electronic Industries, we send you herewith that magazine's newly revised spectrum chart covering not only the FCC Frequency Allocation Spectrum as of this year but also the Electromagnetic Spectrum from subsonic waves to gamma rays. It's 14x20-in., suitable for framing, very handy for quick reference to the broadcasting, marine, aeronautical, governmental, experimental, amateur and other allocations coming within FCC purview. TV-AM-FM segments are shown in dark red; suitable glossaries key the military designations and frequency band nomenclature. We regret we can provide only one copy of the Tele-Tech chart to a subscriber; extra copies can be had at 50¢ each from Caldwell-Clements Inc., 480 Lexington Ave., N.Y.

Note: Pocket booklet detailing all U.S. and international frequency allocations, compiled in 1953 but still up-to-date and very handy, is available on request (while supply lasts, no charge) from RCA Frequency Bureau, 1625 K St. NW, Washington.

**'THE ELECTRONICS ECONOMY'—AND PHILCO**: The thinking-at-the-summit of dynamic Philco, heretofore most noted for hard drive, hard sell, heavy advertising, potent executive power in depth -- with plenty of young-men-coming-along -- is turning more and more to research & development, patent structure, diversification of product and expansion apace with the burgeoning "electronics economy."

Chairman William Balderston and pres. James H. Carmine, the one an engineer-scholar, the other a sales-&-merchandising genius, told their distributors at Miami Beach convention this week some things that didn't get into press releases but that have considerable significance to the TV-radio-electronics business at large.

That \$20 billion-a-year rate forecast for the industry by '1965, as detailed in these columns last spring (Vol. 11:11), up from current \$9 to \$9.5 billion rate, was the touchstone of their expressed reasoning and planning. It was made plain that Philco expects to exceed by far the \$430,000,000 sales record achieved in 1953, from which it fell last year by some \$80,000,000 due to strikes, and that it intends to make the intense rivalry with RCA even more keen.

RCA is the prime competitor in TV-radio-electronics, and should go to better than \$1 billion this year, much of it from broadcasting and related services. But whereas RCA is strongly entrenched in research, patents and the TV-radio trade and is casting about for a bigger place in home appliances, Philco is notably strong in appliances as well as TV-radio and is bent on entrenching itself more firmly in research & development. Both are heavily engaged in govt. work -- RCA ranking 26th, Philco 30th in post-Korean prime contracts for July 1953-Dec. 1954 (Vol. 11:23).

Philco hasn't done anywhere near the job of publicizing its accomplishments, however, and it remained for Balderston to reveal it now employs 1800 scientists and researchers and is spending \$21,000,000 a year on civilian & govt. research, development, design & engineering. It also was the first time Carmin ever publicly challenged RCA's patent position in color TV (see p. 11), even though thus far Philco is using same tube RCA is now marketing while admitting its own one-gun isn't ready.

At Philco, research means earliest possible adaptation to commercial product -- evidenced by increasing use of transistors and other devices shown the distributors, notably a tiny new hearing aid (p. 9). Balderston said that in 1954 alone 48.4% of Philco's business was in products of its research dept., created during the preceding 10 years. He quoted National Science Foundation's Dr. R.H. Ewell that between 1928-1953 an American research expenditure of \$30 billion brought forth new products, lowered cost of existing products and produced other benefits worth \$400 billion -- hence paid off 13 to 1. Philco, he said, equals or betters that ratio.

As for the economic outlook, Carmin kept reiterating that it's "on a firm foundation" and expressed confidence "our business will continue at a high level for the foreseeable future." Balderston spelled it out in figures:

"The economic roadsigns for the next 10 years are certainly favorable," he said. "Our population will increase to 190,000,000 persons; our present 47,000,000 households will increase to 56,000,000."

"Our gross national product -- the amount Americans pay for goods and services -- will go well over the \$500 billion mark in 1965 as compared with the current record rate of \$370 billion. And the figure we are most interested in -- disposable income -- the money people have to spend for our products -- will skyrocket from \$250 billion in 1953 to an estimated \$380 billion in 1965, an increase of more than 50%."

\* \* \* \*

Note: Factory volume of electronics production will total \$6.2 billion this year, Commerce Secy. Weeks predicted this week end in mid-year economic statement. He thus revised upward his New Year's figure of \$6.1 billion (Vol. 11:1), despite fact that earlier prediction included an anticipated 150,000 color sets and that the current forecast is based on only 15,000. Higher-than-predicted output of black-&-white sets and military electronics more than makes up the difference.

The \$6.2 billion figure comes within a shade of the record \$6.3 billion in electronics production for 1953, and compares with \$5.8 billion in 1954. Unlike some industry estimates, Commerce Dept. figures are based on factory prices alone, do not include broadcasting revenues, repairs & servicing, wholesale or retail markups.

**BRILLIANT COLOR LINEUP IN FALL SCHEDULES:** Powerful network color programs are now assured for fall-winter season -- though color is almost completely dormant this summer (Vol. 11:25). It's agreed that last season's combination of too few color programs and high receiver prices is what left the consumer cold. Now, it's hoped at all levels of the industry that they'll have the right "formula" next fall.

Color programs already in prospect should do plenty to perk public interest -- and once sets begin to sell, color should unfold in a hurry. Whole industry has every incentive to push color. Manufacturers, distributors and dealers are most anxious to find a new "big ticket" item -- something with a heavy markup, in contrast with today's fast-moving but low-margin, low-end-of-line sets. Telecasters, near set saturation in many areas, look to color to "sweeten" and step up rate cards. Here's the fall color lineup of NBC and CBS (ABC still silent):

NBC-TV -- "Max Liebman Presents," every 4th Sat., 9-10:30 p.m., starting Oct. 1, series of 10 shows, sponsored by Oldsmobile; "Color Spread," every 4th Sun., 7:30-

9 p.m., starting Sept. 11, series of 14, numerous sponsors; "Producers' Showcase," every 4th Mon., 8-9:30 p.m., starting Sept. 19, series of 14, Ford & RCA; "Milton Berle Show," every 4th Tue., 8-9 p.m., starting Sept. 27, series of 13, Whirlpool, Sunbeam & RCA; "Howdy Doody," daily, 5:30-6 p.m., multiple sponsors.

Beyond that fixed schedule, NBC will offer in color some of the big Maurice Evans shows, Sun., 3:30-5 p.m.; some operas, some NCAA football, some World Series, some "Home" and "Today" inserts -- and still-to-be-determined special one-shots. There are also plans in the works for frequent daytime programs and/or test signals to permit dealer demonstrations and set servicing & installation.

CBS-TV -- "Shower of Stars," every 4th Thu., 8:30-9:30 p.m., date not yet set, series of 10, Chrysler; "Ford Jubilee," every 4th Sat., 9:30-11 p.m., starting Sept. 24, series of 10, Ford; Omnibus (majority color), every Sun., 5-6:30 p.m., starting Oct. 16, Aluminium Ltd. & 3 others to come.

In addition to these, CBS will have minimum of 2 regular weekly programs in color -- details not yet disclosed.

Both CBS and NBC will undoubtedly expand color schedules if conditions warrant, limited only by their color studio & remote facilities, playing situation by ear -- according to sale of sets and sponsor interest. Though ABC indicates nothing about color plans, quite a few affiliates are color-equipped and there's recurring rumor some Disney programs may be colorcast; they're on color film, easy to handle.

Note: For story on color receiver plans and prospects, see p. 11.

**ADMINISTRATION HITS UHF TAX EXEMPTION:** Aid to uhf in form of excise tax exemption for all-channel receivers -- endorsed by telecasters, set makers and Senate Commerce Committee -- can be written off as dead for this year, despite plans for a last-ditch effort next week to push it through House Ways & Means Committee.

Coffin was nailed shut this week when Administration raised strong objections not only to the loss of perhaps \$100,000,000 in taxes, but to the basic principle. Its views were expressed in Treasury Dept.'s comments to Ways & Means Committee on the uhf tax exemption bill (HR-4070) introduced in House by Rep. Ikard (D-Tex.):

"It is estimated that it would cost \$7-\$15 more to manufacture sets equipped to receive all TV channels; thus exemption from a 10% tax would make it cheaper for a manufacturer to make sets for all channels in every case where his price was as much as \$150. With cheaper forms of equipment, the same result would apply for sets produced by the manufacturer at \$70 or over.

"If all sets were made for uhf, as would seem possible under this bill, the revenue loss would be \$100,000,000. The loss would be reduced proportionately if only part of the sets were so made.

"The Treasury Dept. will oppose HR-4070 on the basis of revenue loss alone, but we are also opposed to the principle of using tax legislation to provide a subsidy for particular industries or products, except in limited situations involving national defense. The problem of uhf stations is apparently a difficult one, but we believe it should not be dealt with through differential tax treatment..."

Rep. Ikard will make effort to gain Ways & Means Committee consideration of his bill next week, but he concedes chances are slim due to Treasury's opposition and imminence of Congressional adjournment. By same token, a move to tack the proposal onto a House-passed tax bill from the Senate floor appears ill-fated.

**HOW PREVIOUS 'AD HOC' GROUPS SAW UHF:** If key to future lies in the past, important clue to the thinking of at least some members of Sen. Magnuson's advisory engineering committee on allocations (Vol. 11:26) can be found by looking at past studies by 2 top-level scientific groups -- both of which had some of same members as the ad hoc panel formed last week by Senate Commerce Committee.

The monumental 1952 Report on Radio Spectrum Conservation by Joint Technical Advisory Committee of IRE-RTMA (Vol. 8:4), later published by McGraw-Hill, criticized helter-skelter growth of radio services and proceeded to show how it could be rectified by reallocation for most efficient use of world's spectrum resources.

Subcommittee preparing report was headed by Donald Fink, then editor of Electronics, other members being Haraden Pratt, ex-IT&T, Philip Siling, RCA. Both Fink

and Pratt are members of current ad hoc committee. Among consultants to JTAC's study was NBC's Wm. S. Duttera, also now a member of Sen. Magnuson's engineering group.

JTAC urged one contiguous band for TV allocations, rather than current allocation breaking up TV into several different bands. Ideal TV allocation, its report said, would be 100-700 mc (beginning at current FM band and extending up through present Ch. 54). This would have permitted eventual allocation of 100 channels, as against today's 82. Breaking TV into scattered bands, JTAC survey stressed, "imposes considerable penalty on apparatus design and performance, especially receivers."

Choice of uhf band for TV's expansion, it commented, "seems unfortunate in that operation would be much more efficient in the region immediately above 216 mc [Ch. 13]. This region is now occupied by services which could operate effectively in a higher part of the spectrum."

JTAC spokesmen met with FCC as recently as last week in continuing effort to push plan for study looking toward more efficient use of radio frequency spectrum.

\* \* \* \*

Forecast of trouble for uhf stations was contained in earlier study -- by ad hoc committee formed in 1949 by Sen. Edwin Johnson (now Gov. of Colorado) when he was chairman of Commerce Committee. Though formed to explore color TV, the committee headed by Dr. Edward U. Condon -- then head of National Bureau of Standards -- injected strong note of warning about uhf problems in special appendix to its final report 5 years ago (Vol. 6:28, 30):

"The proposal to allocate uhf channels is open to a number of serious objections which stem from differences in the performance of transmitters and receivers and in propagation of radio waves..."

One effect of "a uhf allocation which is against the public interest," said the Condon report, "is the tendency to foster monopoly. In areas of dense population, such as the eastern seaboard, a vhf station can reach an audience much larger than can an equivalent uhf station. Accordingly there is serious doubt that a uhf station could, under these circumstances, compete with the vhf stations in the same area. The limited number of stations on the existing 12 vhf channels would then operate at a substantial competitive advantage."

Uhf propagation seems to have worked out better than committee had feared, but Condon group didn't come to grips with problem of set conversion.

Additional vhf channels would be preferable to uhf, the report said, blaming poor distribution of spectrum space on fact that no govt. agency "has authority to make a judicial review of the use of the entire portion of the spectrum involved."

Among the members of 5-man Condon committee were Donald Fink & Stuart Bailey -- both now members of Sen. Magnuson's ad hoc allocations study group.

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San Francisco's educational KQED (Ch. 9) reports success in "do-or-die" campaign to raise \$65,000 in public contributions by June 30 to stay on air (Vol. 11:25). Gen. mgr. James Day said \$54,000 had been paid in cash as of June 30, additional sums pledged, and drive will be extended to July 11 while station stays on air. Campaign was assisted by spot announcements on all commercial stations in area. Among other educational TV developments this week, N. Y. State Comptroller Arthur Levitt urged establishment of 10-station educational network in state, as proposed several years ago by State Board of Regents but subsequently rejected by N. Y. State Temporary Commission on Educational TV (Vol. 9:9). Dr. Walter B. Emery, consultant to Joint Committee on Educational TV, was appointed to conduct study of educational TV's potentialities in state, to be assisted by 11-man advisory committee headed by Dr. Kenneth A. Bartlett, v.p. & dean of public relations, Syracuse U. Also this week, *Washington Post's* WMBR-TV, Jacksonville, pledged to Educational Television Inc., applicant for non-commercial Ch. 7 there, a complete 5-kw transmitter valued at \$69,000. It had previously pledged use of \$60,000 mobile TV unit, including 2-camera chain, microwave transmitter & truck.

Uncle Sam's TV activities abroad will be doubled in next year by U. S. Information Agency, which this week named Frederick A. (Ted) Long chief of TV div. A one-time CBS official, Long was v.p.-gen. mgr. of United Artists TV Corp. until 1954, and was recently exec. v.p. of Continental Pictures Inc. USIS plans to make American TV material available to 66 stations in 25 countries by end of next year, as compared to 28 in 20 countries which now receive it. The weekly U. S. newsreel will be turned into semi-weekly regionalized service, and films and kines emphasizing American objectives will be shipped abroad.

Worth reading: Very pro-educational TV, very well written, presenting strong case for his side whether you agree with it or not, Martin Quigley, who took leave from his public relations firm to promote St. Louis educational TV, writes of "Home-Grown TV in St. Louis" in July *Harper's*; it's story of KETC (Ch. 9) which is called a "magnificent experiment which can be duplicated in your own community."

Graybar named distributor of Ampli-Vision equipment for community TV, master antennas and closed-circuit use. Ampli-Vision is a div. of International Telemeter Corp., 2000 Stoner Ave., Los Angeles, 80% owned by Paramount.

**Personal Notes:** Vincent T. Wasilewski, NARTB chief attorney, named mgr. of govt. relations, effective Aug. 10, assuming duties of govt. relations v.p. Ralph W. Hardy, who becomes CBS Washington v.p. Sept. 1, succeeding Earl H. Gammons, retiring . . . Richard B. Hull, gen. mgr. & founder of Iowa State College's commercial WOI-TV, Ames, takes year's leave of absence to join Educational TV-Radio Center at Ann Arbor as director of survey of current status of educational TV, financed by Ford Foundation's Fund for Adult Education . . . George Klayer appointed to new post of CBS-TV eastern sales mgr., succeeded as midwest sales mgr. by Sam K. Maxwell Jr. . . . George B. Storer elected 1955 vice commodore of famed Key Largo Yacht Club, succeeding James H. Carmine; traditionally, the commodoreship comes next . . . Wm. E. Kelley promoted to eastern TV sales mgr. in expansion of Storer Bestg. Co. sales dept. under new national sales mgr. Robert C. Wood; Lewis P. Johnson promoted to midwest TV sales mgr., Chicago; John R. Porterfield, ex-WGLV, Easton, Pa., named eastern radio sales mgr.; Paul B. Evans, ex-NBC Spot Sales, named midwest radio sales mgr. . . . John B. Scheuer, exec. v.p. & gen. mgr. of KTVI, St. Louis (Ch. 36) for last 13 months, has resigned to rejoin Triangle Publications' new broadcast div. (Walter Annenberg's WFIL-TV, Philadelphia, WNBC-TV, Binghamton & radio stations) as public relations director; KTVI pres. Paul Pelatson, chief owner, is assuming supervision of station . . . James R. Bonfils resigns as sales mgr. of KTVI to form Midwest Radio & TV Reps, 706 Chestnut St., St. Louis . . . John Babcock rejoins Crosley stations—having been for last 4 years with New Idea Farm Equipment Co.—as director of its town & country div. in charge of developing farm programs & sales . . . Richard W. Hubbell, ex-CBS, recently with DuMont, named v.p. & gen. mgr. of new Carlos Franco Assoc., market & research firm formed by the ex-Young & Rubicam and Crosley executive . . . George H. Morris, ex-KMBC, Kansas City, named gen. sales mgr. of WGTH-TV & WGTH, Hartford, Conn. . . . John B. Burns, midwest mgr. of ABC Film

Syndication, moves to N. Y. Oct. 1 as national sales director, heading new sales div. offering more specialized program services; Nat V. Donato named eastern sales mgr., continuing as Canadian rep; Patric Rastall named acting midwest mgr.; Joseph F. Greene, traffic mgr., heads new client service dept. . . . John F. Patt, pres. of WJR, Detroit & upcoming WJRT, Flint, is now at home, 2718 Landon Rd., Shaker Heights, O., convalescing from heart attack at NARTB convention which had kept him hospitalized in Washington 4 weeks . . . Frank M. Devaney, ex-gen. mgr. of old WMIN-TV, St. Paul, purchased by Bitner interests which merged it with time-sharing WTCN-TV, named station mgr., reporting to gen. mgr. Ewing C. Kelly, of upcoming KCRA-TV, Sacramento (Ch. 3), due in Sept. . . . Harold P. Danforth, WDBO-TV, Orlando, elected pres., Florida Broadcasters Assn. . . . Charles Jennings, CBC supervisor of program planning, named asst. controller of broadcasting; Marcel Carter, director of personnel & administrative services, appointed asst. controller of administration . . . Walter A. Lawrence, ex-Fuller & Smith & Ross supervisor of Westinghouse account, named v.p. in charge of Kenyon & Eckhardt's Chicago office . . . John R. Sheehan, Cunningham & Walsh TV-radio director, elected a v.p. . . . Arthur R. Ross named eastern mgr., Campbell-Ewald TV-radio dept. . . . Ted Bliss, ex-CBS-TV & Young & Rubicam, named TV-radio director, Raymond R. Morgan Co., Hollywood . . . Len Firestone resigns as national sales mgr. of Unity Television Corp. . . . Wm. J. Stenton, ex-Weiss & Geller, appointed chief timebuyer of Campbell-Mithun, Chicago . . . Eda Purcell, ex-Benton & Bowles, joins Young & Rubicam on Procter & Gamble TV-radio account . . . Matthew J. (Matty) Fox, onetime pres. of Motion Pictures for Television, elected pres. of Western Television Inc., newly-acquired subsidiary of C & C Super Corp. (soft drinks) . . . John W. Kennedy, sales mgr., upped to v.p., Charles W. Pritchard named treas., new Stromberg-Carlson Bestg. Corp. (WHAM-TV & WHAM), div. of General Dynamics, headed by pres. Wm. Fay . . . Bertram Lehar Jr. resigns as sales v.p. of WATV & WAAT, Newark, effective Aug. 31.

NARTB pres. Harold Fellows has been voted new 5-year contract thru June 1960, providing for \$5000 annual increase until \$75,000 salary is reached in 5th year. He also gets \$10,000 annual expense allowance next 5 years. Under contract ratified by full board June 25, he will be consultant at \$20,000 annually for 4 years thereafter, retiring in 1964 (at age 65) on \$7500 lifetime annuity. In other actions, board voted to hold 1957 national convention in Chicago (probably Conrad Hilton Hotel, where 1956 convention will be held April 15-19) and in 1958 on west coast. Board itself will meet next Jan. in Phoenix, next June in Washington. Board also approved constitution & by-laws of newly-organized Assn. for Professional Broadcasting Education, designed to encourage more students to enter broadcasting (Vol. 11:25). Fellows will designate 5 broadcasters to serve on APBE board.

CBS reaped no ill-will—even drew some public praise—as result of events following week's sensational disclosure by newsman Winston Burdett that he once was a Communist spy (though not while he worked for CBS). Statement by CBS v.p. Sig Mickelson on network's continued confidence in Burdett, and Senate internal security subcommittee Chairman Eastland's endorsement of network's position represented the epitome of good public relations in an extremely touchy situation.

The late M. H. Aylesworth, first pres. of NBC, got options at 5¢ a share on 1000 shares of Ellington & Co. (redeemed \$100 a share) plus a \$2000 monthly expense account for swinging the Cities Service account to that agency, according to testimony in his widow's recent unsuccessful appeal from govt. claim for \$68,749 back taxes.

Application to buy WKLO, Louisville, Ky. (5-kw, 1180 kc, ABC), along with CP for off-air WKLO-TV (Ch. 21), for \$350,000 was filed this week by Great Trails Bestg. Corp. of Dayton, owned by ex-Secy. of Commerce Charles Sawyer. Selling group is headed by Joe Eaton, with E. R. Plunkett, Harold J. Plunkett, Emanuel Levi & Milton S. Trost only stockholders with more than 10% interest. Return to air is planned by new owners "when operating difficulties of WKLO-TV are solved and operation may be resumed on another channel." WKLO-TV has asked for Ch. 7 in Louisville deintermixture petition (Vol. 11:23). Great Trails operates radio station WING, Dayton, has interest in radios WCOL, Columbus & WIZE, Springfield; controls daily *Lancaster* (O.) *Eagle-Gazette* & weekly *Waverly* (O.) *Watchman*. WKLO-TV began operation in Sept. 1953, quit air April 20, 1954. Operating statement shows radio had net operating profit in 1954 of \$52,755 on \$284,364 revenue; net in 1953 of \$37,411 on \$284,403. In the early 4 months it was on air in 1954, TV had net operating loss of \$132,036 on \$13,300 revenue; net loss in 1953 was \$102,647 on \$9276 revenue.

Sale of Tucson's KVOA-TV (Ch. 4) & KVOA for some \$450,000 was approved this week by FCC (Vol. 11:21). Selling group headed by Chicago adman John J. Louis (Needham, Louis & Brorby) owns KVAR, Phoenix (Ch. 11), and radio stations KTAR, Phoenix; KYUM, Yuma; KYCA, Prescott—all in Ariz. Purchaser Arizona Bestg. Co. comprises five 20% stockholders from Los Angeles area: ex-publisher and ex-Congressman Clinton McKinnon, adman Bernard Weinberg, attorney Arthur A. Desser, druggist H. B. Garfield, KFVB sales mgr. Frank Oxarart.

**D**EINTERMIXTURE OF UHF & VHF channels on a market-by-market basis, once believed certain of turndown by FCC, improved its chances substantially this week—probably to a 50-50 possibility—as result of oral argument before full Commission.

Counsel for more than 30 parties addressed 6 commissioners (Hennock gone, Mack not yet sworn), for 2 solid days, and it was apparent from commissioners' questions that they've given plenty of thought to problem. Specific cases involved Peoria, Evansville, Madison, Hartford & Albany-Schenectady-Troy. The first 4 have uhfs in operation, no vhf—but each has a vhf channel awaiting final grant by Commission. In each case, the uhfs ask that vhf channels be moved out of area or given to educators. There's one vhf (WRGB) operating in Albany-Schenectady-Troy area, with petition pending to add another vhf channel.

Uhf attorneys had the tough job of persuading Commission to change basic policy on allocations and grants and disappoint vhf applicants who have made great expenditures of money, time and energy in competitive hearings. Among arguments of deintermixture proponents:

(1) Uhf must be used to give competitive nationwide service. To keep uhf alive, "islands" of healthy uhf stations must be maintained.

(2) In large markets, uhf can survive against competition from one vhf station—no more. In small markets, even one vhf is too much.

(3) If uhf "islands" are preserved, manufacturers have incentive to produce good uhf sets, and growth of 3 or more strong networks is fostered.

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Opponents of deintermixture made these main points:

(1) Uhf propagation is such that uhf stations will leave "white" areas—population which can be reached by vhf, however.

(2) Uhfs which have head start over vhf in their markets, where all sets are uhf-equipped, have made no

**F**INAL DECISION this week in one of oldest competitive TV hearings of all, for Ch. 8 in Portland, Ore., awarded grant to North Pacific TV Inc., which is controlled by owners of KING-TV, Seattle (Mrs. A. Scott Bullitt) and KGW, Portland. Turned down were Westinghouse and Portland TV Inc.—latter a non-radio group headed by banker Ralph E. Williams Jr.—while Cascade TV Co. was dismissed for failure to prosecute application. Comr. Lee dissented, would have given CP to Westinghouse.

Commission also granted CP for Ch. 6, Whitefish Bay (Milwaukee) to Independent TV Inc., made possible by dropout of competitor. Company is headed by Jack Kahn, yarn & hosiery mfr.

Portland winner was selected on basis of local residence, civic participation, ownership-management integration, programming plans. Portland TV, while superior on local residence and diversification, was held handicapped by lack of broadcast experience, less promising program plans, less civic activity. Westinghouse was penalized for lack of local ownership and for its more extensive broadcasting holdings.

An initial decision looking toward grant of Ch. 11, Pittsburgh, to WWSW (which is merging with WJAS application) was issued by examiner Charles J. Frederick—but this is being contested by Pittsburgh's WENS (Ch. 16),

convincing showing that vhf will hurt them. In short—no conversion problem.

(3) Complete deintermixture is impossible—because out-of-town vhf stations penetrate uhf markets.

(4) Piecemeal deintermixture is a weak palliative for a basically unsound allocation plan. If change in allocations philosophy is justified, it should be applied nationwide.

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Principal spokesman for deintermixture was attorney James A. McKenna, representing clients in 4 of the 5 cases. He's also counsel for ABC, which also has large stake in success of uhf.

McKenna extended his argument to top 100 markets, said selective deintermixture could keep uhf alive in 25 of them. He limited pitch to keeping only ungranted vhf's from starting, obviously feeling there isn't ghost of a chance of getting any operating vhf's moved to uhf.

If 25 markets are deintermixed, he said, some 65 uhf stations, serving areas with 8,000,000 TV homes, would be "saved." In addition, he felt that 25 more uhfs in other markets would have "reasonable chance to succeed," while some 20 others are probably doomed even if his proposal is adopted.

With adoption of plan, he said, following cities would be uhf-only: Allentown-Bethlehem-Easton, Scranton, Wilkes-Barre, Springfield-Holyoke, Mass., Springfield-Decatur, Ill., Peoria-Bloomington, Evansville-Henderson, Ft. Wayne, Madison, Youngstown-New Castle, Fresno-Tulare, South Bend-Elkhart.

Following would have not more than one Grade A vhf service: Hartford-New Britain-Waterbury, Albany-Schenectady-Troy-Pittsfield, Norfolk, Jacksonville, Miami-Ft. Lauderdale, Harrisburg, York, Reading, Raleigh-Durham, New Orleans, Beaumont-Port Arthur.

Every comment or question uttered by a commissioner was seized upon as clue to his probable vote—always a risky business. For what it's worth, here's sizeup by one veteran attorney: Bartley & Webster favor deintermixture generally; Doerfer & Lee are strongly opposed to it; McConnaughéy favors some, opposes others; Hyde is "on the fence, or just plain inscrutable."

which filed for Ch. 11 this week, advancing several legal arguments to effect that WWSW has 2 applications pending, must be returned to processing line.

Two channel changes were granted—WWLP, Springfield, Mass., from Ch. 61 to Ch. 22; WKNY-TV, Kingston, N. Y., from Ch. 55 to Ch. 21, also moving to Poughkeepsie. Acting in record time, WWLP planned to be on new channel July 2, using new GE antenna atop 700-ft. tower, radiating 206-kw.

Modification of "protest" section of Communications Act, in line with FCC's pleas (Vol. 11:26), sped toward Congressional approval this week when House Commerce Committee favored FCC-sponsored amendment. Senate Commerce Committee considers it July 7. Commission is being very cautious about protests, meanwhile. This week, it postponed effectiveness of CP for satellite KBAS-TV, Ephrata, Wash. (Ch. 43), on protest filed by radio KSEM, Moses Lake.

One of hottest allocations situations revolves around FCC proposal to make Des Moines' Ch. 11 commercial, at request of KGTV (Ch. 17). Commission has been deluged by comments from educational groups, asking that channel be kept for them. This week, KGTV asked Commission to establish new class of station—"mutual commercial-educational assignments."

One petition for channel change was filed—radio WABG, Greenwood, Miss., asking that Ch. 6 be shifted from Clarksdale to Greenwood.

**Telecasting Notes:** Something that only TV can do—and which it did for first time June 27—had the critics in raptures this week. It was Pat Weaver's *Wide Wide World*, whose success was so immediate that NBC lost no time in announcing the show will go on regular basis—produced by Barry Wood, who handled Mon. program—Sun. p.m. 2 or 3 times a month. Show has already been offered for sponsorship . . . Critics exulted over the way show fully realized TV's potentialities in transporting viewers to distant places with speed of light. If previous forms of TV entertainment are merely adaptations of radio, movies and theatre, *Wide Wide World* was "pure TV" . . . Immediacy was its great stock-in-trade; while format approximated a travelogue, it had an excitement that no travelogue ever approached—with Dave Garroway's low-keyed commentary heightening the effect by letting the pictures speak for themselves . . . On the technical side, *Wide Wide World* was a smooth performance. Camera work was excellent, and remote followed remote with the same precision as a switch from one studio camera to the other . . . Another feature film and another Broadway hit for NBC-TV's 90-min. spectaculars: J. Arthur Rank's *The Magic Box*, 1951 color extravaganza obtained from National Telefilm Associates, leased to NBC for single showing on *Producers Showcase*. Originally scheduled Mon. July 25, 8-9:30 p.m., it was postponed late this week to make room for *The Fourposter*, live with Hume Cronyn & Jessica Tandy playing the roles they created in the successful play . . . Movie producer goes TV: Sol Lesser, veteran independent, who made most of the movies' Tarzan films, hopes to make similar series for TV. He has formed partnership with *Cavalcade of America* producer Jack Denove . . . Adman hits big-time: NBC's *Robert Montgomery Presents* July 4 features "The 4th of July" by S. S. (Paddy) Schweitzer, ex-TV-radio director, Peck Adv. . . Jimmy Durante, who once said he would appear on TV only once a month so as not to wear out his welcome, apparently has changed his mind and will be on TV more frequently than ever next season: his NBC-TV show will be seen 3 weeks out of 4 for total of 30 shows, of which 11 will be filmed; he also has 5 filmed shows this summer . . . Republic Pictures' package of 123 Gene Autry and Roy Rogers features just released to TV by MCA, leased by General Teleradio for a reported \$1,500,000, will be shown on 6-nights-a-week basis on WOR-TV, New York and KHJ-TV, Los Angeles, a la *Million Dollar Movie* . . . First nationwide "film network" time sale: Guild Films signs Bardahl Oil Co. for year's co-sponsorship of *Confidential File* on basic lineup of 57 Vitapix affiliates; \$2,000,000 deal is also said to involve 53 non-Vitapix stations for same series and sponsor . . . CBS underwriting the upcoming Broadway musical version of *Pygmalion*, to star Rex Harrison, deal presumably also involving TV rights . . . "Alice in Wonderland" tentatively scheduled as first in Maurice Evans' series of Sun. afternoon 90-min. presentations on NBC-TV beginning next fall—probably in color.

New reps: WROW-TV, Albany, N. Y., to Harrington, Righter & Parsons (from Bolling); WTVD, Durham, N. C., to Petry (from Headley-Reed); KVVG, Tulare, Cal., to Adam Young (from Forjoe); KLIX-TV, Twin Falls, Ida. appoints Gill-Perna; KIVA, Yuma, Ariz., to Raymer (from W. S. Grant).

NBC served notice this week that it isn't renewing affiliation contract with WNHC-TV, New Haven (Ch. 8) when it expires Oct. 1, also is severing with radio WNHC on Dec. 1. Station also is served by ABC & CBS.

William Weintraub Agency changes corporate name July 15 to Norman, Craig & Kummell; Mr. Weintraub becomes chairman, Norman B. Norman pres., Walter Craig & Eugene Kummell, v.p.'s.

**Network Accounts:** NBC-TV has sold 22 partic. (at \$71,000 each) out of the 26 available for the first 4 of its Sun. 7:30-9 p.m. color "spectaculars" this fall, for gross of \$1,500,000. Sunbeam Appliances bought 12; Maybelline (eye makeup), 4; U. S. Rubber, 2; Tums, 2; Buick, one; Goodyear, one. For other news of color's uptrend this fall, see p. 2 . . . Indicative of confidence in future of NBC-TV's "magazine concept" trilogy of *Today*, *Home & Tonight*, *Simplicity Patterns* (ladies' dress patterns) signed 3-year contract for \$750,000 worth of partic. on all 3 shows, thru Grey Adv.; it withdrew ad funds earmarked for women's magazines to pay for shows . . . Procter & Gamble, already network TV's biggest sponsor, made another big purchase on NBC-TV this week, buying 5 quarter-hours per week of *Tennessee Ernie Ford Show* Mon.-thru-Fri. 12-12:30 p.m. and *It Pays to Be Married*, Mon.-thru-Fri. 3:30-4 p.m., thru Benton & Bowles . . . Camels buys 19 additional segments of *Feather Your Nest* on NBC-TV starting July 28, Mon.-thru-Fri. 12:30-1 p.m., thru Wm. Esty Co. . . American Chicle & Kleenex to be alt. sponsors of *Summer Theatre*, featuring re-runs of outstanding film dramas, on NBC-TV starting July 5, Tue. 9-9:30 p.m., thru Ted Bates & Co. & Foote, Cone & Belding . . . Post Cereals to sponsor *Commando Cody* on NBC-TV starting July 16, Sat. 11-11:15 a.m., thru Young & Rubicam . . . General Mills to sponsor *Tales of Texas Rangers* as substitute for *Captain Midnight* on CBS-TV next fall, Sat. 11:30 a.m.-noon, thru Tatham-Laird . . . Raleigh Cigarettes & Toni buy Sun. 10:30-11 p.m. time period on NBC-TV next fall for new show, as yet untitled . . . Quaker Oats to sponsor *Ozzie & Harriet* every 4th week on ABC-TV starting Sept. 23, Fri. 8-8:30 p.m., thru J. Walter Thompson . . . Brown Shoe Co. cancels *Andy's Gang* (formerly *Smilin' Ed's Gang*) on ABC-TV in favor of spot-booking in more than 100 markets starting Aug. 20, thru Leo Burnett Co. . . Atlantic Refining Co. to sponsor half of N. Y. Giants football games in N. Y.-New England hookup on DuMont, starting Sept. 24, thru N. W. Ayer.

Among advertisers currently reported using or preparing to use TV station time: Sales Builders Inc., Los Angeles (Red Tape lipstick), thru Doyle Dane Bernbach, L. A.; C & C Super Corp., N. Y. (Super Coola soft drinks), thru Cunningham & Walsh, N. Y.; Carnation Co., Los Angeles (Instant Chocolate Milk), thru Erwin, Wasey, L. A.; Yardley of London Inc., N. Y. (toiletries), thru N. W. Ayer, N. Y.; Weco Products Co., Chicago (Dr. West's toothbrushes), thru J. Walter Thompson Co., Chicago; Smoky Joe Products, Los Angeles (frozen barbecued sandwiches), thru Hadlock & Assoc., L. A.; Jan-U-Wine Co., Los Angeles (canned Chinese foods), thru Heintz & Co., L. A.; Wishbone Salad Dressing Co., Kansas City, thru Allmayer, Fox & Reshkin, Kansas City; Ferber Corp., Englewood, N. J. (Ferber "Vu-Riter" ball point pen), thru Emil Mogul, N. Y.; Kleen King Home Products Co., Burbank, Cal. (cleaners), thru Mottl & Siteman Adv., L. A.; Nelson Pharmacal Co., Chicago (reducing plan), thru Schwimmer & Scott, Chicago.

CBS Radio affiliates this week adopted proposal for one uniform rate 7 days a week from 7 a.m. to midnight, as suggested by affiliates board last month (Vol. 11:22). Effective Aug. 25, plan increases weekend rates 5% to equalize them with weekdays. Also approved was 20% reduction in rate of payments by networks to stations, to be offset by increased number of 70-sec. station breaks.

Norman H. Strouse, J. Walter Thompson v.p. & mgr. of Detroit office, elevated to pres., succeeding Stanley Resor, who moves up to chairman after 39 years as pres.; Henry C. Flower Jr. & Samuel W. Meek, both v.p.'s, elected vice-chairmen.

ABC Film Syndication Inc. moves to 10 E. 44th St., N. Y. (phone Susquehanna 7-5000).

**N**OTRE DAME'S WNDU-TV, South Bend, Ind. (Ch. 46) joins NBC July 15 as primary interconnected affiliate, having started regular test schedules July 2 in wake of "unofficial" equipment tests June 20 (Vol. 11:26). It's third outlet in uhf area being served by *South Bend Tribune's* WSBT-TV (Ch. 34) and *Elkhart Truth's* WSJV (Ch. 52). University-owned station uses 121½-kw RCA transmitter, 500-ft. Ideco tower with RCA antenna, located 5 mi. south of South Bend, has studios on campus. Bernard C. Barth, ex-Crosley stations, is gen. mgr.; Wm. Thomas Hamilton, ex-CBS sales dept., sales mgr.; Edward J. Roth Jr., program director; Wm. A. Garden, ex-NBC public affairs, production mgr.; Robert F. Stolff, ex-CBS-TV, sales promotion; George C. Smith, ex-KEDD, Wichita, chief engineer. Base rate is \$500. Rep is Meeker.

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Two more uhf quit the air this week—WACH-TV, Newport News-Norfolk (Ch. 33) giving up for second time after having resumed on simulcast basis with radio WACH last Aug. 1 (Vol. 10:31); *Reading (Pa.) Eagle's* WEEU-TV (Ch. 33) signing off June 30 after more than 2 years on air. Norfolk area station's losses caused move, and owners have asked FCC to limit area to one vhf (pre-freeze WTAR-TV), all other commercial channels to be uhf, with Ch. 10 reserved for educational use.

Reading station, in heart of uhf area, blamed "tremendous operating costs, apathy of national advertisers, lack of equal opportunity," said it will resurvey field during next 6 months and return to air if the economic climate appears more favorable. It was second Reading uhf to go on air; WHUM-TV (Ch. 61) was first and is continuing.

Only 25 mi. away, in Lebanon, Pa., another uhf—WLBR-TV (Ch. 15)—may be resuscitated. It has been off air since last Oct. 16, this week was bought up by Philadelphia WFIL-TV owners for \$115,000 plus assumption of \$125,000 obligated for equipment. WFIL-TV aims to get it back on the air 45 days after FCC approval of trans-

fer, which usually takes about 30 days. It won't be satellite, though it will pick up and rebroadcast WFIL-TV programs daytime at start, with local live and film at night. WFIL-TV mgr. Roger Clipp plans only 9 employees, 4 program, one sales, 2 administrative, 2 engineer. Sellers are radio WLBR (52%) and *Lebanon News* (36%). WLBR owners will retain the AM. WFIL-TV ownership (Walter Annenberg) recently bought WBNF-TV, Binghamton, N. Y. (Ch. 12) for \$3,000,000 (Vol. 11:11, 19).

Note: Roster of on-air TV stations remains 433 (106 uhf) despite defection of 2 this week, for WJPB-TV, Fairmont, W. Va. (Ch. 35) is back on the air after having suspended last Feb. 28 (Vol. 9). It's owned by J. Patrick Beacom, who was elected mayor of the town in May; it has staff of 3, picks NBC & DuMont shows off air from KDKA-TV, Pittsburgh, rest of programming being mainly film. At \$150 rate, Beacom states, station just about breaks even, is sweating out prospect of securing educational Ch. 5 assigned to Weston, W. Va. Its rep is Gill-Perna.

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This week's equipment shipments: By DuMont—25-kw transmitter to upcoming KTBS-TV, Shreveport, La. (Ch. 3), which has Sept. target; 5-kw transmitter to WDBJ-TV, Roanoke, Va. (Ch. 7), due in Sept. By GE—5-kw transmitter to upcoming educational KRMA-TV, Denver (Ch. 6); 5-kw to educational WTTW, Chicago (Ch. 11), due in Sept.; 5-kw to KFJZ-TV, Ft. Worth (Ch. 11), due in Aug.; 5-kw to KVOS-TV, Bellingham, Wash. (Ch. 12); 1-kw to WPAG-TV, Ann Arbor, Mich. (Ch. 20); 5-bay helical antenna to WWLP, Springfield, Mass. (Ch. 61; due to switch to 22). By RCA—50-kw amplifier to WNCT, Greenville, N. C. (Ch. 9); 10-kw driver to KELO-TV, Sioux Falls, S. D. (Ch. 11), replacing old 5-kw driver, which will be installed at KELO-TV's satellite, KDLO-TV, Florence, S. D. (Ch. 3), due on air Sept. 15. GE reports order from KRLD-TV, Dallas (Ch. 4) for new 35-kw amplifier for early Aug. delivery. KRLD-TV's present 35-kw transmitter will be sold to KWFT-TV, Wichita Falls (Ch. 6).

**I**N OUR CONTINUING SURVEY of upcoming stations, these were latest reports received:

WDBJ-TV, Roanoke, Va. (Ch. 7) now has mid-Sept. test pattern target, hopes to join CBS next Oct. 1, reports managing director Ray P. Jordan for owner *Roanoke Times* and *World-News*. It has STA for interim operation using 5-kw DuMont transmitter, with RCA 6-section antenna on 73-ft. Blaw-Knox tower, plans 50-kw installation later. It will use former studios of defunct WROV-TV, whose assets it purchased for some \$245,000 to pave way for grant (Vol. 11:16). Blake H. Brown has been named TV sales mgr.; Charles A. Ballou, TV program mgr., reporting to Paul E. Reynolds, who adds TV to WDBJ programming chores; John W. Harkrader, promoted to asst. managing director & commercial mgr. Network hour will be \$500. Rep will be Free & Peters.

KTVO, Kirksville, Mo. (Ch. 3) filed application this week for extension of CP to next Oct., stating it has RCA equipment ordered for July 28 delivery, has Stainless tower ordered, expects to be in operation by Oct. 1. Majority owner is James J. Conroy, who also has interest in radio KBIZ, Ottumwa, Ia., WBIZ, Eau Claire & WLCX, La Crosse, Wis. Base rate and rep not reported.

WILL-TV, Champaign-Urbana, Ill. (Ch. 12, educational) has "early July" programming target, expects to start test patterns shortly, writes director Frank E. Schooley for grantee U of Illinois. Installation of 12-bay batwing antenna on Memorial Stadium's northwest tower was completed June 20 and 5-kw GE transmitter is now being tuned.

CBC board of governors June 28 recommended two TV grants, subject to usual Board of Transport approval: Gerald A. Alger was favored for Ch. 10, North Bay, Ont., over J. E. Grainger, gen. mgr. of *North Bay Nugget*. J. Conrad Lavigne, operator of predominantly French-language radio CFCL, Timmins, Ont., was sole applicant for Ch. 6 there. Board turned down Ch. 6 application of CKRD, Deer River, Alta., for financial reasons. It deferred for further study Ch. 9 application by Quebec North Shore & Labrador Railway Co. for outlet in new iron ore mining town of Schefferville, Que., on Labrador border. Railroad planned "non-commercial" outlet, using CBC kinescopes on free basis.

Sarkes Tarzian Inc., Bloomington, Ind. will manufacture all electronic components for CameraVision, combination film-live camera unveiled in April by Philip Rivero & Arthur S. Lyons in Hollywood (Vol. 11:17). Each CameraVision unit uses 4 combination cameras, with Tarzian expected to turn out all gear for first unit by Sept. Principle is similar to DuMont's Electronicam—chief difference being that CameraVision's film and live cameras use separate lenses, Electronicam's use same lens.

NARTB opposes increase in minimum wage beyond the 90¢ per hour requested by Administration. Testifying before House Committee on Education & Labor June 30, Charles H. Tower, mgr. of NARTB's employer-employee relations dept., said any rate higher than 90¢ would have "immediate and drastic" effect on smaller stations.

DuMont's latest color scanner shipment was to CBS, N. Y. this week; RCA's, to WOAI-TV, San Antonio.



**BIG HITS, BIG PLANS AT TRADE CONVENTIONS:** Philco's huge distributor convention in Miami Beach's lavish Fontainebleau Hotel was easily the high spot of the week -- though Emerson's convention in New York's Hotel Plaza brought out some rather significant departures from the industry's traditional merchandising practices (for details of new lines, etc., see pp. 1 & 11-13).

Philco had plenty up its sleeve -- considerably more than was revealed on its 100-station ABC-TV June 28 variety show. Besides unveiling 48 new TV models and new radio-phonograph lines to 1200 distributors & dealers, Philco executives:

(1) Disclosed new products and policy of diversification that seem certain to shore up pres. James H. Carmine's prediction that the company will again surpass \$400,000,000 sales this year. First half 1955, he told convention, is even with or ahead of 1954 period in all lines. Among the items ahead is TV, its No. 1 dollar item, and Philco is avowedly out for "5% more" of consumer market, in which it's unofficially estimated to have 15% or so of TV and considerably more of radio.

(2) Revealed research and development plans designed to rank it progressively higher on the electronics industry ladder (see p. 1).

(3) Disclosed color plans and thinking, which are highly optimistic for long-range future, but quite dubious about prospects before fall of 1956 (see p. 11).

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The TV-radio-phono lines were exciting -- especially such new features as top touch tuning, remote control tuning, battery-powered phonographs (entirely transistorized) and a new line of radios in all colors.

Entrance into hearing aid field for first time was revealed. Transistorized unit is no bigger than a book of matches, weighs less than an ounce, is powered by mercury battery. Mass production starts soon -- challenging established firms such as Zenith, Sonotone, Beltone, et al.

Philco is going heavier than ever into radio, and its accessory div. plans a national "Radio Fix-It Roundup" in Sept., when consumers will be invited to bring their broken-down radios into service dealer for repair at cost of \$1 plus parts.

Further diversification moves include adding new line of Dexter automatic washers and dryers soon in some markets, and the production of electric blankets (at \$33, \$38 & \$45) promised last summer.

Biggest ad campaign in Philco's history will support merchandising drive -- \$15,000,000 to be spent on cooperative advertising during remainder of this year alone. Philco is said to have sold more merchandise to its distributors this week than at any convention in its history. It even arranged to expedite solutions of financing and credit problems by putting regional teams of experts into the field, instead of requiring distributors to deal directly with Philadelphia headquarters.

Altogether, there was a "winning team" air about the convention, which led one of the company's now-numerous young second-generation distributors to remark to us, "This is like attending a college pep rally."

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Emerson's distributor convention, on far more modest plane, heard promise from pres. Benjamin Abrams that distributor and dealer discounts will be increased on new line, got an engineering "preview" from exec. v.p. Dorman D. Israel of a TV set with 2 or 3 transistors now on company's drawing boards, were told details of new dealer finance plan by v.p. Sol W. Gross. Abrams also announced new policy of eliminating "95¢" list price tags, ending regional price differentials, establishing a single price on all cabinet finishes of same model (p. 12).

"The pricing of consumer products has been subjected to hundreds of surveys," said Abrams. "For some years it has been generally accepted that prices should end with 95 cents to attract consumer attention. We have examined this price structure carefully and, as result of many actual tests, we are convinced today that consumers are not fooled by such price-ends and the new Emerson price formula is realistic."

Israel confirmed that company will market "Tinkertoy" modular-design TV set early next year (Vol. 11:24) and defended use of "series string" chassis, saying that "despite a peculiar industry prejudice" Emerson has not had one case of "epidemic" failure among tubes strung out in "Christmas tree" fashion.

Essence of dealer finance plan is that factory, cooperating with Commercial Credit Corp. and local finance companies, will pay for "floor planning" for 120 days covering merchandise bought in July and 90 days for merchandise bought in Aug. Up to now, dealers have had to finance own inventories.

Brief highlights of other major trade developments this week:

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**Tinkertoy:** "Eight of the 12 leading TV manufacturers" have been working with ACF Electronics, Alexandria, Va. "in varying degrees" in experiments with modular design of TV sets (Vol. 11:23-24). This is confirmed by spokesman of ACF, which is manufacturing the tiny stacked "Compac" component packages (developed originally by Govt. under name of "Tinkertoy"). DuMont may be first to market a set with modular components, having obtained first rights to the automatically-produced components. Company has been working with ACF for 8 months, will offer first Tinkertoy set some time after Oct. if current tests are successful. Other TV set makers which have confirmed they're experimenting with Tinkertoy are Emerson, Motorola, CBS-Columbia, Capehart-Farnsworth; with exception of Emerson, none of these appears to have any immediate plans for use of the technique.

**Merger Talk:** "We expect to be doing business at the same old stand all the time," was Philco pres. James H. Carmine's brief answer to speculation about any possible mergers involving Philco. All sorts of rumors are currently rampant in the TV-radio-appliance trade, apparently growing out of general "atmosphere of merger" in the industrial economy and, more specifically, to the projected Whirlpool-Seeger consolidation still undergoing Dept. of Justice scrutiny, in which RCA would acquire 20% ownership with Sears Roebuck and possibly others, if approved (Vol. 11:22).

**Fair Trade:** Pennsylvania State Supreme Court upheld legality of state's fair trade act, sustaining a lower court decision in favor of GE in suit against retail store in Harrisburg. Effect of ruling is to forbid dealers from selling products at prices below those set forth in fair trade agreements. Contrary view of fair trade agreements was taken last week by Indiana Superior Court, which ruled that a price-fixing pact between Arvin and Indianapolis dealer was unconstitutional (Vol. 11:26).

**Installment Credit:** Commerce Dept. reports increase in consumer installment purchases in May for 4th straight month, due mainly to auto buying. Consumer credit on May 31 was at all-time high of \$31.568 billion, up \$900,000 from end of April and \$3.196 billion higher than May 31, 1954. Treasury Secy. Humphrey, commenting on the rise in installment credit in testimony before House Ways & Means Committee, warned: "We believe at this time of great prosperity that all of us -- Government, business and individuals alike -- should exercise self-restraint in the use of public or private credit and the accumulation of debt."

**Production:** TV output declined to 116,698 week ended June 24, down from 131,801 in preceding week but slightly up from 110,766 in week ended June 10. It was year's 25th week and brought production for year to date to about 3,625,000, compared to 2,950,000 in corresponding 1954 period. Official 5-month production was placed by RETMA at 3,238,820, up 41% from the 2,301,055 TVs produced in first 5 months of 1954. Radio production totaled 265,592 (127,382 auto) in week ended June 24, compared to 268,822 preceding week and 264,054 week before. For 5 months, radio production was 5,853,954, up 44% from 4,048,904 turned out first 5 months year ago.

**COLOR SET PLANS; PHILCO'S PATENT WARNING:** Set makers' preparations for color this fall, paralleling those of networks (see p. 2), were highlighted by 2 developments this week, both indicating accelerating interest in color for next season:

(1) Disclosure that RCA is supplying complete color chassis and facilities of its RCA Service Co. as temporary assistance to other set makers who are not yet prepared to handle complete job themselves.

(2) Philco's announcement that it will offer color sets this fall for first time, using RCA-type 3-gun color tube made by Sylvania, while continuing intensive work on its own 1-gun "Apple" tube -- at the same time stating that its patents are essential to manufacture of all color sets.

Two more set makers introduced color sets this week: Emerson, with full-door 2-speaker mahogany console, \$895; Sentinel, with mahogany console at \$895, oak \$925.

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"We are definitely not going into the private-label business," said Robert Seidel, RCA consumer products exec. v.p. in outlining company policy of supplying color chassis to other set makers. "As always," he said, "we are willing to do anything helpful to licensees who have problems and ask us for help. This is a temporary measure until they are prepared to take care of their own needs. At this stage, it's just not economical for everyone to tool up for special parts.

"We are offering the facilities of RCA Service Co. where there is no one else ready to handle color servicing. We did the same in black-&-white, and we believe it is for the good of everyone concerned."

Magnavox is the only company, so far, indicating that it is employing RCA chassis and service, though several stated they're considering similar arrangement.

RCA's emphasis on color receivers in recent field rep & distributor meetings (Vol. 11:24) was considerably greater than is commonly believed, Seidel said. He stated that theme of meetings was that there's same market for color sets as for Cadillacs and mink coats, and he noted: "It's easier to breed minks than to manufacture color tubes and receivers."

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Philco's position on color was given at distributor meeting in Miami Beach this week. Pres. James H. Carmine stated that Philco has delayed offering color sets until it was convinced that satisfactory chassis had been developed; that Philco engineers had designed such chassis and sets would be offered this fall at \$795 & \$895; that they'd employ 3-gun tubes, "using the CBS-Hytron developed curved mask," supplied by Sylvania.

Carmine was dubious about prospects for substantial sales because of high prices, declaring: "We are still of the opinion that color TV will not get underway and really off the ground quantity-wise until a low-cost tube is developed."

Philco's challenge to RCA's patent position on color was based on participation of its representatives in NTSC work on standards and its own laboratory developments. "We wish to put the industry on notice," he said, "that in our opinion they will require Philco patents to build any kind of a TV receiver as our patents issue through the Patent Office." Philco is the only set maker other than Zenith, which is in litigation with RCA, which has not renewed license agreement with RCA.

Carmine estimated only 20,000-30,000 color sets in use now, quoted RCA pres. Frank Folsom's early 1954 statement that "for balance of this year and next year it is estimated that 350,000 color sets will be produced and sold"; Mr. Seidel's statement 4 months later that 1955 color production would be 200,000 sets; Motorola's July 1954 statement that it alone would build and sell between 25,000-30,000.

"Whatever quantity was produced," he noted with sarcasm, "lies in the hands of the manufacturer, distributor and dealer." Though he saw color moving slowly this fall, possibly beginning to move perceptibly by last quarter 1956, he concluded: "Certainly color TV offers us all a gigantic opportunity -- for the future."

Then he did some guessing of his own on TV set sales -- more than 7,000,000 this year, 8,400,000 in 1956, 9,200,000 in 1958. But he hastened to assert "this increase will not result from color [but rather] from second sets and replacements."

**Topics & Trends of TV Trade:** Federal Trade Commission's long-awaited TV-radio trade practice rules, promulgated this week, aren't being accepted wholeheartedly by industry—even though it took 4 years of tortuous industry-wide hearings to hammer them out (Vol. 7:39, 8:19, 9:41, 10:23). In fact, some RETMA members are so agitated about a few key provisions that the organization's legal committee will meet with counsel Glen McDaniel July 6 at New York's Broad Street Club to consider possible appeal to FTC for revision.

Principal points of contention are FTC's rules requiring (1) disclosure in ads whether diagonal measurement of tube is used to describe screen size; (2) full and accurate disclosure of all cabinet finishes; (3) designation of rebuilt picture tubes as "seconds" or "rejects." In all 3 instances, some manufacturers contend FTC's rules go too far, ignore what have become standard industry practices. FTC itself apparently anticipated industry opposition, for it made those rules (Nos. 6, 9 & 12) effective in 6 months, whereas rest of rules go into effect Aug. 1.

NARDA managing director A. W. Bernsohn, on behalf of dealers, gave qualified endorsement to rules, though he contended that defining tube size on diagonal would "weaken the impact of advertising copy." He also thought sections prohibiting discriminatory advertising and promotional allowances might be difficult to enforce.

Rules themselves are not legally binding, merely codify FTC's interpretations of the Federal Trade Act. They depend on voluntary compliance within industry for their effect. FTC cannot issue a formal complaint against a company on basis of alleged violation of the rules. FTC has copies of rules available on request—or we'll be glad to get one for you.

Regulations on advertising of cabinet finish permit use of "mahogany" or "solid mahogany" only when that is actual finish and decree that cabinets whose finish is transferred by photographic process must be so advertised, and not represented as wood. On imperfect CR tubes, FTC stipulates that tubes whose defects have been corrected before being demonstrated to public can be sold as new but that rebuilt tubes which has been used in a set must be designated as "reject" or "second."

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**Trade Miscellany: Exciting salesman's incentive prize:** Philco to offer round-the-world trip to 56 on chartered Pan American Airways plane, and brought the pretty stewardesses to Miami Beach convention to plug contest; also there were former Miss America, Philco's Bess Myerson, along with last year's winner and 3 of this year's entries to promote Philco sponsorship of next Atlantic City pageant . . . Another promotion: Set of 10 World Encyclopedias for \$5 to be given with every purchase of \$300 Philco TV—Philco, distributor & dealer splitting rest of cost (\$16.50); also a \$39.50 Webster's Dictionary for \$1.75 to go with TVs costing \$230 or more, distributor-dealer each paying \$2.85, Philco the rest . . . CBS-Columbia "Blue Tag Double Feature" promotion, running for 30 days starting July 5, gives consumer \$35 clock radio with each "Advanced 1600" TV set; distributor cost on TVs has been reduced to allow dealers to make gift without expense to themselves . . . Mitchell Mfg. Co., Chicago (Gene Tracey), mainly in air conditioning, out with new transistorized radio weighing less than 1 lb. and listing at \$49.95 . . . Recommended reading: Full text of speech by Stephen Masters, head of Masters Inc., biggest N. Y. discount house chain, at recent Advertising Federation of America convention; in June 27 *Advertising Age*, he blames advertising industry & fair trade for rise of discounters.

Private label sets accounted for 41% of Hallicrafters TV production in quarter ended May 31, 9-month financial statement reveals.

Emerson's new line, introduced to distributors this week at New York's Plaza Hotel, establishes (1) uniform prices throughout country, made possible by prepayment of freight by factory; (2) rounded dollar prices, eliminating traditional policy of ending prices in 95¢; (3) one price for all finishes of receivers. Line contains a 14-in. AC-DC "portable" wood-finish set in red, white or blue, at \$158; 17-in. table at \$128; 21-in. tables at \$148, \$198 & \$206; 21-in. consoles at \$194, \$208, \$246, \$264, \$294 & \$348; 24-in. tables at \$214 & \$258; 24-in. consoles at \$298, \$372 & \$378; 21-in. combinations at \$378 & \$498. Optional uhf tuners are \$10-\$30 extra. Radio line ranges from plastic table model at \$16 to plastic clock set at \$44. Emerson pres. Benjamin Abrams said company's first transistor radio, introduced in early May, weighing less than 1 lb. and priced at \$44 (Vol. 11:19), is its biggest seller, promised more transistorized radios will be marketed shortly. Also introduced were 9 phonographs, starting with 3-speed portable at \$28 and going up to company's first high-fidelity console at \$198.

Excise tax adjustment, pushed by RETMA, may be considered by House Ways & Means Committee July 6. Two identical bills, introduced in the House this week by Reps. Keogh (D-N. Y.) & Simpson (R-Pa.) would repeal 10% tax on chassis, speakers, amplifiers, power supply units, phono mechanisms, built-in antennas and other parts, and correct inequities in present excise tax setup as it applies to TV-radio. The bills are same as S-2009 (Vol. 11:21) introduced in May by Sens. Martin (R-Pa.) & Dirksen (R-Ill.). Same language was contained in House-passed tax bill which died when 83rd Congress ended last year (Vol. 10:34). Another tax bill introduced this week by Rep. Herlong (D-Fla.) would repeal excise tax on phonograph records.

Accreditation plan for TV servicemen, to enable set owners to identify technically competent servicemen and to permit technicians to upgrade themselves for proper recognition, is proposed by RETMA in 8-p. booklet issued this week. It's titled *Suggested Accreditation Program for TV Receiver Service Technicians*, available free from RETMA or from us. Certificates would be awarded servicemen who complete RETMA-approved training courses or pass tests given by local service advisory groups. To assist latter, RETMA has prepared sample examination on industry-recommended course, providing for demonstration of techniques as well as written material.

Indicative of crackdown on bait-switch ads, 4 owners of Atlantic Sewing Stores Inc., Brooklyn, were convicted in Special Sessions Court this week of fraudulent advertising on TV—first conviction of kind in N. Y. State. Kings County District Attorney Silver predicted it would have wide effect on future TV-radio advertising. Defendants face possible 3-year jail terms and \$500 fines.

Kaye-Halbert Corp. permitted to continue in business under amended Chapter XI plan calling for payment of 10% to unsecured creditors with claims dated prior to May 7, 1954 and issuance of 162,414 shares of common stock to current stockholders (Vol. 10:32, 11:23).

RCA awarded \$132,000 tax rebate by District of Columbia Tax Court, covering TV-radio sets sold to Washington dealers in 1949-51, on legal technicality that city had no right to collect franchise tax on merchandise sold by field reps not located in city.

Capehart-Farnsworth to introduce new TV-radio-phonograph line at meetings of regional sales mgrs. July 11-12 at Hotel Commodore, N. Y.; July 18-19 at Edgewater Beach Hotel, Chicago; July 23-29 at Ambassador, L. A.

Sentinel Radio's new line, introduced this week to distributors at Chicago's Edgewater Beach Hotel, ranges from \$150 for 17-in. mahogany table to \$400 for 21-in. full-door blonde console with top-front tuning.

**PHILCO'S NEW LINE**, redesigned and restyled throughout, is built around 3 different chassis—called "Golden Grid 330," "Micro-Grid 390," "Custom 440 Upright." It steps up from a 17-in. metal table model at \$160 to a 21-in. TV-radio-phono combination at \$460 to a 24-in. fruitwood console at \$500. Tuning at top front is featured, called "finger tip tuning," and in some models there is so-called "top touch tuning" which permits channel selection by means of a finger-controlled treadle bar that triggers a mechanism dialing channels sequentially. Remote control unit for latter costs \$10, and this is the gimmick that Philco will play up most heavily in its merchandising in behalf of step-up buying.

Featured again in line is plug-in uhf conversion (all-channel unit reduced from \$45 to \$30, new single-channel unit offered at \$15). New addition is wood-cabinet Telechron clock at \$20 to put on top of set to turn it on & off at pre-set times.

The 17-in. at \$160 is a metal table offered in ivory, coral, forest green or mahogany finish; with legs, in mahogany wood, it's \$180. Shown was another 17-in. model on legs, to be called "The Executive" and to sell at \$170; it's to be made for a pitch for office TVs.

Fifteen 21-in. table models, most on swivelettes, range from \$180 to \$310; 22 consoles range from \$250 to \$420; three combinations are \$440, \$450, \$460. Nine 24-in. sets start with ebony table at \$260, all rest being consoles that range from \$300 to \$500. Some upper-end models have doors; mahogany and blonde are the dominant woods, with a few walnut and one teak in black-&-gold.

The total of 48 models, if you add up Philco's model designations, is believed to be something of a record in TV—certainly for the last few years. The accent is on colors, notably in the picture framing. As an added merchandising fillip, Philco has press-button arrangement whereby a window shopper can control the Philco TV on display via the new plug-in remote control.

Thirteen phonographs were shown, to list from a portable at \$30 to table at \$160 to console at \$200. Cynosure of the exhibit was the much-publicized, battery-operated, all-transistorized portable phono, to sell at \$60 (one of which was given to each distributor at the convention). A slightly larger model that stores a dozen or more 45rpm records will sell for \$70. Three tiny transistors and a motor weighing less than 3 oz. power these sets, and it's claimed they can play 150 hours on 2 sets of ordinary flashlight batteries costing 50¢ in all. It's possible to step up player speed as batteries wear down. Whole thing with batteries weighs about 7 lbs.

One clock radio-phono is in the line at \$100, and there are 14 other radios ranging in price from \$20 to \$65, quite a few with clocks.

For the first time, too, Philco revealed it's going to make clock radios—6 models, unpriced—for sale through specialty stores, notably jewelers. These will be sold in minimum lots of 250 and go exclusively to one store or chain in an area, delivered direct to them but billed through the distributor. They're Philco-branded, won't bear any private labels, are entirely different in design from regular radio line.

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**Chester H. Lang**, GE v.p. for public relations, onetime mgr. of its radio stations and recently supervisor of its remaining TV-radio outlets in Schenectady, retired June 30 after 30 years of service; he was tendered testimonial dinner at the Edison Club, and has indicated he may run for Congress for the seat being vacated by Rep. Kearney (R), of Gloversville. His GE duties have been taken over by Ray H. Luebbe, v.p., gen. counsel & secy.

**Trade Personals:** Reese Lloyd promoted to v.p. in Philco TV div.; he will report to Fred Ogilby, div. v.p. & gen. mgr. who was absent from this week's Miami Beach convention because of illness, his duties being assumed by div. v.p. James M. Skinner Jr. . . . James Archambault, pres. of Dormeyer Corp. & Nick Malz, asst. to Dormeyer chairman in charge of production & research, named assts. to Webster-Chicago chairman H. R. Blash, whose stock was recently purchased by Chicago industrialist Titus Haffa, who controls Dormeyer (Vol. 11:25-26) . . . Frank Folsom, RCA pres., returned from European business trip July 1 . . . Clarence S. Tay, gen. mgr. of Admiral distributing branches, recovering after recent surgery at Evanston (Ill.) Hospital, where he'll be confined about 2 more weeks . . . P. S. Christaldi, mgr. of DuMont instrument div., named mgr. of new technical products div., combining instrument & communication products, with emphasis on automation equipment . . . M. N. Brooks named mgr. of materials, Westinghouse TV-radio div., succeeded as purchasing agent by M. A. Gardner, ex-American Machine & Foundry, CBS-Columbia & RCA . . . Donald Grey Wilson, chairman of U of Kansas electrical engineering dept., appointed asst. director of research, Stromberg-Carlson . . . George Deters promoted to Raytheon mgr. of equipment CR tube sales, headquartering in Franklin Park, Ill. . . . Hendrix Blue named Hallicrafters adv. mgr., replacing Raymond Bermond, resigned.

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**DISTRIBUTOR NOTES:** Raytheon appoints Georgia Distributors Inc., 754 Ponce de Leon Pl. NE, Atlanta (Harry Hurt, pres.); Hicks Distributing Co., 519 N. Olympia, New Orleans (Hicks L. Young, pres.); Banks-Miller Supply Co., 742 Third Ave., Huntington, W. Va. (Robert S. White, pres.) . . . Capehart-Farnsworth appoints Ball Television & Radio Service, Cleveland, as service rep . . . Times Appliance Co., N. Y. (Westinghouse) elects Victor D. Kniss as pres., succeeding E. B. Ingraham, retired . . . Krich-New Jersey Inc., Newark (RCA) appoints Mervin Marcus sales mgr. . . . Ward Terry & Co., Denver (RCA) promotes John Burns to mgr. of electronics sales, succeeded as mgr. of home instrument dept. by Joseph Wagner . . . Sues, Young & Brown Inc., Los Angeles (Zenith) appoints Joseph M. Smyth adv. & sales promotion director, succeeding Peter Frank, now mgr. of small appliances . . . Warren-Connolly Co. Inc., N. Y. (Motorola) reports resignation of adv. & sales promotion mgr. Ralph E. Strand, who joins Martin Miller Adv., N. Y. . . . Motorola appoints Erskine-Healy Appliances Inc., 420 St. Paul St., Rochester, N. Y. . . . Emerson-Midwest, Chicago, elects Ruben R. Schoenberg as pres., succeeding Charles Robbins, transferred to Jersey City headquarters.

Richard Hodgson, pres. of Chromatic TV Labs, Paramount Pictures Corp. subsidiary, joins Fairchild Camera & Instrument Co. as v.p.-mgr. of reconnaissance systems div. He has long been associated with Paramount's TV activities, helped organize Chromatic, which was formed to develop 1-gun color tube invented by Dr. Ernest O. Lawrence. Chromatic chairman Paul Raibourn says that Hodgson will remain on board for present; that there's no financial tieup between Paramount and Fairchild; that progress on Lawrence tube is "good" and Hodgson's departure won't affect development.

Malcolm A. Hoffmann, who worked on TV-radio anti-trust matters as special asst. to the Attorney General in Dept. of Justice anti-trust div., resigned as of July 1 to join N. Y. law firm of Rosenman, Goldmark, Colin & Kaye.

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**Paul L. Lewis**, 58, ex-gen. mgr. of Motorola-New York Inc. & onetime appliance sales mgr. of GE Supply Co., N. Y., died June 23. He is survived by his wife, Mrs. Marilyn Lewis, and a daughter, Mrs. H. Ward Sutherland.

**Financial & Trade Notes:** Supplement to July *Fortune Magazine* is a 12-p. "Directory of the 500 Largest U. S. Industrial Corporations"—and included in what it calls a "unique and distinguished roster" (those with net sales of \$50,000,000 or more) are more than a score of TV-radio and related electronics manufacturers. Census Bureau's "mining & manufacturing" classification was used in tabulating the listing, which excludes financial, transportation, trade, construction & service companies.

The 500 "industrials" have been ranked according to total assets, profit before income taxes, net profit, number of stockholders & employes. We've culled the list and, with permission of Time Inc., reprint below a listing of the TV-radio-electronics & related firms. Note that they're ranked first by sales and that the rankings appear in each column in boldface type; note also that essentially service concerns (like NBC, CBS, AB-PT) are not included. Nor does the full Directory include corporations that do not publish sales figures.

It should also be noted that most of the firms we have selected out of the big list are engaged in pursuits other than TV-radio which are usually considerably larger than their TV-radio operations—e.g., top-rankers GE & Westinghouse. Aircraft firms heavily in electronics are not included. Reprints of the full supplement can be had from *Fortune*, Room 1430, 9 Rockefeller Plaza, New York 20, N. Y. at 25¢ each.

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National Telefilm Associates Inc., which recently marketed 312,500 shares of common stock at \$5 per share (Vol. 11:22, 25), has been approved for listing by the American Stock Exchange. Headed by Ely Landau, it distributes TV & theatrical films, has 900 stockholders, 650,000 shares of common outstanding.

In list of 110 "Blue Ribbon" stocks that have never shown a loss, compiled for its June 27 issue by United Business Service, Boston, only ones in electronics or directly related fields are AT&T & GE.

Jerrold Electronics Corp., maker of community antenna equipment and operator of community systems, issued first public stock offering this week—through group of 13 underwriters headed by Van Alstyne, Noel & Co. and Butcher & Sherrerd. Offer comprises \$2,750,000 in 6% convertible subordinated debentures due 1975 and 200,000 shares of common stock at \$4. Prospectus shows net of \$189,733 (after taxes of \$216,051 on sales of \$3,413,506) for year ended Feb. 28. For fiscal 1954 net was \$167,663 (taxes \$167,792, sales \$2,779,725); for 1953, net \$24,513 (taxes \$43,189, sales \$1,396,203; for 1952, net \$18,695 (taxes \$30,696, sales \$1,024,868); for 1951, net \$18,609 (taxes \$16,343, sales \$854,910). Funds obtained will be used to expand generally, with emphasis on construction and operation of community systems.

More officer & director stock transactions reported to SEC during May: Allen B. DuMont sold 1100 DuMont Class A common, now holds 37,600; C. E. Underwood sold 3900 Hoffman Electronics, holds 1000; H. C. Andrus sold 2000 Lear Inc., holds 1003; Charles M. Green sold 9990 Sperry Corp., holds 2400; Robert McKinney bought 2000 IT&T, holds 13,250; Harold I. Thorp sold 2000 Decca Records, holds 3000; Spyros Skouras bought 4240 20th Century-Fox, holds 10,000; George Y. Wheeler II received 5000 RCA as gift from mother (in June), holds 10,500; Thomas A. Kennally sold 3000 Philco, holds 6997; Cramer W. LaPierre bought 1695 GE, made gift of 100, holds 2398; Chauncey G. Suits bought 2070 GE, holds 2152.

Davega Stores Corp. had net loss of \$331,798 on sales of \$23,818,893 in fiscal year ended March 31 vs. loss of \$181,181 on \$24,749,084 in preceding fiscal year. Assets of \$5,501,078 and liabilities of \$2,773,585 were listed as of March 31 vs. \$5,359,562 & \$2,608,089 year earlier.

Collins Radio Co. has registered 75,000 shares of Class B common stock with SEC, representing part of holdings of Mrs. Arthur A. Collins individually and as trustee; Kidder, Peabody & Co. and White, Weld & Co. are underwriters.

## TV-Radio-Electronics Rankings in The Fortune Directory Of the 500 Largest U. S. Industrial Corporations

RANK	COMPANY	SALES <sup>1</sup> (\$000)	ASSETS (\$000)	PRE-TAX PROFIT <sup>2</sup> (\$000)	NET PROFIT (\$000)	STOCKHOLDERS	EMPLOYEES <sup>3</sup>
4	General Electric	2,959,078	1,691,980	9	390,613	4	212,613
13	Westinghouse Electric	1,631,045	1,329,120	12	163,194	13	84,594
15	Western Electric	1,526,231	1,073,600	16	115,552	18	55,836
23	Radio Corp. of America	940,950	548,325	37	83,501	29	40,525
46	Bendix Aviation	607,712	285,431	82	61,797	44	25,538
83	Avco Manufacturing <sup>5</sup>	375,406	200,879	112	7,509	317	3,639
85	Philco	349,277	164,588	133	10,544	246	6,769
106	Sylvania Electric Products	281,642	191,380	117	18,381	159	9,481
143	Admiral	219,565	109,126	195	15,582	179	6,548
156	Motorola	205,226	94,531	224	16,524	173	7,572
178	Raytheon Mfg.	177,100	93,641	228	10,023	257	3,523
224	Zenith Radio	138,608	62,605	316	12,056	224	5,676
250	General Precision Equipment	123,333	91,358	235	12,019	226	5,488
311	DuMont (Allen B.) Labs.	91,938	63,251	310	1,739	464	870
316	Collins Radio	90,300	42,794	406	7,656	312	3,390
345	Emerson Radio & Phonograph	80,560	40,971	420	3,449	421	1,885
371	Standard Coil Products	72,862	29,351	471	5,136	374	2,871
411	Stromberg-Carlson <sup>6</sup>	63,509	41,148	418	4,132	403	1,982
413	Magnavox	62,974	28,543	473	5,333	369	2,103
433	Clevite	59,205	58,537	335	5,619	365	2,669
459	Mallory (P.R.)	54,630	33,032	457	2,420	448	1,072
474	Arvin Industries	53,373	27,979	476	4,631	390	2,231

(Figures in heavy type are rankings.)

<sup>1</sup> Net sales for fiscal years ending Jan. 1, 1954, through Jan. 2, 1955, unless otherwise noted. Some companies report "gross operating income," "net billings," etc., rather than sales. All figures include sales of consolidated subsidiaries. <sup>2</sup> Before federal, state and foreign income

taxes. <sup>3</sup> As reported. In some cases average employment for year, in some companies, year end. <sup>4</sup> AT&T owns 99.81 per cent of stock. <sup>5</sup> Parent of Crosley. <sup>6</sup> Now part of General Dynamics.

**Electronics Reports:** Three mergers in electronics fields were approved by stockholders this week and a fourth announced. Stockholders of General Dynamics Corp. and of Stromberg-Carlson overwhelmingly ratified merger into firm with combined annual sales of \$713,000,000 (Vol. 11:18). Holders of Stromberg-Carlson will receive one share of General Dynamics common for each share of Stromberg. Stromberg pres. Robert C. Tait will continue as head of Stromberg-Carlson div. and will become a senior v.p. of parent company. General Dynamics pres. John Jay Hopkins hailed the acquisition as "a major move in diversifying the corporation's base of operations in the electronic field."

Olympic Radio & Television Inc., Long Island City, and Victoreen Instrument Co., Cleveland, this week announced plans to merge into new firm called Nuclear Electronics Corp., with headquarters in New York. To be headed by David H. Cogan, former pres. of CBS-Columbia, Nuclear is also seeking to buy and develop other firms in electronic, appliance, nuclear & radiation fields. Three shares of Nuclear will be issued for every share of Olympic and every share of Victoreen. Nuclear has agreement to purchase the 137,332 shares of Olympic now held by Fox, Wells & Co., investment firm, for total of \$1,038,230.

Olympic and Victoreen will be operated as subsidiaries of Nuclear Electronics, which will sell new convertible debenture of \$2,500,000. Olympic's assets totaled \$6,061,607 May 31, while Victoreen's assets at end of 1954 were \$1,670,908. In addition to Cogan, officers of parent company will be: Olympic chairman Adolphe Juviler, chairman; Olympic pres. Morris W. Sobin, v.p.; Victoreen pres. C. W. Haller, v.p. Bruce A. & Lloyd H. Coffin, who formerly headed CBS-Hytron, are now on Victoreen board.

Approved by stockholders this week were acquisition of Automatic Mfg., Newark, by General Instrument Corp., Elizabeth, N. J. (Vol. 11:24-25) and purchase of assets of Alliance Mfg. Co., Alliance, O., by Consolidated Electronics Industries Corp., Waterbury, Conn. Automatic's outstanding 1500 shares are exchanged for 555,000 shares of General Instrument stock, with Automatic pres. Martin H. Benedek now chairman and chief executive officer of General Instrument. Automatic exec. v.p. Moses Shapiro assumes same post at General Instrument. Both make TV-radio-military components. Consolidated Electronics' purchase of Alliance, maker of antenna rotators, small motors, etc., marks accelerated pace of North American Philips—which controls Consolidated—in electronics and components business (Vol. 11:21).

Biggest electronics merger of them all—Remington Rand and Sperry Co.—went into effect July 1, creating huge new Sperry Rand Corp., with assets of about half-billion (Vol. 11:12, 22). And Daystrom Inc., which recently acquired several electronic subsidiaries, has given top priority to acquisition of more electronics firms, pres. Thomas Roy Jones told stockholders meeting this week.

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Dynamics Corp. of America (formerly Claude Neon), parent of Standard Electronics and Reeves Instrument Co., reports for 5 months ended May 31, profits of \$634,568 (24¢ a share) on sales of \$17,609,626, compared to \$613,991 (23¢) on \$17,036,785 same period last year. Unfilled order backlog was estimated at more than \$50,000,000. Pres. David T. Bonner told stockholders meeting that "substantial progress is being made in the development of new products for both defense and industrial applications, particularly in the field of automation."

Joseph P. D'Arezzo, former chief of Army's special weapons & air defense div. of office of chief of research & development, appointed divisional v.p. of American Machine & Foundry Co. (AMF) defense products group, Alexandria, Va.

### New TV Factbook—Pre-Print Orders

**T**ELEVISION FACTBOOK No. 21, the Fall-Winter edition of the TV-electronics industries' first and most widely used and quoted "almanac," will be off the presses about Aug. 1—containing basic data on all U. S., Canadian and World TV stations and networks (including digests of station rate cards and complete rate cards of the networks); digests of all CPs outstanding and applications pending for new stations, with details on principals involved, facilities, etc.; all allocation tables brought up-to-date. All other departments are updated, too, such as the directories of the FCC, TV sales reps, program producers & distributors, set-&-tube manufacturers, radio attorneys, engineers & consultants, laboratories, etc. Also updated are TV-radio production figures, time sales and other statistical tables. Included with each *Factbook* is revised copy of our 43x29-in. Map of TV Cities and network interconnections, in color, suitable for framing. One copy of the *Factbook* goes to each of our full-service subscribers. Extra copies, if pre-print orders are placed for 20 or more, are \$1.50 each; single copies, \$4.00.

TV will be "keynote" of New York's Palace of Progress, permanent world's fair and merchandise mart to be built by realtors Webb & Knapp above Pennsylvania station, according to lead article by editor Abel Green in June 29 *Variety*. The 3,000,000-sq. ft. \$100,000,000 building to be designed by architects Pereira & Luckman and planned by Webb & Knapp pres. Wm. Zeckendorf and showman Billy Rose is slated for completion by 1959. Quoting the architects, Green reports: "This 4th dimension—the videal phase—has never been engineered into any office structure. Every area of every floor will be designed to serve as a TV setting for closed-circuit or commercial telecast." Among other features, entire building will be lighted for TV pickups and cable outlets for closed-circuit or off-air TV will be everywhere, with places set aside for giant-screen projection TV. Intention is to make the Palace a vast origination point for both live & filmed TV shows, with every conceivable kind of facility for both origination and reception. The squat 2-square-block 10-story structure is to be topped with a TV tower "as tall as the Empire State Bldg. tower" if aeronautical clearance can be obtained.

Expanding TV ownership, General Teleradio (General Tire & Rubber Co. subsidiary) seeks to purchase WEAT-TV (Ch. 12) & WEAT, W. Palm Beach for \$194,000, in application filed with FCC this week. General Teleradio now owns WOR-TV & WOR, New York; KHJ-TV & KHJ, Los Angeles; WNAC-TV & WNAC, Boston; WHBQ-TV & WHBQ, Memphis; 55% of uhf WGTH-TV, Hartford. Sellers are J. Robert Meachem and his wife, 70% owners, with agreement stipulating Meachem be retained as mgr. for 5 years at \$12,000 annually. March 31 WEAT-TV balance sheet shows \$43,316 deficit. Liabilities are \$214,387 current, \$29,759 long-term. Of \$440,850 assets, current are \$98,211, fixed \$278,411, intangible \$98,211.

Donn Bennett Productions Inc., 1507 Walnut St., Philadelphia, whose *The Big Idea* show has been sponsored live on WCAU-TV since 1948 by Philadelphia Savings Fund, marketed 100,000 shares at \$3 locally this week to acquire working capital for current film production (at RKO-Pathe Studio, N. Y.) of 13 half-hours for syndication. Show is based on new inventions, features the inventors.

Admiral has shipped to RCA, licensee of its automation apparatus, first section of an automation line for TV sets; it inserts resistors in printed circuit boards, goes into Indianapolis factory, will be followed by machines to insert wire jumpers, tube sockets, other components.

## Network TV-Radio Billings

May 1955 and January-May 1955

(For April report see *Television Digest*, Vol. 11:23)

**N**ETWORK RADIO picked up slightly in May, as against April—but it's still running considerably behind 1954. Network TV billings continued in May at high level, more than triple radio, with CBS-TV retaining strong lead over NBC-TV, ABC-TV holding steady, DuMont down to lowest in many years. The May PIB report shows \$33,500,554 combined network TV billings, bringing total for 5 months to \$165,539,107 vs. \$25,922,161 & \$125,477,346 for same 1954 period. The PIB report:

### NETWORK TELEVISION

	May 1955	May 1954	Jan.-May 1955	Jan.-May 1954
CBS	\$16,028,800	\$11,488,168	\$78,054,922	\$54,468,249
NBC	13,591,687	11,033,987	66,572,049	52,303,297
ABC	3,606,427	2,411,656	18,226,301	12,889,785
DuMont	273,640	988,350	2,685,835	5,816,015
<b>Total</b>	<b>\$33,500,554</b>	<b>\$25,922,161</b>	<b>\$165,539,107</b>	<b>\$125,477,346</b>

### NETWORK RADIO

	\$	\$	\$	\$
CBS	3,923,796	5,116,152	20,286,915	25,533,132
NBC	2,652,560	2,780,725	13,559,541	15,951,564
ABC*	2,080,272	2,307,029	11,497,432	12,764,603
MBS	1,450,889	1,908,198	6,927,552	9,515,534
<b>Total</b>	<b>\$10,107,517</b>	<b>\$12,112,104</b>	<b>\$52,271,440</b>	<b>\$63,764,833</b>

### NETWORK TELEVISION—January-May 1955

	ABC	CBS	DuMont	NBC	Total
Jan.	\$ 3,718,195	\$15,831,141	\$ 723,960	\$13,172,695	\$ 33,445,991
Feb.	3,567,696	14,694,726	597,275	12,419,641	31,279,338
Mar.	3,806,425	16,036,896	628,625	14,102,093	34,574,039
Apr.	3,527,558	15,463,359	462,335	13,285,933†	32,739,185†
May	3,606,427	16,028,800	273,640	13,591,687	33,500,554
<b>Tot.</b>	<b>\$18,226,301</b>	<b>\$78,054,922</b>	<b>\$2,685,835</b>	<b>\$66,572,049</b>	<b>\$165,539,107</b>

### NETWORK RADIO—January-May 1955

	ABC	CBS	MBS	NBC	Total
Jan.	\$2,487,140	\$ 4,181,787	\$1,372,532	\$ 2,744,204	\$10,785,663
Feb.	2,387,900	3,950,767	1,291,938	2,584,620	10,215,225
Mar.	2,445,765	4,393,441	1,446,535†	2,953,486	11,239,227†
Apr.	2,096,355	3,837,124	1,365,658†	2,624,671	9,923,808†
May	2,080,272	3,923,796	1,450,889	2,652,560	10,107,517
<b>Tot.</b>	<b>\$11,497,432</b>	<b>\$20,286,915</b>	<b>\$6,927,552</b>	<b>\$13,559,541</b>	<b>\$52,271,440</b>

\* In order to maintain continuity and comparability with previously published data, an adjustment factor of 1.817 has been used by PIB in calculating gross network radio time charges for those nighttime network radio programs where ABC Rate Card No. 6 was in effect.

† Revised as of June 30, 1955.

Note: These figures do not represent actual revenues to the networks, which do not divulge their actual net dollar incomes. They're compiled by Publishers' Information Bureau on basis of one-time network rates, or before frequency or cash discounts, so in terms of dollars actually paid may be inflated by as much as 40%. However, they're generally accepted in the trade as an index.

Signs of the TV times: National advertisers now buying TV time, shows, talent, etc. at rate of \$841,000,000 a year, up 33% from 1954, according to TvB pres. Oliver Treyz. Spot is up one-third, network (PIB figures) about same. "In one year," said Treyz, "TV has leaped from the third to the first medium in national advertising expenditures." . . . Well-situated uhf seems to be sharing upgrading TV economy, for CBS's recently acquired WXIX, Milwaukee (Ch. 19) reports it will gross \$2,000,000 in first year, gen. mgr. Ed Bunker basing estimate on first quarter billings of \$502,000 . . . Storer's uhf WGBS-TV, Miami (Ch. 23), affiliated with NBC, in 4 months from Feb. 1 to May 31 boosted sales volume 390% over Jan. billings, reports mgr. Noran Kersta.

Tall tower progress: WAGA-TV, Atlanta (Ch. 5) reports its 1100-ft. tower will be ready "soon," calls it "the highest man-made structure south of the Empire State Bldg. and east of the Mississippi." Unique 1521-ft. Ideco "candelabra" tower to be used by KRLD-TV & WFAA-TV, Dallas (Vol. 10:14) has reached half-way mark, is due for completion Aug. 31; it will be second-highest of all, surpassed for the present only by 1572-ft. structure of KWTV, Oklahoma City.

**D**EFYING MILITARY'S unwritten ban on high TV towers, FCC examiner Hugh B. Hutchison this week issued initial decision in favor of 1610-ft. tower for KSWB-TV, Roswell, N. M.—despite fact that the 3 military members of Washington Airspace Subcommittee had denied it aeronautical clearance (Vol. 11:11, 21). If Commission itself takes the unprecedented action of standing up to the Pentagon on the tower issue by finalizing the decision, the Armed Forces' power to block towers on principle of height alone will be crushed.

Examiner Hutchison's principal points: (1) Civilian members of Washington Airspace Subcommittee—and all members of regional subcommittee—endorsed new-tower proposal. (2) Tower at new location has been shown to be less of a hazard than current 790-ft. tower; local Air Force base had even agreed to pay \$12,000 to help remove it and had endorsed the new site. (3) Spokesmen for Defense Dept. and aviation associations had presented testimony consisting largely of "general statements and expressions of opinion concerning the impact of higher TV & radio antenna structures," with little evidence connected with the specific case.

Roswell tower, if constructed ahead of several other proposed high towers, would be—for a time at least—world's tallest man-made structure.

Subscription TV activity: (1) Deadline for additional formal comments on toll TV was extended by FCC this week from July 11 to Sept. 9, after all major parties requested delay (Vol. 11:26). (2) Engineer John V. L. Hogan, consultant to exhibitors' Joint Committee on Toll TV, wrote to *N. Y. Times* to state there's "no early prospect" of putting 2 TV programs on one channel, as proposed by International Telemeter (Vol. 11:24). (3) Emerson pres. Benjamin Abrams, reversing earlier stand, came out against pay-as-you-see TV, told his distributors it would reduce TV's appeal, cut sales. (4) Zenith continued to reap ill will of telecasters with his flashlight-photoelectric gimmick for cutting commercials out of sets. Latest Zenith publicity shows viewer "shooting" beer commercial, inspiring *Broadcasting-Telecasting Magazine* to editorialize: "To advocate the adoption of subscription TV is Zenith's right, but to advocate toll TV by maliciously defaming commercial TV betrays dangerous irresponsibility. What's more, it shows inane disregard for the system from which Zenith itself has been profiting handsomely."

Georgia's ex-Gov. E. D. Rivers is selling for \$90,000 his 60% of WOBS, Jacksonville (1-kw, 1360 kc) with CP for WOBS-TV (Ch. 30) to 20% owner Jim Macri, according to application filed this week. With no down payment, Macri is to pay 40 quarterly installments of \$2250 each. Rivers is now out of TV, having earlier this year sold CP for WCTV, Thomasville, Ga. (Ch. 6) to John H. Phipps (Vol. 11:5, 20) and having last year sold CP for WMIE-TV, Miami (Ch. 27) to Storer, now operated on Ch. 23 as WGMS-TV (Vol. 10:51). This week Rivers filed application to acquire WWPB, Palm Beach, from Chas. E. Davis for \$185,000. He already controls WMIE, Miami & WGAA, Cedartown, Ga. Macri's other holdings are 40% of WABR, Winter Park, Fla., TV applicant for Ch. 18 in Orlando, and minority interest in WMIE, Miami.

The \$40,000 sale of WMFJ, Daytona Beach, Fla. was approved by FCC this week, seller W. Wright Esch retaining CP for WESH-TV (Ch. 2), planning start this month. Purchasers are Harold Kaye & Emil J. Arnold, each owning 25% of WORC, Worcester, Mass. Seeking to block sale in Florida courts are Ted Granik and Wm. Cook, who charge that Esch broke contract to sell station and CP to them (Vol. 11:25). They're major stockholders in WJNO-TV, Palm Beach (Ch. 5).

Recent power increases: KTBC-TV, Austin, Tex. (Ch. 7) to 245-kw ERP; CBOT, Ottawa (Ch. 4) to 50-kw.



**MARTIN CODEL'S**

AUTHORITATIVE NEWS SERVICE  
FOR MANAGEMENT  
OF THE  
VISUAL BROADCASTING  
AND ALLIED ELECTRONICS  
ARTS AND INDUSTRY

# Television Digest

with **ELECTRONICS REPORTS**

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**SUMMARY-INDEX OF THE WEEK'S NEWS—July 9, 1955**

**NO DEINTERMIXTURE DECISION** until Sept., Hyde urging reappraisal of allocations to equalize competition; CBS buys WGTH-TV, Hartford, as 2nd uhf (p. 1).

**BIG TV CENTER** in N. Y. suburbs proposed for all networks as city & state officials fear move of more live as well as film shows to Hollywood (p. 2).

**COMMUNITY ANTENNA DIRECTORY** of Factbook to list details of 392 systems serving 250,000-300,000 homes and more than 1,000,000 viewers (p. 3).

**COLOR PLANS OF APPLICANT** considered strong factor as examiner Elizabeth Smith chooses Times-Picayune over WWL & WNOE for New Orleans' Ch. 4 (p. 5).

**TV TAPE NEARER** commercial use as Bing Crosby Enterprises shows much improved color recorder, says \$50,000 unit will be ready in a year (p. 6).

**RECORD TV TRADE YEAR** foreshadowed by 6-month statistics showing production & sales well ahead of 1954; economic barometers zooming (p. 8).

**ELECTRONICS END EQUIPMENT:** Nearly \$6.6 billion sales by 509 firms last year; same companies predict more than \$7 billion for '55 in Navy survey (p. 11).

**49th UHF OFF AIR:** WNET, Providence, quits and asks FCC to permit pay-TV on uhf, to force network service; notes on upcoming stations (p. 6).

**FARM TV SET COUNT** being tabulated by U.S. Census Bureau county-by-county; first totals show TVs on 52% of N. H. farms, 38% of Vt., 9% of Nev. (p. 12).

**ARMED FORCES TV SERVICE** opens new stations in Arabia and Bermuda, looks into subscription TV decoders and wired systems to meet objections by Guam AM (p. 12).

**FCC WEIGHS ALLOCATIONS; CBS BUYS 2nd UHF:** Don't expect FCC action on deintermixture before Sept. -- Chairman McConnaughey says it's a "physical impossibility" because of vacations. But when the action does come, it may well be just one phase of the most serious reappraisal of TV allocations by the FCC since the freeze -- with prospects of change much greater than ever before.

Strong impetus to reconsideration of allocations picture was given this week when Comr. Hyde urged his colleagues to initiate a "study". "In light of experience," he says, "a study should be made to see how the allocations system has failed to anticipate economic problems."

Hyde has no fixed opinion on precisely what changes should be made, but he clearly feels that along with deintermixture, serious consideration must be given to change in vhf standards to permit more vhf stations -- to be properly distributed.

"Deintermixture can work both ways," Hyde points out. "You can keep uhf islands and you can add vhf to cities with too few vhf stations." He feels that study should weigh reduction in mileage separations, changes in powers & heights, use of directional antennas, etc.

"I don't advocate any freeze," he says, "but I think we should know what direction we're going. And I'm not foolish enough to think that you can take an eraser and start all over again. We've got to use the engineering techniques we have to improve network and station competition." He's thinking primarily of working with present vhf & uhf channels rather than seeking additional vhf spectrum.

Since Hyde was an architect of the present allocation plan -- he and Webster being the only holdovers from Commission that created the plan -- his proposal this week assumes more than incidental significance. Add to that the fact that at least 2 other commissioners, Bartley & Lee, have long urged that allocations plan must be overhauled; add to that the high-level engineering study being conducted by Senate Commerce Committee's ad hoc group (Vol. 11:26) -- and it's evident that there is a strong possibility that corrective efforts will be made.

Yet a change is not a certainty, for Commission is naturally fearful of losing more than it might gain. It feels that despite ills of uhf, TV industry is ren-

dering an enormously effective public service and is prosperous on an over-all basis -- though more stations and networks would be desirable.

Whole business is incredibly complex -- much more difficult than building the allocation in the first place. It's tightly bound to network affiliation pattern, for example. It's almost axiomatic that CBS or NBC affiliation in a large market is a guarantee of success for vhf or uhf stations -- intermixed or not.

CBS announced purchase of uhf WGTH-TV, Hartford, Conn. (Ch. 18) this week from General Teleradio-Hartford Times (Gannett) for undisclosed amount, hailing the purchase as "further proof of the network's confidence in uhf."

Assured of its own programs, CBS needn't give a hoot whether FCC deintermixes Ch. 3 out of the city or not. With NBC buying uhf WKNB-TV, New Britain, Hartford's Ch. 3 certainly has lost much luster for competitors WTIC and Hartford Telecasting (Harry Butcher), who await final action on examiner's initial decision favoring WTIC. Along same line, note booming billings of CBS's uhf WXIX, Milwaukee -- substantially in the black and doing business at \$2,000,000-a-year rate (Vol. 11:27).

\* \* \* \*

Commission isn't anxious to tamper with affiliation setup, either. Congress is expected to give FCC \$80,000 for a network study, but this sum is generally considered too small to produce definitive answers.

Commission's ultimate action on allocations and network-station relationships will depend greatly on pressures from Congress and climate of industry. Not too many months ago, it was summarily rejecting any change of policy. Now, it's prepared to entertain ideas, at any rate -- something that started when McConaughy first told Congress that FCC would take "a second look" at deintermixture.

Feeling at Commission is that root of uhf problem is error in allocations -- not network or receiver manufacturer practices. Generally, it's believed that normal business prudence and competition have dictated their actions. An example of manufacturer's attitude toward uhf was this statement by Philco v.p. James M. Skinner, at last week's distributor convention (Vol. 11:27):

"At the present time, it does not appear that any remedial action by the Govt. or anyone else is imminent, and therefore it is our opinion that the volume and scope of uhf broadcasting will be rather uncertain for at least the balance of the fall season...For the long pull, however, it appears to us that the future of uhf is pretty bright, for out of all the investigations taking place in Washington will undoubtedly come some plan or program which will encourage this type of broadcasting in the years to come." In meantime, Philco will continue policy of making receivers to which uhf tuners may be added easily in the field.

**THE HEGIRA TO HOLLYWOOD WORRIES N.Y.:** Their New York "housing problem" is a common headache for the TV network moguls -- and all sorts of panaceas are being talked about. City officials and even Gov. Harriman have interested themselves, too, very much concerned lest many more TV shows, live as well as film, gravitate to Hollywood. Their hope is to get the networks to agree upon one big Television Center in or near the city. But competition, personalities and present realty holdings being what they are, that hope right now would seem to be far from any prospect of fulfillment. The problem basically seems to resolve itself into this question:

Should a combination TV-radio-cultural center be built in Manhattan -- or, either as a combined or individual effort, should there be a Television City in an easily accessible suburb? Variety's Abel Green, whose contacts are top level, this week learned that City Construction Coordinator Robert Moses has suggested to Messrs. Sarnoff & Paley that they acquire Deepdale Golf Course in Great Neck, L.I. -- but that CBS has been surveying and testing sites near Idlewild Airport.

Networks must eventually get out of Manhattan, it's generally agreed, because of necessity for "horizontal" construction for TV production, props, etc. (not to mention parking). Gov. Harriman and Mayor Wagner have also offered to assist any centralization project, which might or might not include more film-making in N.Y.

But N.Y. has long way to go to catch up with Hollywood so far as filming is concerned, conceding its dominance as the theatre capital and originating point for

live TV programming. New York Times' Jack Gould, just back from Hollywood assignment, says 250 firms are now engaged in TV filming, their annual business representing some 3000 hours costing \$100,000,000, as against a turnout of 200 full-length theatrical films next year (300 hours) costing about \$350,000,000.

Filming in Hollywood by and for the networks, Gould reports, will total 597 hours for ABC next fall, 552 for CBS, 325 for NBC. Both ABC & NBC, moreover, are reported in position to begin their own film producing in Hollywood, hitherto proscribed by union jurisdictions.

What worries the N.Y. fathers is that NBC has 696 hours of live shows also scheduled out of Hollywood next season, CBS 520 hours, ABC 78. Networks will still produce more out of N.Y., center of the advertising business, but they're terribly cramped for space: CBS uses 19 different locations, NBC 16, including theatres, for audience shows. Only this week CBS arranged to add old Edison Studio in the Bronx for a new production; it's now known as Bedford Park Film Studio, was opened by the great inventor in 1904, used by D.W. Griffith for some of his early thrillers, has been rented for such shows as "You Are There" and "Men Against Crime."

ABC alone is reasonably well centralized in its 66th St. quarters. In fact, it owns whole block between 66th & 67th Sts. and Central Park West & Columbus Ave. As for DuMont, it has excellent modern quarters on 67th St. -- but it cuts little or no ice any more as a live network and isn't sure yet whether its new Electronicam system of simultaneously filming live shows (among them, Jackie Gleason's) should continue on a custom-job basis or for its own syndication.

Note: Latest Directory of Program Sources & Services, prepared for our upcoming TV Factbook No. 21 lists some 900 producers & distributors of film & live programs and/or services of various kinds related to programming.

**VITAL STATISTICS OF COMMUNITY TV SYSTEMS:** Most complete directory of community antenna systems compiled to date will be included in our new Fall-Winter TV Factbook, to be delivered to subscribers next month. Returns on our questionnaires have been excellent, and analyzing galley proofs, we come up with these figures & estimates:

(1) Now in operation -- 392 systems vs. 302 six months ago (Vol. 10:52).

(2) Average number of subscribers -- 772 vs. 740.

(3) Total homes served -- 250,000-300,000 vs. 150,000-175,000 -- reaching well over 1,000,000 viewers.

(4) Circulation of 1000-2000 is reported by 38 operators, 2000-3000 by 10, 3000 or more by 10. One claims 10,150.

(5) Pennsylvania remains prime CATV country, having 84 systems averaging 1260 subscribers each -- for total of more than 105,000 homes in that state alone. Pennsylvania is also the most mature in terms of community TV, most of its operations being several years old.

West Virginia has shown similar growth pattern, except that towns are smaller; it has 38 systems. Unless boosters & satellites or something else comes up to hamper systems' development, Washington and Oregon might well surpass the other states before long -- albeit many of their systems are very small. Factbook will show that Washington has 26 systems, Oregon 15.

Note: Armed Forces TV stations, while serving commercially insignificant total of viewers (estimated 75,000-100,000), continue to pop up around the world -- the latest being ZBK-TV, Kindly Air Force Base, Bermuda, which began July 4 (see p. 12).

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Quiet week in subscription TV--incredibly: (1) Exhibitors continue to line up labor groups, getting Albany musician's local and Memphis CIO Council to resolve against pay-as-you-see. (2) At least 2 major magazines plan articles on subject--Milton Lehman working one up for *Saturday Evening Post*, Bill Davidson for *Colliers*. (3) Dealer spokesman Mort Farr, chairman of NARDA, took strong stand against toll TV in his column in July *Electrical Merchandising*, said it would be expensive, exclusive, confusing--and kill set sales.

Receivership was asked this week in Wichita Federal court for KEDD (Ch. 16), NBC affiliate represented by Petry--MCA-TV and Atlantic Television Corp. claiming \$5200 & \$1400 in unpaid bills, respectively. Managed by Stanley H. Durwood, of the Missouri theatre chain family, who owns 85%, with *Wichita Beacon* owning 5%, station started in Aug. 1953, claims virtually 100% conversion. At present, vhf service comes from local KAKE-TV (Ch. 10) and KTVH, Hutchinson (Ch. 12), with KARD-TV, Wichita (Ch. 3) due on air in fall.

**Personal Notes:** John L. McQuigg, ex-Lennen & Newell exec. v.p., named mgr. of J. Walter Thompson's Detroit office, succeeding Norman H. Strouse, new pres. of agency . . . Charles H. Philips, ex-WOR-TV sales mgr., named mgr. of new Petry sales development dept., reporting to v.p.-gen. mgr. Thomas F. Knode . . . Edward L. Cossman promoted to sales director of WATV & WAAT, Newark, assuming duties of v.p. Bertram Lebharr Jr., resigned; Sydney Kavaleer promoted to TV sales mgr. . . . John H. White named TV mgr. of CBS Spot Sales, San Francisco, succeeding MacLean Chandler . . . Eugene Litt resigns as N. Y. sales mgr. of Forjoe-TV rep firm to join NBC . . . T. Gordon Ferris elected pres. & gen. mgr., Radio Representatives Ltd., Toronto . . . Shelby Storck resigns as gen. mgr. of educational KETC, St. Louis . . . Robert M. Reuschle, ex-Young & Rubicam and McCann-Erickson, named sales mgr., WLAC-TV, Nashville . . . John H. Eckstein named asst. to ABC director of adv., promotion & publicity; Jack Fields named chief of exploitation unit; Adolph L. Seton asst. mgr. of publicity . . . Gerry Martin resigns as DuMont sales director . . . Merrill (Red) Mueller appointed NBC Mediterranean news director with headquarters in Rome . . . John H. Bachem, DuMont gen. mgr., adds duties of supervisor of Electronicam filming . . . H. G. Walker, CBC director of network coordination, named asst. network director for Ontario, headquartering in Toronto . . . Wm. H. Weintraub Jr., ex-TV-radio production mgr., Wm. H. Weintraub & Co., joins Mutual as program sales mgr. . . . Maurice E. McMurray, WJBK-TV national sales mgr., July 18 transfers his base of operations to Storer N. Y. offices . . . Marvin L. Rosene, gen. sales mgr. of KSTP-TV & KSTP, elected sales v.p. . . . Wm. H. Tankersley promoted to CBS-TV director of editing, Hollywood.

\* \* \* \*

**FCC people:** Florida Democrat Richard A. Mack, sworn in as commissioner July 7, plans to start work July 13, family moving up several months later . . . Edwin L. White, chief of Safety & Special Radio Services Bureau, retires July 31, moving to St. Petersburg, Fla. and establishing consulting practice. In some quarters, there's move underway to shift Curtis B. Plummer, chief of Broadcast Bureau, to position vacated by White; rumored as possible successors to Plummer are Christian E. Rogers, engineering asst. to Chairman McConnaughey, and John Fitzgerald, chief of Office of Opinions and Review . . . Mary O'Leson, veteran information office specialist, retires Sept. 30, to be succeeded by Miss Murle Edwards, who joined staff this week; Salina M. Lindo promoted to asst. chief of information office, headed by George O. Gillingham.

New officers of AM-PAR Record Corp., new phonograph record subsidiary of American Broadcasting-Paramount Theatres: pres., Samuel H. Clark; v.p., Harry Levine; secy., Edith Schaeffer; treas., Simon B. Siegel; asst. treas., Harry J. Wright. All officers, plus AB-PT pres. Leonard H. Goldenson & v.p. Robert H. O'Brien, are directors of new subsidiary.

Testimonial dinner for retiring FCC Comr. Frieda B. Henneck will be given at Washington's Shoreham Hotel July 20. List of sponsors is headed by former President Truman, includes all members of FCC.



John U. Reber, 62, J. Walter Thompson v.p., who headed its original radio dept. and has taken a leading part in its TV accounts, died July 3 after a heart attack. He is survived by his wife, 3 sons, one daughter; son John H. Reber is NBC-TV spot sales director.

Mrs. Eva Emily Crosley, 43, wife of Powell Crosley Jr., owner of Cincinnati Redlegs and formerly identified with ownership of WLW, died July 3 of cancer.

Cherry & Webb's WPRO-TV, Providence (Ch. 12) will come under new corporation, in which big dept. store chain retains 55%, under arrangement whereby local WHIM (1-kw, 1110 kc) is being sold for \$469,000 to Headley-Reed's Frank W. Miller. In application filed with FCC this week, it's revealed AM sale is designed to clear way for sellers Robt. T. Engles & C. Geo. Taylor (12½% each) to acquire 13% of the TV station. Other WHIM sellers, Harry H. Thomson & Theodora T. Kluge (35% each) are not involved in TV setup. Options to Engles & Taylor were agreed upon when they withdrew rival application for Ch. 12, permitting WPRO-TV to get started. Option on another 25% of new WPRO-TV corporation is held by Hope Bestg. Corp., headed by General Teleradio's John B. Poor, which also pulled out of Ch. 12 contest.

CP for WAGE-TV, Marquette, Mich. (Ch. 6) is being transferred to local radio WDMJ, subsidiary of *Marquette Mining Journal*; published by Frank J. Russell, who also controls WMIQ and *Iron Mountain News*, Iron Mountain, Mich. Sill also resigns as gen. mgr. of WMIL, Milwaukee, selling his 25% interest in that station and returning East. Marquette TV, originally planned for mid-July start, will be delayed until new transmitter site can be located and new equipment ordered. Sill has owned 67%, Herbert Herzberg 33%, and they're getting \$20,000 for their interest.

J. Elroy McCaw has purchased Eugene O'Fallon's pre-freeze KFEL-TV (Ch. 2) for \$400,000 plus assumption of approximately same amount of liabilities—and application for transfer will be filed next week. At one time or other on all networks, KFEL-TV is now operated as independent, and McCaw, who has similar situation with his KVTW, Tacoma (Ch. 13), thinks he can operate it profitably under same formula (Vol. 11:25). McCaw owns 25% of KONA, Honolulu (Ch. 11) and half of WINS, N. Y. and has interests in 4 other radio stations.

More than 100 theatres will carry closed-circuit telecast of Sept. 20 Marciano-Moore heavyweight title bout, says Theatre Network TV pres. Nathan L. Halpern, who added that delivery of 57 mobile projection units was completed this week by General Precision Laboratory, and all will be available for leasing to exhibitors for the fight. Of the portable units, 27 are capable of throwing image on screen up to 50x65-ft., rest being limited to 15x20-ft.

Feud in Phoenix between newspapers and its 4 TV-radio stations has resulted in the dropping of TV-radio columns (but not logs) from city's 2 daily papers (E. F. Pulliam, publisher). It started with editorial attack on stations for their treatment of "unfounded" storm-warning weather bulletin, evening newspaper charging TV-radio stations lack news judgment. Stations demanded retraction, didn't get it.

NARTB's TV dept. has published folder containing texts of recent convention's management conference addresses by Dr. Allen B. DuMont, ABC pres. Robt. Kintner, WBAP-TV's Harold Hough, ex-code chairman John E. Fetzer, NBC pres. Pat Weaver, CBS pres. Frank Stanton—available on request.

Educational TV: CBS-TV distributing 16mm films of its *You Are There* (sponsored by Prudential & local electric companies) and *The Search* (sustaining) to schools, libraries & local community groups for non-theatrical & non-broadcast use this fall. Distribution agreement was signed with Young America Films Inc.

San Francisco's educational KQED (Ch. 9) will remain on the air for next 6 months at least, having raised more than the \$65,000 goal it set for itself last month as minimum for survival (Vo. 11:25,27). Gifts came from nearly all commercial stations and newspapers in area.

**COLOR WAS MAJOR FACTOR** in a competitive hearing for first time, when examiner Elizabeth C. Smith recommended grant of New Orleans' Ch. 4 to WTPS-*Times-Picayune* over WWL (Loyola U). She turned down ex-Gov. James A. Noe's WNOE for lack of finances, said it wasn't in the running with other 2.

Examiner Smith found WWL and WTPS about equal in almost everything. "The deciding factor," she said, "is the fact that *Times-Picayune* merits preference on 2 important facets of proposed programming, namely, regularly scheduled programs of particular interest to residents of outlying communities located within the area to be served; and regularly scheduled color TV programs."

Color schedule proposed by *Times-Picayune*: 16 hours live and 1½ hours of film weekly, plus 21 hours of monochrome programs which will include color clips and slides.

On newspaper issue, Miss Smith credited paper with "long record of service to the community," said this about balances WWL's substantial contributions.

\* \* \* \*

Obeying Court of Appeals' mandate in famous Clarksburg case (Vol. 11:25), Commission this week ordered effectiveness of CP for WBLK-TV (Ch. 12) to be postponed and ordered a hearing to cover all the points court said should be covered.

In allocations, substitution of Ch. 11 in Houma, La. for Ch. 30 was requested by Fred Weber, a principal of WHTN-TV, Huntington, W.Va. (Ch. 13) due on air this fall, and pres. of defunct uhf WFPG-TV, Atlantic City.

Also requested was commercialization of educational

Ch. 3 in College Station, Tex., to be replaced by Ch. 48 or Ch. 54. Filing petition was John M. Lawrence III, for himself and as trustee for group of local businessmen.

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Modification of "protest" section of Communications Act seems likely to be approved by Congress, following hearing this week before Senate communications subcommittee which heard same testimony as House subcommittee 2 weeks ago (Vol. 11:26). House Commerce Committee has already approved bill (HR-5614), adding 2 minor amendments proposed by Federal Communications Bar Assn. and approved by FCC Chairman McConaughy. Principal opponent of the bill (Senate version is S-1648), attorney Benedict Cottone representing UHF Industry Coordinating Committee, dropped some of his opposition this week, said he would favor measure if it contained stronger limitations on FCC power to reject stays of CPs.

Subcommittee's alert and outspoken Chairman Pastore (D-R.I.), while indicating he generally favored the legislation, took the opportunity to express his opinions on what he thinks should be in the bill and on several other FCC matters. As to stays of grants, he said he'd like to devise "some quick procedure or trusteeship operation" whereby station would remain on air despite a stay. He also observed that it would be helpful if the bill spelled out "the particular grounds" on which FCC will grant a stay. He said that whenever possible hearings on protests should be held before grants are made—a suggestion strongly endorsed by Cottone. Pastore was particularly interested in subject of quick grants resulting from mergers of competing applicants, suggested that hearing be required in all mergers, so "public would know all the facts, why they got together."

**Telecasting Notes:** "Jesse James rides again," says authoritative and alert *Advertising Age* in scorching editorial indicting mushrooming free-plug practice in TV. "Advertisers pay a handsome sum for time and talent for nighttime TV. They are allowed 3 minutes for a half-hour show and 6 minutes for an hour show to sell their product. That is, if they pay for the time. If they don't pay for the time, but instead hire a grubby little agent, they get unlimited plugs on any number of shows for a nominal fee. These are the leeches and blood-suckers of our business" . . . Movie plugs are hit hardest: "The greatest of the leeches are the motion picture experts. It is remarkable what a bill of goods these high-powered press agents have sold the innocent and obviously inexperienced networks and producers and uncomplaining lambs representing agencies and advertisers. In exchange for a 6-min. plug for stars and vehicles, the motion picture industry this fall is going to 'give'—for a large amount of money—a program using a portion of a picture or the services of a contract star. [Is] it a nefarious plot on the part of the film people to force the public to get so exasperated with excess of commercials—legitimate and free—that they will yell for pay TV?" . . . Free plugs for magazines and airlines also are given a resounding editorial thwack—and *Advertising Age* ends by pleading with networks to "stop this evil practice" by "'going to black' when the unwanted visitor tries to climb aboard" . . . Tremendous publicity breaks being enjoyed every week by Revlon's *The \$64,000 Question* on CBS-TV, Tue. 10-10:30 p.m. Comparatively low-budgeted show may well bring back the giveaway, reminiscent as it is of the publicity harvest reaped by radio's *Stop the Music*, "Miss Hush" contest, etc. Contestants obviously are carefully selected, not only for their general knowledge but with a sharp eye to entertainment and news values. Examples: the cop who turned out to be an expert on Shakespeare, the grandmotherly Bible authority, the pretty 3rd grade schoolteacher who

knows everything there is to know about people named Sam . . . First packaged spectacular: Producers Walter Fried & Henry Newman sign Lena Horne to star in 90-min. TV adaptation of Offenbach's *La Belle Helene*. They'll try to peddle show to a network . . . New use for played-out feature films: Associated Artists sets up subsidiary, The 199 Corp., headed by Art Kalman, to sell stations permanent rights to 199 old Monogram features which have been available to TV stations for 6 years. Among uses for the library suggested by Kalman: cut them into half-hour or 15-min. shows, use footage for background on local live shows, cut pieces out of them for stock shot library . . . Special 90-min. opening of Disneyland park July 17, 7:30-9 p.m. on ABC-TV will use 24 live cameras, 63 engineers & technicians . . . J. Arthur Rank seeking TV bids on package of 33 features, including such boxoffice hits as *Kind Hearts & Coronets*, *Red Shoes*, *Caesar & Cleopatra*, *Odd Man Out*, *Seventh Veil* . . . Harold Lloyd planning to offer some of his old comedies to TV . . . Lucy goes British: CBS-TV Film Sales has sold *I Love Lucy* to Associated Broadcasting Development Co. for Britain's upcoming commercial TV . . . Alex Segal, ace producer-director who recently left ABC-TV, struck pay dirt this week with (1) NBC-TV contract, expected to include production of several spectaculars, (2) pact to direct 2 MGM pictures based on *U. S. Steel Hour* shows he directed on TV—"The Rack" and "Fearful Decision"—at a reported \$55,000 per picture . . . "You can't hardly get them No. 1 ratings no more": Newcomer to Nielsen's top spot is *George Gobel Show* with 41.4 rating for June; *Jackie Gleason* 2nd with 40.3, *Lucy* 39.7, *Ford Theatre* 37.4, *Disneyland* 37.3. ARB ratings for June give No. 1 spot to *Lucy* with 45 . . . One-shot *Wide World* (NBC-TV) won 31.9 Trendex . . . Orson Welles signed by CBS-TV to direct and star in series of 90-min. color programs this fall based on "contemporary and classical plays and novels"; *Trilby*, with Welles as Svengali, may be first.

**Network Accounts:** All networks want AT&T's first regular TV sponsorship—NBC pitching with its *Wide, Wide World*, CBS showing its wares Sun., July 17, 5:30-6 p.m., when it puts on *Let's Take a Trip*, visiting Bell System's Long Lines Dept. to show how the nation's and world's phones are interconnected, how teletypewriter exchange service works, how private lines operate, how TV-radio intercity programs are handled. C. E. Wideberg, gen. mgr., Long Lines Dept. eastern area, will act as guide for Sonny Fox, Ginger MacManus & Pud Flanagan, as CBS's traveling threesome . . . NBC-TV schedules more than 75 "mammoth one-shot programs and spectaculars" this fall—both color and black-&-white. Among them are 20-30 "telementaries," including *1976*, live show on life in 1976, *Rise & Fall of a Dictator*, as depicted in German films of Hitler. Also included are original musicals, operettas, outstanding motion pictures, operas & ballet. The 39 90-min. color "spectaculars" will be sponsored on Sat. (9-10:30 p.m.) by Oldsmobile; on Mon. (8-9:30 p.m.) by RCA & Ford; on Sun. by partic. sponsors, with 22 of 26 available partic. already signed (Vol. 11:27) . . . Jackie Gleason signs 3-year DuMont contract for Electronicam filming, starting Aug. 16, of Buick-sponsored *Honeymooners* series, which debuts Oct. 1 on CBS-TV Sat. 8:30-9 p.m. . . . Dromedary Co. (cake mix) buys 15 min. alt. weeks of *Tennessee Ernie* on NBC-TV starting Aug. 3, Mon.-thru-Fri. 12-12:30 p.m., and *World of Mr. Sweeney* on NBC-TV, Mon.-thru-Fri. 4:30-4:45 p.m., thru Ted Bates & Co. . . . Pharmaceuticals Inc. to sponsor *Life Begins at 80* on ABC-TV starting July 31, Sun. 9:30-10 p.m., will sponsor *Ted Mack's Amateur Hour* in that time period starting Oct. 30, when *Life* moves to another time, thru Edward Kletter & Assoc. . . . Sheaffer Pen Co. to be alt. sponsor (with Old Golds) of Herb Shriner's *Two for the Money* on CBS-TV starting July 9, Sat. 9-9:30 p.m., thru Russel M. Seeds Co.

Rate increases: KRCA, Los Angeles, adds new Class AA hour (7:30-10:30 p.m. Mon.-Sat. & 5-10:30 p.m. Sun.) at \$3600, 20 sec. (7:30-10:30 Mon.-Sat. & 6-10:30 p.m. Sun.) at \$650, Class A hour remaining \$3200. Aug. 1 WGAL-TV, Lancaster, adds Class AA hours (8-10 p.m. daily) at \$1200, min. at \$240, Class A hour going from \$900 to \$1000. July 15 WAVE-TV, Louisville, raises base hour from \$850 to \$950, min. \$170 to \$190. Also July 15 WTAR-TV, Norfolk, adds Class AA hour (7-10 p.m. daily) at \$875, 20 sec. at \$175, Class A remaining \$800. WLWA, Atlanta, raises base hour from \$700 to \$800, 20 sec. \$90 to \$130; KXLY-TV, Spokane, hour from \$490 to \$525, min. \$95 to \$105; KSBW-TV, Salinas-Monterey, from \$300 to \$350 & \$60 to \$75; WFIE, Evansville, Ind. from \$250 to \$300 & \$50 to \$60; KTIV, Sioux City, Ia. from \$250 to \$300 & \$50 to \$60; WTVY, Dothan, Ala. from \$100 to \$150; KXLF-TV, Butte, Mont. from \$100 to \$150; CFCM-TV, Quebec City, Que., from \$300 to \$350; CJCB-TV, Sydney, N. S. from \$200 to \$250; KGO-TV, San Francisco has raised base hour from \$1200 to \$1350, min. \$250 to \$270.

Television Bureau of Advertising (TvB) this week released 67-p. presentation, *The 3 Hours of Television*, giving details of TV's sales power and including results of TvB study of its effectiveness in grocery field, which was highlighted in pres. Oliver Treyz's address to recent NARTB convention (Vol. 11:22). Copies are available from TvB, 444 Madison Ave., N. Y.

Good Housekeeping (circ. 3,500,000) increases its rates 5½% next Feb.; black-&-white page will cost \$10,000, four-color \$14,800.

Saturday Evening Post ad rates go up about 8% as of next Jan. 7—black-&-white page to \$18,145, back cover \$32,500.

**M**AGNETIC TV TAPE moved another firm step toward commercial emergence this week, when Bing Crosby Enterprises (25% CBS-owned) demonstrated latest refinements to group of newsmen in Hollywood. BCE exec. director Frank Healey now says that the tape will be ready within a year and that recording unit should sell for about \$50,000. RCA also has stated its tape equipment will be ready commercially in a year, following current field tests by NBC (Vol. 11:19).

BCE demonstration was highly successful. *N.Y. Times'* Jack Gould wrote: "The images had an amazing stability and in resolution and definition seemed equal if not superior to today's kinescope film recordings." *Variety's* Dave Kaufman called it "an exciting look into the near future in color TV, at present a one-shot, costly program problem due to the impossibility of kinescoping tint shows."

Actually, color kines have been made, but tape promises to produce much higher quality—at much lower cost and with great speed. West Coast audiences suffered through a lot of bad black-&-white kines until processes improved, and it's hoped that tape will bypass that phase in color. Current equipment handles both color and monochrome.

BCE's latest equipment records 5 tracks on ½-in. tape, compared with previous 12 tracks on 1-in. tape. Tape moves at 180-in. per second vs. 360-in. for earlier equipment. Eight minutes of programming are contained in 14-in. reel; BCE hopes to put 16 minutes on a reel soon.

Value of TV tape is not confined to replacing kines, by any means. Healey predicted that tape could cut shooting of TV films from several days to one day. However, it probably will be a long time before tape can record sufficient definition to make it a satisfactory replacement for 35mm film for theatre exhibition—as opposed to TV use. For distant future, there's possibility of home tape recording & playback equipment.

Credited with development are chief engineer John T. Mullin, assistants Wayne R. Johnston & Leslie Nelson.

Resounding blow to blacklisting practices in TV-radio was administered by AFTRA members in mail referendum tallied this week. Specific issue was move to reconsider vote at recent meeting which condemned AWARE Inc., so-called anti-communist outfit which "keeps tabs" on past affiliations of actors, etc. (Vol. 11:25). Though AFTRA leadership opposed condemnation of AWARE, membership voted nearly 2-to-1 for censure—982 for condemnation, 514 against. Magnitude of vote was so great it was interpreted by some as vote of no-confidence in union administration, presaging more liberal leadership.

Ewell & Thurber Assoc., Chicago, reverts to old name of U. S. Advertising Corp. with retirement of pres. J. C. Ewell & exec. v.p. Hal Thurber. C. E. Rickerd, mgr. of Chicago office, becomes pres.; J. E. Coombes, v.p. Headquarters continue in Chicago, with office in Toledo.

Walter Annenberg's *TV Guide*, in newspaper ads this week, makes impressive claim that during first quarter 1955 it ranked first in newsstand sales; in interim ABC statements to ABC, it claimed 2,378,064 vs. *Ladies Home Journal's* 1,733,906 and *Saturday Evening Post's* 1,547,309.

Good sponsor: St. Paul's Episcopal Church, Yuma, Ariz., is sponsor of baseball games on radio KOLD, the pastor's between-inning commercials inviting listeners to attend his church, reports Religious News Service.

Seagram Park Ave. Bldg., 38-story structure to be built between 52nd & 53rd Sts., N. Y., will be completely wired for closed-circuit TV.

**A** **N**OTHER UHF QUILTS the air as of July 10—WNET, Providence (Ch. 16), pleading “continued large operating losses with little or small expectations of gain.” FCC was informed July 7 that the station, on air since March 1954, hopes to resume operations if it can get Ch. 3 proposed to be allocated to Westerly, R. I. At same time, Commission was urged to authorize “a limited pay system of TV restricted to uhf stations for some reasonable period” and to adopt regulations requiring networks to serve all stations “under such reasonable conditions as would automatically ensure an equitable distribution of network programs to both U and V stations.” Despite 90,000 conversions in Providence, it’s stated, WNET got “insignificant revenues from networks or national advertisers.”

WNET is 17th uhf to leave air thus far this year, 49th since uhf began. Only 4 uhfs have started this year, one of them a revival in Norfolk, as against 24 vhf starters to date. Box score of TV stations in operation now stands at 432, of which 105 are uhf.

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

WTHS-TV, Miami (Ch. 2, educational) now plans test patterns about Aug. 1, programming Aug. 15, reports Vernon Bronson, asst. director, Dept. of Radio & TV Education, Dade County Board of Public Instruction. Converted Ch. 2 antenna has been installed on FM tower on roof of Everglades Hotel, but conversion of old WTVJ Ch. 4 transmitter has been delayed.

WHIS-TV, Bluefield, W.Va. (Ch. 6) plans test patterns July 30, NBC programming shortly thereafter, reports station mgr. P. T. Flanagan for grantee *Bluefield Daily Telegraph*, controlled by Hugh I. Shott family. RCA 10-kw transmitter will be installed in 10 days; 100-ft. Ideco tower with 6-bay antenna is ready. Hugh I. Shott Jr. is gen. mgr., J. F. Byers chief engineer. Base hour will be \$200. Rep will be Katz.

WCTV, Thomasville, Ga. (Ch. 6) now has Sept. 1 test pattern target, Sept. 15 programming date, reports gen. mgr. Herschel Graves, promoted from radio WTAL, Tallahassee, Fla. Owner is John H. Phipps, who acquired CP this year from E. D. Rivers Sr., along with Thomasville radio WKTG from Fred Scott Jr. family (Vol. 11:20). Phipps also owns WTAL and radio WTYS, Marianna, Fla. GE 35-kw transmitter has been delivered and 5-bay antenna, due July 20, is scheduled for installation 10 days later on 669-ft. tower. Base hourly rate not set yet. Rep will be Meeker.

KSTF, Scottsbluff, Neb. (Ch. 10), oft-delayed satellite of KFBC-TV, Cheyenne, Wyo. (Ch. 5), now plans “mid-July” start, reports gen. mgr. Wm. C. Grove. It will have 2-kw RCA transmitter and 6-bay antenna, will be sold only in combination with KFBC-TV.

KFJZ-TV, Fort Worth (Ch. 11) still hopes to start Sept. 4 as an independent, writes Stan Wilson, asst. mgr. of grantee Texas State Network, also operator of KFDA-TV, Amarillo and 4 Texas AMs. GE 12-bay antenna on 1000-ft. Parkersburg tower is ready and 5-kw GE transmitter with 20-kw amplifier has been delivered. TSN national sales mgr. Dale Drake will be KFJZ-TV sales mgr.; Norman C. Long moves from KFDA-TV to be KFJZ-TV program director. Base hour will be \$600. Rep will be H-R Television.

WTTW, Chicago (Ch. 11, educational), aiming for early Sept. programming start on reduced scale, already has 5-kw GE transmitter in new Field Bldg. quarters, has

### New TV Factbook—Pre-Print Orders

**T**ELEVISION FACTBOOK No. 21, the Fall-Winter edition of the TV-electronics industries’ first and most widely used and quoted “almanac,” will be off the presses about Aug. 1—containing basic data on all U. S., Canadian and World TV stations and networks (including digests of station rate cards and complete rate cards of the networks); digests of all CPs outstanding and applications pending for new stations, with details on principals involved, facilities, etc.; all allocation tables brought up-to-date. All other departments are updated, too, such as the directories of the FCC, TV sales reps, program producers & distributors, set-&-tube manufacturers, radio attorneys, engineers & consultants, laboratories, etc. Also updated are TV-radio production figures, time sales and other statistical tables. Included with each *Factbook* is revised copy of our 43x29-in. Map of TV Cities and network interconnections, in color, suitable for framing. One copy of the *Factbook* goes to each of our full-service subscribers. Extra copies, if pre-print orders are placed for 20 or more, are \$1.50 each; single copies, \$4.00.

antenna due first week of Aug., reports chief engineer D. M. Weise. Regular 4-10 p.m. schedule begins after move to studio-office quarters in Chicago Museum of Science & Industry late this fall.

KBMB-TV, Bismarck, N. D. (Ch. 12) plans Oct. 1 test patterns, Nov. 1 start as CBS outlet, according to CP holder John W. Boler. With antenna atop State Capitol, it will be city’s 2nd TV—KFYR-TV (Ch. 5) having begun in Dec. 1953. Equipment was not specified, but Boler bought DuMont transmitters for his other 2 N. D. stations—KXJB-TV, Valley City & KCJB-TV, Minot. Base hour rate will be \$150, with \$637.50 combination rate for the 3 stations. Rep will be Weed.

WFLB-TV, Fayetteville, N. C. (Ch. 18) has GPL 1-kw transmitter ready, plans test patterns about July 15, CBS & NBC programming about Aug. 15, reports exec. v.p.-gen. mgr. L. W. Allen. GE antenna arrived this week for installation on 40-ft. tower. Nearest other outlet is WNAO-TV, Raleigh (Ch. 28), 53 mi. distant. Base rate will be \$150. Rep will be Adam Young.

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CJON-TV, St. John’s, Nfld. (Ch. 6) has again changed targets, now plans Aug. 15 test patterns, Sept. 4 programming, according to pres. Geoff Stirling. It will use 2-kw RCA transmitter, 12-slot Wavestack tower-antenna.

CFCL-TV, Timmins, Ont. (Ch. 6) plans start “late fall of 1956,” reports owner J. Conrad Lavigne, operator of predominantly French-language radio CFCL. Equipment hasn’t been ordered yet, but it will use 300-ft. tower. Rep will be Omer Renaud & Co. Ltd.

CKGN-TV, North Bay, Ont. (Ch. 10) is investigating chances of getting on air by Dec. 25, but doesn’t think it possible at this time, reports Gerald A. Alger, head of group which recently was approved for license by CBC (Vol. 11:27). Construction plans are ready, but contracts haven’t been awarded, nor has equipment been ordered.

GE reorganizes national broadcast equipment sales force under sales mgr. Albert F. Wild, as emphasis shifts from equipment for new stations to sales to existing stations. New regional managers: John Wall, Cincinnati, northeast; Charles T. Haist, San Francisco, west. New district sales managers: Lewis F. Page, Washington, D. C. (Va.-D. C.-Md.); Earl H. Platt, Syracuse (Ky.-W. Va.); Vernon H. Russell, Seattle (northwestern states).

**HALF-YEAR FIGURES AUGUR RECORD TV YEAR:** TV trade's 6-month report card, showing production and retail sales pace well ahead of record or near-record 1954, fore-shadows another peak year if final 6 months hold up as expected. And they will -- unless all economic barometers are out of whack. Last year, retail sales hit all-time high of 7,317,824; production of 7,346,715 was second to 1950's 7,463,800.

Production in first 6 months of 1955 is estimated at 3,800,000 vs. 2,800,000 in first half of 1954. Though data is incomplete, retail sales are placed at about 3,200,000 vs. 2,800,000. Inventories at all levels at end of June -- 2,300,000 vs. 2,000,000 end of June 1954 -- indicate this year's "balance" between production and retail sales isn't as comfortable as last year, but market men take heart from a decline in retail inventories last 3 months, quite unusual for this season. They attribute over-all inventory increase to factory stockpiling of new models.

[Note: RETMA weekly production figures, covering week ended July 1, were unavailable because of plant vacations and reporting problems.]

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Trade's cheery outlook has been enhanced by new merchandising features incorporated in lines introduced thus far: such attractions as RCA's "hidden" controls, Philco's "top-touch tuning", Emerson's single-price policy for all finishes of same models, remote control units -- to say nothing of continued low prices, embellished by such added starters as GE's 32-lb. 14-in. "portable" at \$99.95 & \$129.95, reported to us (by envious big-city competitor of GE) to be selling "like a house afire."

Lines also generally feature longer discounts to distributors and dealers, though no manufacturer is willing to reveal publicly his discount structure. The set makers have also facilitated step-up selling by dropping in models to narrow the price gaps in 21-in. series and by decreasing price of 24-in. sets. Motorola's new line, to be shown July 21 in Chicago, is expected to go along with these trends.

All manufacturers report excellent initial reaction by dealers to their new lines. "Open houses" for dealers are mushrooming all around the country, set makers claiming enthusiastic response in even the most saturated areas. Typical comment came from RCA spokesman, reporting largest dealer orders in history on all models. "We're selling our sets as fast as we can make them," he said -- and RCA reputedly sold well over 1,000,000 sets last year.

Brief highlights of other major trade developments this week:

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**Economic Outlook:** New York Times headline tells the story best: "Boom Forecasts Revised Upward; First Six Months Smash All Peacetime Records--End of Upsurge Not in Sight; Production Is Up 12%; Federal Reserve Index Hits New High of 138--Personal Income Is \$295 Billion." N.Y. Herald Tribune business columnist Harvey E. Runner: "The outlook for business is bright as the second half of 1955 begins. Confidence is running high -- and with good reasons. Not only has the U.S. economy rolled up its best January-thru-June period in history, but all indications point to a record six months. In fact, it now appears certain that 1955 will turn out to be the nation's all-time top year."

Two cabinet members lent official coloration to continuing boom. Labor Secy. Mitchell told news conference that national production mounted to record high in the April-June quarter, declared recent developments "all point to 1955's being a record year for the American worker." Buttressing his view was joint Labor-Commerce report showing record 64,016,000 employed during June, up 1,300,000 from May 31. Unemployment increased by 190,000, one of smallest June increases since World War II. Also this week, Commerce Secy. Weeks' midyear economic statement, in which he predicted \$6.2 billion factory volume of electronics production this year (Vol. 11:27), said



nation will set new sales & production records this year, with second-half output slightly under first 6 months and consumer durables sales holding first-half pace.

**'Cooling-Off Period':** Air-conditioner sales skyrocketed this week all over a sweltering nation, reaching record peaks and depleting inventories which piled up during a comparatively slack 1954 season. The over-90 temperatures in much of the nation started run on cooling units but left dealers unable in many cases to satisfy demand for immediate delivery & installation. Also moving well were 20-in. electric fans.

**Guaranteed Wage:** U.S. Chamber of Commerce reports, after canvass of state and local chambers, that unemployment compensation laws in nearly all states will have to be revised before any guaranteed annual wage plan can go into effect. This is needed, says Chamber, to permit workers to receive both unemployment compensation and guaranteed annual wage payments. Guaranteed annual wage will be key demand of IUE in new contract negotiations with GE starting July 19, and with Westinghouse at later date. That guaranteed wage isn't sitting too well with TV-electronics tycoons is manifest from this bit of sarcasm from Philco pres. James H. Carmine at distributors convention: "I suppose that should mean a guaranteed annual profit, too!"

**Topics & Trends of TV Trade:** RETMA asked Federal Trade Commission this week to postpone the effective date of its TV-radio trade practice rules, promulgated last week (Vol. 11:27), until Dec. 28 to allow its members "time for proper consideration." But chances for winning postponement appear slim—and prospects for revision of rules even slimmer.

All except 3 of the 32 rules are effective July 28. The remaining 3 (Nos. 6, 9 & 12)—involving misrepresentation of cabinet composition, deception as to size of picture and deception as to use of "new"—are effective Dec. 28. An FTC spokesman, commenting informally on RETMA's request, said any postponement of effective date would involve extremely quick action by Commissioners and administrative headache of notifying thousands of companies in trade of postponement.

RETMA's position is also weakened by fact that rules were promulgated only after 4 years of tortuous, drawn-out hearings in which RETMA participated and explained its views—rejected by FTC. Unless RETMA has new information to support its contention that certain rules will cause "confusion and uncertainty," it's doubted that it can win new consideration from FTC. Speculation is that RETMA's legal dept. wants to go on record with its expression of disapproval of some rules in event any manufacturer is subsequently cited for violation of rules.

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**Proposal to end excise taxes on non-entertainment TV & radio,** such as industrial TV and taxicab radio equipment, won approval this week from House Ways & Means Committee, which considered identical bills HR-7016 & 7024 (Vol. 11:27) by Reps. Keogh (D-N.Y.) and Simpson (R-Pa.). As approved by Committee, measure would also eliminate tax on items sold "for further manufacture," thereby cutting red tape involved in refunds, tax credits, etc. However, Committee didn't go along with section of the measure which would repeal excise tax on chassis, speakers, amplifiers, power supplies, built-in antennas and phonograph mechanisms.

House Commerce Committee seems likely to approve next week a bill (HR-2688) which could establish Congressional sentiment against principle of trans-shipment. Though bill itself prohibits trans-shipment of new autos only, committee sources say passage by Congress could pave the way for similar legislation in TV-radio-appliances. It's identical to bill (HR-9769) which passed House last year, was endorsed by NARDA, but failed to reach Senate.

Picture tube sales in first 5 months totaled 4,207,129, valued at \$81,649,060, compared to 3,275,301 worth \$69,052,136 in first 5 months of 1954, reports RETMA. May sales were 779,324 worth \$14,572,518, compared to 788,317 at \$14,620,075 in April and 584,782 at \$12,062,269 in May 1954. Receiving tube sales in first 5 months totaled 185,682,583, valued at \$137,421,579, compared to 134,677,745 worth \$99,025,891 in first 5 months of 1954. May sales were 32,920,310 worth \$25,914,821 vs. 35,426,153 at \$26,779,586 in April and 28,650,825 at \$20,465,451 in May 1954. [Note: Tabulation of picture and receiving tube sales, 1947-54 and first 5 months of 1955, with breakdowns by initial equipment, renewal, export, govt. & factory value, will be included in upcoming fall-winter edition of our *TV Factbook*, off presses about Aug. 1.]

TV set sales by Canadian factories in first 5 months totaled 218,350, production 301,309, reports RETMA of Canada. This compares with sales of 158,890, production of 179,172 in same 1954 period. Projected production estimate is for 153,277 more sets in June-Aug. period. Montreal led in 5-month sales with 37,559; Toronto, 36,717; British Columbia, 21,911; Manitoba, 18,765; other Ontario, 18,701; Nova Scotia, 14,817; Alberta, 13,839; Ottawa & eastern Ontario, 11,900; Quebec City, 11,091; Hamilton-Niagara, 10,318; New Brunswick & Prince Edward Island, 8792; Saskatchewan, 6246; Windsor, 6014; other Quebec provincial areas, 1309; Newfoundland, 371. May sales were 21,167 at average factory price of \$313, production 26,916. Inventory at end of May was 130,843, compared to 113,601 at start of month.

Hoffman Electronics' new line, introduced to distributors this week at Pasadena convention, features a "Super Black Easy-Vision" safety glass which company claims increases picture contrast by 75%. Cabinets are lower and considerably shallower than previous years. Line is divided into 3 series, each with a different type of chassis. The 17-in. tables start at \$150, 21-in. tables at \$180, 21-in. consoles at \$230, 24-in. tables at \$250, 24-in. consoles at \$330. At top of line is 21-in. cherry combination at \$595.

Excise tax collections on TV-radio-phonos totaled \$104,069,000 in 10 months ended April 30, compared to \$105,921,000 in corresponding period of preceding fiscal year, reports Internal Revenue Service.

Sylvania's new TV-radio line will be introduced to distributors at convention in Chicago's 8th Street Theatre July 28-30, addressed by chairman-pres. Don G. Mitchell.

Motorola signs licensing agreement with President Consolidated Ltd., Sydney, for production of TV-radio products in Australia under President-Motorola brand.

**Trade Personals:** Glenn W. Thompson, chairman & pres., Arvin Industries Inc., elected pres. of board of trustees, DePauw U; he recently was awarded an honorary degree by Franklin College . . . Douglas Y. Smith, v.p. & gen. mgr., RCA tube div., commencement speaker June 29 at Newark College of Engineering . . . Raymond A. Rich, v.p. & gen. mgr., Philco appliance div., who was stricken with appendicitis during Miami Beach convention last week, is resting comfortably at U of Pennsylvania Hospital, Philadelphia, following operation . . . Renville H. McMann, N. Y. district mgr., promoted to eastern regional mgr., Westinghouse TV-radio div., replacing Richard J. McCusker, resigned . . . Robert E. Kessler promoted to gen. manufacturing mgr., G. Robert Mezger to gen. sales mgr. of DuMont's new technical products div., headed by Dr. P. S. Christaldi . . . John H. Riddel, ex-Capehart-Farnsworth, named merchandise mgr., Sylvania TV-radio div., Buffalo . . . Donald R. Weisenstein promoted to mgr. of sales administration, RCA tube div. . . Norfleet Callicott, ex-mgr. of Hoffman Sales Corp. of Mo., named eastern sales mgr. of Hoffman Radio div.; Warren H. Rymer named district mgr. for Mich., Ill., Ohio, Kan., western Tenn. & northern Miss., succeeded as mgr. of Hoffman Sales of St. Louis by Joseph F. McFarland; John L. Evans named district mgr. for Ia., Wis., Minn., northern Neb. & Dakotas; Byron W. Brown promoted to sales mgr. of new radio-metric div., headquartering in Los Angeles . . . Charles Van Maanen, ex-Allied Appliance Co., Boston, named gen. sales mgr., Andrea Radio . . . Harry A. Roman named New England regional sales mgr., Motorola communications & electronics . . . Roy E. Berry promoted to district mgr. for equipment sales of GE tube dept., covering Chicago, Mich., Ohio & parts of Ind. & Ill., headquartering in Chicago; Frank A. Weeks Jr. heads new district covering Ky. & rest of Ind., headquartering in Indianapolis . . . Al D'Urso, ex-sales mgr., Sarkes Tarzian rectifier div., starts own electronic jobbing business, Valley Electronics Inc., at 1735 E. Joppa Rd., Towson, Md., Baltimore suburb . . . Harold S. Boxer, ex-Westinghouse TV-radio adv. mgr., appointed adv. & sales promotion mgr. of Fedders-Quigan Corp. (air conditioners) . . . Robert E. Chasen named director of industrial relations, Federal Telephone (IT&T) . . . Richard C. Wells, veteran radio engineer & announcer, named mgr. of new industrial sound dept., Newark Electric Co., 223 W. Madison St., Chicago . . . Larry Kline resigns as sales mgr., Ward Products Corp., Cleveland, to become commercial sales mgr. of Thompson Products Co., electronics div.; he's succeeded at Ward by John Altmayer, plant mgr. . . Wm. F. Walsh, ex-DuMont, joins James Lovick Co. Ltd., Montreal, in charge of account of Canadian Aviation Electronics Ltd., DuMont licensee.

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**DISTRIBUTOR NOTES:** DuMont appoints Kelvinator div. of American Motors, Bendix Radio's Los Angeles outlet, replacing Stewart & Stevens Inc. . . Pilot Radio appoints Eastern Electronic Sales Corp., New Haven . . . Packard-Bell appoints Claude Shellenberger, Fresno . . . CBS-Columbia appoints L. W. Lawson gen. mgr. of new Houston factory branch, 2602 Commerce St. . . Graybar appoints J. J. Lieske Chicago district sales mgr.

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Mrs. Leslie F. Muter Sr., wife of pres. of Muter Co. & RETMA treas., and grandmother of 15-year-old boy, piloted single-engine Navion-260 plane from Long Beach, Cal. to Springfield, Mass. to second-place finish this week in annual "powder puff derby" for licensed women pilots. Under the handicap system by which contestant is judged by speed in relations to plane power capacity, however, she did not receive any of the 5 cash awards. Her co-pilot was Doris Langher, also of Chicago.

**Financial & Trade Notes:** Raytheon ended its fiscal year May 31 with sales of \$182,304,693 and net earnings after taxes of \$4,531,561, equivalent to \$1.72 per share of common stock after giving effect to 10% stock dividend totaling 217,694 shares distributed in July 1954 and after conversion of preferred stock into 223,845 shares of common during the fiscal year.

Both sales and net profit were up from preceding fiscal year when sales totaled \$177,099,790, net earnings \$3,523,316, or \$1.34 per share on basis of 2,628,781 shares outstanding on May 31, 1955. Board meeting July 7 declared 5% stock dividend as of July 18, pres. Charles Francis Adams Jr. stating it appeared advisable for the company to retain cash. Annual report is due Aug. 8.

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Twentieth Century-Fox, which last year grossed \$115,715,815 and earned \$3.04 per share, should earn about \$3.50 this year and around \$4 per share in 1956 and \$4.50 in 1957, says bulletin by Carl M. Loeb, Rhoades & Co., N.Y. bankers. Not only better film business but output of oil on Hollywood lot, purchase of South African theatre chain, Cinemascope & Eidophor business, and TV potential for its picture re-runs are given as reasons for bullish outlook.

Aerovox sales are running higher than last year and 1955 profits are expected to equal 1954 figure, pres. W. Myron Owen told N.Y. Society of Security Analysts this week. He said volume for first 6 months of this year was in excess of \$12,000,000, but net profit was a little lower than same period last year. Total sales last year were \$23,016,539, profit \$860,828. Company will pay a stock dividend at end of this year and in 1956, he added.

AB-PT pres. Leonard Goldenson is disclosed, in SEC registration of 210,600 shares of common stock issued to company officials under stock option plan, to have exercised options on 50,000 of 75,000 shares allocated to him. Options to company officials thus far total 215,000 shares at \$16.63; high for year thus far has been 31½, recent price around 29.

Pacific Mercury Television Mfg. Corp., manufacturer of Silvertone TVs for Sears, Roebuck in 11 western states, reports net profit of \$255,817 (37¢ a share) on sales of \$12,214,539 in fiscal year ended March 31, compared to \$196,015 (28¢) on \$13,996,559 in preceding fiscal year.

Kidder, Peabody & Co., 33 So. Clark St., Chicago, major old-line investment house, has entered field of purchasing, selling & financing TV-radio properties, appointing Robert E. Grant as dept. director.

Dividends: Raytheon, 5% stock payable July 29 to stockholders of record July 18; General Instrument, 12½¢ Aug. 15 to holders July 15; Howard W. Sams & Co., 10¢ July 25 to holders July 18.

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Henry W. Fitzpatrick succeeds Horace S. Ford as director of MIT defense labs, including Lincoln Lab in Lexington, instrumentation lab in Cambridge, operations evaluation group in Washington.

Gen. Charles L. Bolte, who retired April 30 as Army vice chief of staff, joins ACF Industries Inc. as special asst. to chairman.

G. Dean Garner, former Southern Bell v.p., retired July 7 as staff director for communications in Defense Dept.'s Office of Transportation & Communications.

Ralph L. Hart, Western Electric distribution mgr., retires July 20, to be succeeded by Noble Armstrong, now acting distribution mgr.

Dr. Mervin J. Kelly, pres. of Bell Labs, elected to board of trustees of Stevens Institute of Technology, Hoboken.

**Electronics Reports:** Electronic end-item manufacturers plan to produce more than \$7 billion worth of equipment this year—nearly \$500,000,000 above last year's sales and less than \$250,000,000 below 1953's record of \$7.275 billion.

These figures are more than "estimates"—they're from most complete survey of electronics industry ever made public, compiled by the one "research organization" which has access to top-secret sales figures and production planning—the U. S. Govt. One of a continuing series of surveys by Office of Naval Materiel's electronics section, it's first one to be made public and is based on information obtained directly from approximately 600 "manufacturers or potential manufacturers of electronic end equipment."

Defining area of survey, Navy says: "Whenever possible, the data has been restricted to that applicable to electronic end items, systems, equipments, major assemblies or subassemblies and piece parts produced for direct assembly by the fabricator. Special effort was made to exclude data applicable to research & development, piece parts manufactured and sold as such, and non-electronic products. However, it was not possible to separate and exclude all of such data." Highlights of the survey:

Total of 509 firms last year reported military & civilian sales of \$6,595,500,000. This was only about 2/3 of capacity, however, for same firms could have produced \$9,672,300,000 in equipment (on one-shift basis). The 368 small-business firms (under 500 employes) reported sales of \$531,600,000, less than half of their capacity of \$1,303,900,000, while 141 big-business companies sold \$6,063,900,000, about 3/4 of their \$8,368,400,000 capacity.

The \$6,595,500,000 total for 1954 compares with record \$7,275,400,000 in 1953, \$4,147,795,000 in 1952 and \$3,218,200,000 in 1951—delineating rapid growth of industry's production following Korean war. In 1954 the 509 firms had 458,318 employes, as against 500,690 in 1953 (506 firms).

For 1955, end-equipment companies expect to do \$7,041,800,000 in business, almost evenly divided between civilian and military—\$3,780,900,000 vs. \$3,260,900,000. This figure could be optimistic, since last year in same survey the industry predicted it would do a record \$7,556,800,000, which turned out to be nearly \$1 billion too high, largely because of cutbacks in military procurement. However, in all previous ONM surveys, industry predictions have proven accurate within amazingly low margin of 2%.

Industry went into 1955 with military backlog of \$4,526,400,000, as compared to \$6,116,300,000 in 1954. As of first of this year, \$3,517,700,000 of the backlog was in prime contracts, about \$1 billion in subcontracts. This military backlog represents 69% of total 1954 sales (as opposed to corresponding figure of 84% in 1954)—71% for big business firms and 37% for small business.

The big business firms averaged \$14,536 in sales per employe in 1954, small business \$12,911, while the figure for all firms was \$14,391. Note: For list of top-ranking electronics military contractors, see p. 12, Vol. 11:23.

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Barnes Engineering Co. is new name of Olympic Development Co., Stamford, Conn., formerly a div. of Olympic Radio & TV Inc. The development firm, headed by physicist Dr. R. Bowling Barnes, became an independent company as result of last week's decision to merge Olympic Radio and Victoreen Instrument into new Nuclear Electronics Corp. (Vol. 11:27). Olympic Development, which last year reported (but never demonstrated) a 24-in. projection color receiver designed to sell for under \$500 (Vol. 10:31-32), is engaged in development & production of infra-red components and instrumentation for remote temperature measurements. It also makes automatic assembly machines through subsidiary Multra Corp.

Gerald C. Schutz named director of electronics, Gruen Watch Co., Cincinnati.

Hoffman Electronics enters components field through purchase of National Fabricated Products Inc., Chicago manufacturer of TV-electronic parts. National's subsidiary, National Semiconductor Products, Evanston, Ill., claims to be first to introduce silicon junction diode and first to produce solar batteries, and is now working on development of silicon transistors and silicon power rectifiers. National pres. Maurice E. Paradise will continue in same capacity under long-term contract. National employs about 400, has net worth of about \$2,000,000.

Two new uses for closed-circuit TV: (1) Detroit's streets & traffic dept. begins 30-day test of TV's value in "supervising" traffic on city's new high-speed express highway system. Using Bell System circuits, 2 cameras are scanning traffic on expressways in test to determine whether TV can be used on large scale to minimize traffic tie-ups. (2) Delegates to Building Owners & Managers convention in Cincinnati were able to watch reactions of passengers riding in new Westinghouse operatorless elevator via TV. Closed-circuit installation was supervised by Telecom Systems Inc., 501 Madison Ave., N. Y.

Tiny device with important implications for TV manufacturing companies and electronics industry is new silicon rectifier about the size of a pea developed by Bell Labs and slated for production soon by Western Electric. Miniature rectifier is said to do the work of 7 larger selenium rectifiers in TV set, with almost unlimited life span. Bell Labs says it operates at temperatures up to 400° F. Active element is silicon wafer smaller than pinhead.

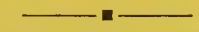
Automation means survival for electronics manufacturers, in opinion of Aerovox pres. W. Myron Owen. He told N.Y. Society of Security Analysts this week that the "antiquated method" of hand assembly "is being discarded by far-sighted manufacturers. Automatic installations reduce assembly costs as much as 80%. Companies which do not adopt these modern methods will not survive in this highly competitive industry."

Textron American Inc., textile firm which has recently been expanding into other fields (including electronics through purchase of Dalmo Victor and other firms), has reached agreement to purchase Western Union's international cable system for approximately \$18,000,000. Sale would be subject to FCC approval and follows 13-year-old govt. order to WU to divest itself of cable system.

New rules on industrial heating equipment, proposed by FCC this week, would set up a type acceptance system including renewal procedure, make microwave frequencies and 915 mc available for the service, specify interference and radiation figures, etc. Comments are due Aug. 15. Notice is 55-758, available from Commission or from us.

DuMont building new west coast electronics center, for Oct. occupancy, at 11800 W. Olympic Blvd., Los Angeles, with 30,000 sq. ft. "to handle west coast electronics commitments and sales both for military and industrial purposes."

Corning Glass Works sets up new components dept., headed by Forrest E. Behn, responsible for manufacture and sale of new line of glass electronic components.



Sole maker of silicon transistors, Texas Instruments Inc., Dallas, now is offering 7 different types, at average price of \$15 each, about half the price when commercial production started 13 months ago.

New govt. technical manuals available from Office of Technical Services, Commerce Dept.: *Techniques for Application of Electron Tubes in Military Equipment* (100 pp., \$2.50), prepared Jan. 1955 by electronics components lab, Wright Air Development Center; *Radio Interference Suppression Techniques* (270 pp., \$6.75), dated Nov. 1953, prepared by Signal Corps Labs, Ft. Monmouth, N. J.

**F**ARM TV CENSUS is now being tabulated by Census Bureau—first ever made—and it is being released on county-by-county basis. It's part of govt.'s Census of Agriculture, conducted in Oct.-Nov. 1954. TV figures are estimates projected from sample of approximately 20% of farms in each county.

A more significant TV set count was completed last month by Census Bureau, but data isn't due to be available until Sept. It will be govt.'s first nationwide set estimate since 1950 census—and was conducted as part of June Current Population Survey on basis of 25,000-home sample. Nationwide figure will be broken down regionally—north-east, southeast, central, west. The TV set survey is being financed by \$14,500 provided by NARTB, TV Bureau of Advertising and the 3 major networks, and coordinated by Advertising Research Foundation.

First 3 complete state tabulations in farm census showed wide variations in farm home set penetration. Nevada, with only 250 TV-equipped farms out of total 2857, had TV penetration of 9% of its farms. In New Hampshire, on other hand, 52½% of all farms had TV—or 5475 out of 10,411. Vermont had 38% TV saturation of farm homes, with 6068 out of total of 15,981 farms.

We'll print the county-by-county farm TV census figures for each state as rapidly as they're tabulated. Here's the count for farms in first 3 states released:

**NEVADA**

County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Churchill	619	20	Lyon	327	6
Clark	210	22	Mineral	53	—
Douglas	124	4	Nye	134	—
Elko	278	12	Ormsby	33	—
Esmeralda	22	—	Pershing	117	1
Eureka	36	—	Storey	11	1
Humboldt	113	—	Washoe	465	181
Lander	33	—	White Pine	148	3
Lincoln	134	—	State Total	2,857	250

**NEW HAMPSHIRE**

Belknap	575	278	Merrimack	1,542	956
Carroll	467	239	Rockingham	1,678	1,114
Cheshire	817	343	Strafford	660	406
Coos	670	211	Sullivan	778	298
Grafton	1,393	378	State Total	10,411	5,475
Hillsborough	1,831	1,252			

**VERMONT**

Addison	1,368	769	Orange	1,355	328
Bennington	690	422	Orleans	1,527	477
Caledonia	1,332	337	Rutland	1,409	783
Chittenden	1,186	513	Washington	1,321	333
Essex	361	127	Windham	989	286
Franklin	1,704	872	Windsor	1,609	414
Grand Isle	302	130	State Total	15,981	6,068
Lamoille	828	277			

Minneapolis Star and Tribune (Cowles) is purchasing Wichita area CBS affiliate KTVH (Ch. 12) for \$1,070,000, the 6 former owners getting 20% interest in newly formed operating company called Wichita-Hutchinson Co. Inc. Minneapolis newspapers will hold 80%; last year (Vol. 10:45) they paid CBS \$3,950,000 for 47% interest in WCCO-TV & WCCO, Minneapolis, the other 53% control residing in Ridder family (*St. Paul Dispatch* and *Pioneer Press*). Cowles family (*Des Moines Register* and *Tribune, Look Magazine*) also owns 60% of new KRNT-TV, Des Moines (Ch. 8) and KVTW, Sioux City, Ia. (Ch. 9). Former KTVH owners who will share new minority interests are Howard O. Peterson, gen. mgr.; R. J. Laubengayer, ex-publisher; W. D. P. Carey, ex-pres. of KTVH; Bess M. Wyse, operator of radio KWBW, Hutchinson; John P. & Sidney F. Harris, publishers of *Hutchinson News-Herald* and other newspapers in Kansas & Iowa and 24% owners of radio KFBI, Wichita.

**A**RMED FORCES now have 6 TV stations overseas—latest to begin operation being ZBK-TV, Kindly Air Force Base, Bermuda (Ch. 10), which went on air July 4 with 100-watt Dage transmitter. AJL-TV, Dharan, Saudi Arabia (Ch. 8), using equipment made by RCA, Dage and Electronics Research Laboratories (Hollywood), went on air June 16.

All overseas stations—plus Ch. 8 outlet at Loring Air Force Base, Maine—are operated by Office of Armed Forces Information & Education. Plans for an Armed Forces TV outlet in Guam are being held in abeyance as result of fight being waged by radio KUAM, Guam against the proposed govt. station (Vol. 11:22). Asst. Defense Secy. T. P. Pike last week pledged that Defense Dept. wouldn't permit the military station to go on air without "additional study."

Meanwhile it was learned that Pentagon has been approached by subscription TV proponents with proposition to run a "scrambled" TV service on Guam in order to meet KUAM's objections—with only authorized military personnel possessing the proper decoder mechanisms on their sets. Another alternative being considered for Guam is a wired TV system, which would be installed by one of leading manufacturers of community antenna equipment.

Note: Up-to-date list of all military TV installations, with personnel, technical data and starting dates, will be contained in new *TV Factbook*, due off presses next month.

**Community TV regulation:** While California Public Utilities Commission is considering whether to assert jurisdiction of community antenna systems, after conducting hearing June 22 on subscribers' complaints about system in Martinez, Arizona State Corporation Commission announced that it's taking over in its state. Unusual aspect of Martinez hearing was appearance of Spanish Mt. TV Corp., system operator in Ukiah, Cal., which argued in favor of state regulation, preferring it to present municipal control. E. Stratford Smith, exec. secy. of National Community TV Assn., argued against any govt. regulation.

TV film distributors' trade association—as yet unnamed—moved a step closer last week as organizational group named steering committee to obtain charter and formulate rules. Committee is headed by Dwight Martin, General Teleradio, and includes Ralph Cohn, Screen Gems; Frank Reel, Ziv; Lou Friedland, MCA; Jay Williams, Official Films; Ned Koenig, Hal Roach Productions; Saul Konkis, Studio Films; Dave Savage, Guild Films. Some 30 major TV film companies were represented at meeting which selected steering committee, due to report in 6 weeks.

Airborne Assn. this week presented statuette, named "Ernie" in memory of late correspondent Ernie Pyle, to NBC-TV for its "Operation Threshold" demonstration of combat use of TV from Ft. Meade, Md. last summer (Vol. 10:33) as example of outstanding journalistic contribution to national defense.

Kingsley Murphy family's sale of KSO, Des Moines, for \$125,000, allowing them to exercise option on 40% of Cowles' KRNT-TV (Ch. 8) there, was approved by FCC this week. New KSO owner is Lyman S. Ayers group, operators of Indianapolis' WXLW (Vol. 11:24).

Constructive critique: *TV and Your Child*, 45-p. booklet written by the Very Rev. Edwin B. Broderick, first TV-radio director for the Archdiocese of N. Y., 453 Madison Ave., N. Y.

More bingo trouble: Wisconsin Supreme Court last week ruled that "Banko," carried by LaCrosse's WKBT, is illegal, and a state law permitting bingo-type games on TV-radio is unconstitutional.

TV sets-in-use on June 1 totaled 36,100,000, up 291,000 during May, reports NBC Research.

MARTIN CODEL'S  
AUTHORITATIVE NEWS SERVICE  
FOR MANAGEMENT  
OF THE  
VISUAL BROADCASTING  
AND ALLIED ELECTRONICS  
ARTS AND INDUSTRY

# Television Digest

with **ELECTRONICS** **REPORTS**

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## SUMMARY-INDEX OF THE WEEK'S NEWS—July 16, 1955

RASH OF RUMORS — all denied — has color set prices halved, Ch. 2-6 in danger, Crosley selling stations, Washington Post buying 2 more (p. 1).  
FEW LOW-POWERED STATIONS to be sought immediately, but satellites show promise in some areas — notably Pasco, Wash. and Lufkin, Tex. (p. 2).  
81 AM STATIONS START in first half of 1955 vs. mere 27 TVs; year-by-year count shows radio rising steadily in "TV decade" but FMs dropping out (p. 3).  
150 STATIONS, 8,600,000 SETS in foreign countries shown in new Factbook compilation; commercial TV gains, Canada leading in stations, Britain in sets (p. 3).  
FCC OUTPUT LIGHT, includes CP for Ch. 7 to KOSA, Odessa, Tex.; more opposition to Pittsburgh's WWSW-WJAS merger; hot fight over Des Moines Ch. 11 (p. 4).

WHIRLPOOL-SEEGER-RCA get green light on merger from Dept. of Justice—RCA & Sears to own 20% each; new TV lines going over big (p. 8).  
NO "SWEEPING" CUTS in color set prices expected, RCA says; NBC beefs up summer color schedule, fall fare grows, and Canada plans 1956 start (p. 11).  
FORT BRAGG AREA (Fayetteville, N. C.) gets first station, a uhf, as U of Illinois starts non-commercial vhf; Ft. Dodge, Ia. uhf knocked off by lightning (p. 12).  
GENERAL TELERADIO BUYS RKO from Howard Hughes for \$25,000,000, with eye to 400-700 feature films in vaults; will continue theatrical production (p. 7).  
KENEHAN & BARR given top jobs in FCC Broadcast Bureau, Plummer & Kittner to head up Safety & Special Bureau; more changes due soon (p. 5).

**CHECKUPS ON THE CURRENT CROP OF RUMORS:** Though this is a rumor-ridden industry, wherein today's fancy often becomes tomorrow's fact, you can discount as hot weather gossip or old wives tales the current crop of trade chit-chat to the effect:

- (a) That color TV set prices will be slashed as much as half this fall as a means of hyping sales. Our authority: A flat denial by RCA (see p. 11).
- (b) That Channels 2-6 are in danger of usurpation by the military, either imminently or in the foreseeable future. Authority: Unequivocal statements by key govt. communications officials (Vol. 11:5), recently reiterated (Vol. 11:26).
- (c) That Crosley's 4 TV stations and radio WLW are about to be sold. Said Crosley Bcstg. Co. pres. Robert Dunville: "To the contrary, we're looking for more stations to buy if the courts should uphold Storer's no-limit appeal."
- (d) That the Washington Post Co. is about to buy stations in Atlanta and Birmingham -- presumably Crosley's WLWA (Ch. 11) or Storer's WAGA-TV (Ch. 5) in Atlanta and/or Storer's WBRC-TV, Birmingham (Ch. 6). Post's John Hayes denies this, as do spokesmen for both Crosley and Storer.

One long-rumored story that did materialize, though official details aren't out yet, was General Teleradio's purchase of the RKO movie backlog and production facilities in Hollywood (see p. 7) -- with all that that implies as the first break into vaults of the major producers who have kept their old product off TV to date. Except for fear of a glut and depreciated prices, it would seem to signal opening up of an enormous supply of "newer and better oldies" for TV showings.

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There will be more TV station sales and transfers, to be sure, to add to the 93 that have taken place since 1949, as tabulated for our latest Factbook. There's still the probability that DuMont's WABD, N.Y. may be sold (for reported \$5,000,000 valuation) as well as its WTTG, Washington (\$3,000,000). But the DuMont board, at this week's meeting, made no decision; Dr. DuMont wants to keep them, thinks they can earn as much as \$5,000,000 next year, but his Paramount and the banking directors are inclined either to sell or spin them off into a separate corporate entity.

Storer is known to have looked at WABD, as have others, and Storer also has

been looking into the Cincinnati situation with an eye to adding a station there for an Ohio triumvirate; he already owns WSPD-TV, Toledo & WXEL, Cleveland.

NBC's \$606,000 purchase of uhf WKNB-TV, New Britain-Hartford (Ch. 30), which was followed up last week by CBS's \$650,000 purchase of WGTH-TV, Hartford (Ch. 18) -- deals evidencing their expressed faith in uhf -- has been stymied pending opposition arguments, notably by area stations losing their network affiliations.

Overlap with N.Y. is one of the objections, and such overlap is also alleged in the proposed Westinghouse-NBC swap of their Philadelphia-Cleveland TV-radio stations (Vol. 11:21,25) which FCC was expected to approve this week, but didn't.

Westinghouse lost out in Portland vhf competition recently and, with 4 vhf's to date, is avowedly after a fifth -- possibly in Baltimore. Its pres. Gwilym Price is also on record as stating it will go for the allowable 2 uhf.

Crosley wants into Indianapolis badly, is awaiting competitive decision for Ch. 13 there. Washington Post Co., which owns the highly profitable WTOP-TV in the Capital as well as WMBR-TV, Jacksonville, avowedly wants more TV stations -- but they must be within the periphery of a triangle formed by lines from Washington to Miami to New Orleans, so Mr. Hayes candidly states.

Station brokers and other go-betweens, proceeding on assumption everyone has his price, have sent form letters to nearly all TV station operators asking whether they would entertain offers. It seems there are plenty of buyers but very few sellers among the 420 now-operating commercial stations, except for some faltering uhf's that are hanging on in hopes they too may be taken over.

**NO RUSH FOR LOW-POWERED TV STATIONS:** Though manufacturers are all set for low-power rules effective Aug. 1, permitting stations to operate with as little as 100 watts (Vol. 11:26), prospective applicants are mighty scarce. A canvass of attorneys shows very few such applications in preparation. Reason seems to be that while low-power rules cut construction & operation costs sharply, few prospective operators foresee revenues great enough to warrant risk -- even as satellites.

Under some conditions, however, satellites can work -- even as regular-power outlets. For example, mgr. Tom Bostic, of KIMA-TV, Yakima, Wash. (Ch. 29), operating satellite KEPR-TV, Pasco, Wash. (Ch. 19), reports that satellite is showing "good economic promise" after operating since Dec. 28, 1954.

He says response from national advertisers has been good, particularly since Pasco station actually covers slightly more people than Yakima "mother" station -- yet advertiser pays only 50% extra for Pasco.

Pasco carries all network and national business broadcast by Yakima but cuts away to insert local slide & film spots when Yakima has local spots. In May, Pasco carried 206 local commercial spots, 162 national & 162 local public service announcements. In Sept., station will add live facilities, "cutting away more and more as time goes on," according to Bostic. KIMA-TV has mobile unit that spends 1-2 days weekly in Pasco-Walla Walla area. Pasco has 8 employes -- mgr., 3 salesmen, 3 engineers, 1 office worker. Yakima has 40.

Same interests hold CP for another satellite, KBAS-TV, Ephrata, Wash. (Ch. 43) which is currently stymied by protest, must go through hearing. Similar arrangement is planned by Wm. Grove for KSTF, Scottsbluff, Neb. (Ch. 10), to repeat programs of his KFBC-TV, Cheyenne (Ch. 5). Scottsbluff is due on air in month or 2.

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Still another kind of satellite is KTRE-TV, Lufkin, Tex. (Ch. 9), due on air in Aug. or Sept. It has no ownership link with "mother" station KPRC-TV, Houston. Agreement between stations permits KTRE-TV to rebroadcast all KPRC-TV programs, including NBC's -- inserting local commercials before and after KPRC-TV programs.

There is no payment involved, and KTRE-TV is building own microwave to bring the programs in. It has to take care of own arrangements for ASCAP, BMI, etc. and if KPRC-TV is required to pay more for film or local material because of Lufkin coverage, KTRE-TV must pay the extra. KTRE-TV mgr. Richman Lewin is convinced that the setup is "right" and that "the economic base is assured."

Now operating in Hawaii are 2 more satellites of yet another kind. KGMB-TV, Honolulu (Ch. 9) has built KHBC-TV, Hilo (Ch. 9) & KMAU, Wailuku (Ch. 3) solely to fill in areas shielded by rugged terrain. So far, they represent outgo, for all 3 stations are quoted on one rate card -- which hasn't been increased since satellites started. Maui station is due to get competition from locally-owned KMVI-TV (Ch. 12) which will rebroadcast programs of KONA, Honolulu (Ch. 11).

There are few CPs and applications for satellites beyond these. There's a CP for KPAR-TV, Sweetwater, Tex. (Ch. 12) and applications for Walla Walla, Wash. & Mayaguez, P.R. It's apparent that low-power rules won't precipitate any landslide of demand starting Aug. 1 -- though one group is thinking about applying for 4. For the very long run, however, everyone seems to feel that low-power stations are bound to penetrate into smaller and smaller communities -- perhaps some day reaching the saturation achieved by radio today (see below).

**MORE NEW AMs THAN TVs GOING ON AIR:** Curiously enough, new AM stations authorized by FCC during first half of this year outnumbered TVs 64 to 33. New AMs that actually started during that period totaled 81, new TVs only 27. And only 4 AM licenses were turned in, 4 CPs dropped, as against 17 TVs that quit operating and 13 CPs turned in.

All of which may betoken a healthy condition for radio, though the comparison isn't altogether apt because (a) it takes vastly more capital to start and operate a television station -- 10 times as much, or more; (b) most of the new AM grantees and starters are local low power and/or daytime only projects. Indeed, most are going into crossroads communities; e.g., Mexico, Pa. (pop. 350); Fishkill, N.Y. (pop. 841); Golden Meadow, La. (pop. 2820); Rupert, Ida. (pop. 3098); Skowhegan, Me. (pop. 6183) -- and two rival grantees even got CPs recently in Thermopolis, Wyo. (pop. 2870).

July 1 count for our annual AM-FM Directory, which is kept current with weekly Addenda covering FCC grants, changes, withdrawals, etc., shows 2846 AMs authorized as against 2782 last Jan. 1 and 2697 year ago July 1. Of these, 2732 are on the air and 114 still in CP status.

Total AM radio stations in U.S. and possessions in late 1945, when wartime freeze on radio construction was ended, came to exactly 1056. In the "TV decade" since then, the figure grew steadily: by end of 1946, 1579; 1947, 1961; 1948, 2131; 1949, 2246; 1950, 2351; 1951, 2410; 1952, 2516; 1953, 2644; 1954, 2782. Applications still pending for new AMs totaled 222 on July 1, up from 174 last Jan. 1.

"Shrinkage" continues to be the FM trend: There were 552 FMs authorized as of July 1 (540 on air) as against 583 last Jan. 1 (549 on air) and 575 in mid-1954 (549 on air). Peak was 706 FMs at end of 1950.

**150 FOREIGN STATIONS, 8,600,000 SETS:** Comparing TV's expansion in foreign countries to the post-freeze pace in U.S. is like comparing an inchworm to a jet plane.

Our forthcoming fall-winter TV Factbook, due off presses early next month, contains what we believe to be the most complete, up-to-date and accurate directory of foreign stations ever published. It was compiled independently, using as sources trade channels, foreign governments and U.S. govt. & international agencies. Among the highlights of new foreign TV directory:

World now has 582 TV stations and 44,600,000 sets to receive them. Deducing the 432 stations and 36,000,000 sets-in-use in U.S., 35 other countries have total of 8,600,000 sets and 150 stations -- including experimentals, bloopers, satellites, but not including the 6 stations operated overseas by U.S. Armed Forces (also listed, with pertinent data, in separate Factbook section).

Number of stations in foreign countries has increased by 23 in last 6 months, number of sets by 2,000,000. The relatively heavy accretion of receivers is due principally to set sales in Great Britain, which now has 5,000,000 -- and to a lesser extent in Canada, Germany, France & Italy.

Next year should be foreign TV's biggest, with expansion plans solidified in many countries, and introduction of first stations slated in about a dozen others.

Commercial TV is general rule in Western Hemisphere, Govt.-owned non-commercial in Europe -- though tide may be turning toward commercial in western Europe:

Germany's big state-owned networks (22 stations) accept limited advertising. And, of course, Britain's BBC is due for competition this fall by govt.-run commercial Independent TV Authority (ITA). Italy's govt.-private partnership, Radio Audizione Italiana, plans to take commercial spots when set circulation is high enough.

New TV phenomenon in Europe is the establishment of high-power commercial outlets on mountaintops in small principalities bordering on France. Such stations are on air in Luxembourg, Monaco and The Saar (though not yet at full power). They beam programs out of their own countries, as Radio Luxembourg beams commercial AM.

Elsewhere in western sphere of influence, commercial TV may become the pattern. Of Japan's 6 stations, 2 are privately owned commercial; new Thailand outlet will take advertising. In Australia, first 4 stations (due next year) will be private and commercial. On other hand, a privately-owned pair of stations (backed by some American capital) failed to make a go of commercial TV in French Morocco, and is now asking French Govt. to take over.

Of foreign countries, Canada ranks first in number of stations (27); Britain is far ahead in number of sets (5,000,000). As of July 1, these were the world's runners-up (to U.S.) in TV: Canada, 27 stations, 1,500,000 sets; West Germany, 22 stations (including satellites), 300,000 sets; Britain, 13 stations, 5,000,000 sets; Cuba, 9 stations, 150,000 sets; Italy, 9 stations, 120,000 sets; Russia, reported to have 8 stations & 800,000 sets; France, 7 stations, 200,000 sets; Brazil and Mexico, 6 stations each and about 130,000 sets each.

**L**IGHT ACTION at FCC produced one CP via final decision this week—Ch. 7, Odessa, Tex., to Odessa TV Corp., owned half-&-half by Cecil L. Trigg (who owns 75% of radio KOSA) and Cecil Mills. They won out over Clarence E. Wilson & Philip D. Jackson, each of whom owns 1/3 of KBOY, Medford, Ore. Jackson was also v.p. and a 15% stockholder of recently reorganized KTVQ, Oklahoma City (Ch. 25).

Commission's choice was based on Trigg's local residence, activity in civic affairs and superior program proposals. It said the competitors were a standoff in regard to past experience and diversification.

Another effort to forestall grant of Ch. 11, Pittsburgh, to merged WWSW-WJAS was made this week—off-air WKJF-TV (Ch. 53) filing letter with FCC stating that merged application should be treated as a new one open to competition. Owner Agnes J. Reeves Greer said she would file application for Ch. 11. Recently, WENS (Ch. 16) applied for Ch. 11, asked for hearing (Vol. 11:27).

\* \* \* \*

One of hottest allocations battles is going on over FCC's proposal to open Des Moines educational Ch. 11 to commercial use, acting on petition of off-air KGTU (Ch. 17)—Commission's first move of that kind. Area educational groups have been snowing Commission under with comments in opposition—and KGTU has been snapping right back.

This week, Joint Committee on Educational TV stated: "Having lost substantial sums of money in its uhf commercial venture, KGTU has an understandable desire to recoup its finances by attempting to operate a vhf commercial station. They attempt to justify their financially-motivated objectives by ignoring the statements of the Des Moines educators of their intent to use the channel and claim that it will lie fallow."

Pursuing its proposal for mutual commercial-educational operation of the channel, KGTU declared: "In contrast to KGTU's specific detailing of the advantages inherent in such mutual operations, the educators only reiterate unsupported protestations of doom for educational TV na-

tionally, statewide and locally if any change whatever be made in the present allocation."

Allocations change sought this week was shift of Ch. 7 from Ponce to Mayaguez, P.R. Now competing for Mayaguez' Ch. 3, San Juan's WKAQ-TV and WAPA-TV asked for change so that each could get a grant without hearing. Commission also proposed shifting Ch. 3 from Pueblo to Alamosa, Colo. at request of KCSJ-TV, Pueblo (Ch. 5) which said it would apply in Alamosa.

\* \* \* \*

Another FCC investigation: Rep. Joe Evins (D-Tenn.), chairman of Small Business subcommittee, said he aims to investigate all independent agencies for this reason: "We want to find out whether they are becoming administrative rather than quasi-judicial. FCC was created as an arm of Congress. We want to inquire whether they are really independent, whether they rely solely on their own judgment or if they are called from the White House. The chairman is now more powerful than he used to be. The chairmanship doesn't rotate, isn't voted by the Commission itself. That means there can't be a Democratic chairman under a GOP administration or vice versa." Committee probably won't get to FCC until fall or next session; it starts on FTC Aug. 18.

Independent TV Authority, Britain's new commercial TV operator, disclosed this week that one of its 4 private franchises has been withdrawn—the one granted to Kemsley-Winnick Television Corp., which was to operate the Birmingham & Manchester stations starting in Dec. Kemsley newspaper chain is reported to have backed out, as did dept. store owner Isaac Wolfson, when it became evident that commercial TV might be a losing proposition for quite a while before turning a profit. (For franchise holders and their assignments, as well as other ITA data, see *TV Factbook No. 21*.)

ABC takes 60 newsmen—mostly from dailies and fan publications and a few from trade press—on weekend plane junket from N. Y. to California for July 17 opening of Disneyland Park and special 90-min. *Dateline Disneyland* telecast 7:30-9 p.m. They'll also get preview of ABC-TV's other new movie shows—*Warner Bros. Presents*, *MGM Parade*, *Mickey Mouse Club*.



**Personal Notes:** George C. McConnaughey, FCC chairman, and Mrs. McConnaughey leave for Europe July 22, flying first to Paris, planning to confer with telecommunications chiefs in several countries. Itinerary: Paris, Geneva, Bonn, Munich, Heidelberg, Stockholm, Oslo, Copenhagen, Amsterdam, Scotland, London—then boarding ship for home from Southampton Aug. 26 . . . Edward L. White, who retires July 30 as chief of FCC Safety & Special Radio Services Bureau after 30 years of govt. service, will enter communications system design practice at his new home at 460 Coffee Pot Riviera, St. Petersburg, Fla. . . . Pat Weaver, NBC pres., subject of cover story in current *Newsweek*, layout in *Life*; AB-PT pres. Leonard Goldenson and his company's fiscal rise (from 1955 low of 21½ to high of 32½) featured in July 15 *Forbes Magazine* . . . Lester Gottlieb promoted to director of CBS-TV daytime programming, reporting to Hubbell Robinson Jr., v.p. in charge of network programs . . . Charles L. Glett resigns as CBS-TV v.p. in charge of operations, Hollywood, his duties assumed by H. Grant Theis, from film service dept. . . . Horace R. Guillotte, director of CBS Radio network operations, named v.p. in charge of operations, continuing to headquarter in Hollywood . . . L. Byron Cherry, ex-mgr. of GE outdoor lighting dept., joins CBS as management consultant . . . Giraud Chester promoted to mgr. of NBC-TV program sales administration . . . Wm. Koblenzer promoted to mgr. of DuMont network sales & Electronicam production services, replacing Gerry Martin, resigned . . . Wm. P. Dix Jr., promoted to sales mgr. of WOR-TV & WOR, succeeding Charles H. Philips, now mgr. of Petry rep firm's new sales development dept.; Perry Bascom promoted to asst. TV sales mgr. . . . C. E. Miller promoted to chief engineer, KOMO-TV & KOMO, Seattle, succeeding late Francis J. Brott . . . Robert C. Fransen promoted to asst. gen. mgr., Richard M. Day to local sales mgr., KEYD-TV, Minneapolis . . . Pete Jaeger, ex-exec. v.p., Transamerican Broadcasting Corp., elected national sales v.p., Guild Films Inc. . . . John D. McTigue, ex-NBC Radio publicity mgr., joins R. F. O'Leary Jr. & Assoc., adv. & public relations firm, as asst. to pres. . . . Jack Boyle, TV research director, Daniel Starch & Staff, N. Y., elected a v.p. . . . Erik Hazelhoff promoted to mgr. of NBC partic. programs dept., reporting to Mort Werner, director of partic. programs . . . Bob Kane promoted to sales mgr., KSAN-TV, San Francisco . . . Mrs. A. Scott Bullitt, pres. of KING-TV & KING, Seattle, accompanied by Miss Gloria Chandler, stations' public service director, have returned from Milan, where they represented U.S. at "Conference on TV Programming for Youth."

Paul W. White, 53, who founded the CBS news bureau in 1930 and was v.p. in charge of news before retiring in 1943, returning later to newspaper work and to teach journalism, died at his San Diego home July 9 after a long illness. He had been news director of KFMB-TV & KFMB there for 5 years until his death. "The public as well as radio and TV newsmen the world over owe Paul White a real tribute for his great leadership in pioneering the pattern of electronic journalism as we know it today," said CBS pres. Frank Stanton. Survivors are his wife and 2 daughters.

Patrick W. Campbell, 64, TV-radio program officer in Great Britain for U. S. Information Service (Voice of America), veteran of the movie, radio & TV film fields, died July 9 in London of a heart ailment. A nephew and protege of the noted actress Mrs. Pat Campbell, he left stage & film fields to join Don Lee in Los Angeles in the early days of radio; from 1951-54 he was v.p. of George Bagnall & Assoc., TV-radio producers. Surviving is his widow, Mildred.

**TOP FCC STAFF JOBS** changed hands this week, including a surprise or two. Attorney Edward F. Kenehan, not mentioned in previous speculation, was appointed chief of Broadcast Bureau—probably most important staff position in Commission—succeeding engineer Curtis B. Plummer, who in turn becomes chief of Safety & Special Radio Services Bureau as replacement for retiring Edwin L. White.

At same time, attorney Joseph M. Kittner, asst. chief of Broadcast Bureau, moves with Plummer to become asst. chief of S&S bureau. Moving up to take Kittner's job is engineer James E. Barr, now chief of broadcast facilities div. Commission hasn't yet indicated who'll succeed Barr or a new berth for attorney Lester W. Spillane, whom Kittner replaces.

Previous talk about Broadcast Bureau job mentioned as candidates Christian E. Rogers, recently named engineering asst. to Chairman McConnaughey, and John Fitzgerald, chief of Office of Opinions & Review. It's understood, however, that Rogers wasn't considered a probability—but that Fitzgerald had been offered job and declined.

Kenehan, 42, has had good variety of experience. He was an FCC attorney 1946-48, rising to chief of AM facilities branch. He joined Washington law firm of Welch, Mott & Morgan in 1948, left in 1951 to become member of RCA's legal staff in Camden. He returned to FCC last Feb., to office of general counsel Warren E. Baker.

Two important Broadcast Bureau jobs, long vacant—chiefs of hearing and renewal & transfer divs.—are now expected to be filled before long.

Commission's announcement of appointments stated: "All these appointees are present members of the Commission staff. Their transfers are part of the Commission's plan to streamline and implement its administrative work by exchanging people with valuable experience in key positions. In particular, the Commission recognizes that the Safety & Special Radio Services represents the largest and fastest growing group of radio users whose expanding services and problems require an increasing amount of attention." Changes are effective Aug. 1.

Col. Harry C. Wilder's WTRY, Troy, N.Y. (5-kw, 980 kc, CBS) was sold this week for \$500,000 to Providence broadcasters George Taylor & Robert Engle, 28% each; Maury Lowe, adman, 22%; Ken Cooper, ex-mgr. of WORC, Worcester, 22%. Deal was negotiated by Blackburn-Hamilton. Col. Wilder and wife, owning 55%, and 19 other stockholders, some of whom are also interested in WTRI (Ch. 35), currently engaged in litigation with CBS over its withdrawal of network service, state they intend prosecuting their claim against CBS to limit, however. Meanwhile, they propose to transfer their 50% stock in WTRI to National City Bank of Troy as trustee "to protect the interests of the present stockholders" because of uncertainty of WTRI's future and because new AM owners don't want to become involved.

Increase in FCC members' salaries from \$15,000 to \$22,500 is sought in HR-7387, introduced this week by Rep. Simpson (R-Ill.).

Thomas F. Harrington, 53, chairman of board of Ted Bates & Co., died of heart attack at his summer home in Candlewood Isle, Conn., July 10. He was a pioneer agency radio director, having handled Jack Benny and other notable stars after he joined Young & Rubicam in 1934. He became a Bates partner in 1948. Surviving are his widow and 2 sons.

**Network Accounts:** United Motors Service, a div. of General Motors, signed this week as first sponsor of bi-weekly *Wide Wide World* on NBC-TV starting Oct. 16, Sun. 4-5:30 p.m., thru Campbell-Ewald; it bought 30 min., with Alcoa, Allis-Chalmers & International Harvester leading prospects to grab off remaining hour of program, whose showcase few weeks ago drew exclamatory reviews (Vol. 11:27) . . . Ciba Pharmaceuticals to sponsor *Medical Horizons*, originating from hospitals & research centers, on ABC-TV starting Sept. 12, Mon. 9:30-10 p.m., thru J. Walter Thompson . . . American Chicle Co. to sponsor *Summer Theatre* on NBC-TV starting July 19, Tue. 9-10 p.m., thru Ted Bates & Co. . . . CBS-TV plans to keep *Morning Show* (Mon.-thru-Fri. 7-9 a.m.); this week it assigned Dick Van Dyke as m.c., replacing Jack Paar, who requested re-assignment to own show . . . Frigidaire & Toni to be alt. sponsors of *Frankie Laine Time* on CBS-TV starting July 20, Wed. 8-9 p.m., thru Foote, Cone & Belding and Weiss & Geller . . . Standard Brands buys Thu. 5:45-6 p.m. segment of *Howdy Doody* on NBC-TV starting Sept. 22, Mon.-thru-Fri. 5:30-6, thru Ted Bates & Co. . . . Ronson Corp. (lighters & electric shavers) to sponsor Wed. & Fri. segments of *Douglas Edwards and the News* on CBS-TV starting Aug. 24, Mon.-thru-Fri. 7:30-7:45 p.m., thru Norman, Craig & Kummel . . . Charles Antell (Lanolin hair preparation) buys Mon. 2:15-2:30 p.m. segment of *Robert Q. Lewis Show* on CBS-TV starting Sept. 12, Mon.-thru-Fri. 2-2:30 p.m., thru T.A.A. Adv. Inc., Baltimore . . . Cluett, Peabody & Co. (haberdashery) buys 24 partic. each on NBC-TV's *Today & Home* starting in Oct., thru Young & Rubicam . . . GE, for Telechron clocks, plans big campaign this fall on Dave Garroway's *Today* on NBC-TV, Mon.-thru-Fri. 7-9 a.m., thru N. W. Ayer.

Among advertisers currently reported using or preparing to use TV station time: Yosemite Winery Assn., Madera, Cal. (Carina Kan-O-Wine canned wine), thru Jewell Adv., Oakland, Cal.; J. C. Penney Co., N. Y. (chain stores), thru Ralph D. Allum Co., N. Y.; Cream of Wheat Corp., Minneapolis (cereal), thru BBDO, Minneapolis; Reader's Digest, Pleasantville, N. Y., thru Schwab & Beatty, N. Y.; E & J Gallo Winery, Modesto, Cal., thru Getschal Co., N. Y.; Sage Laboratories, N. Y. (safety bleach), thru Paris & Peart, N. Y.; Groveton Papers Co., Groveton, N. H. (Blue Ribbon paper napkins), thru Paris & Peart, N. Y.; Coffee-Time Products of America, N. Y. (Coffee-Time syrup & beverage), thru Bresnick Co., N. Y.; Cella Vineyard, Fresno, Cal. (Betsy Ross grape juice), thru Edwin Meier & Sons, N. Y.; J. B. Williams Co., Glastonbury, Conn. (Lectric shave lotion), thru J. Walter Thompson, N. Y.; Dietonic Beverage Co., Los Angeles (low-calorie beverages), thru Roy Durstine, L. A.; Bowman Biscuit Co., Denver, thru Ball & Davidson, Denver; Wyler & Co., Chicago (lemonade mix), thru Schwimmer & Scott, Chicago; Lady Esther, Div. of Zonite Products Corp., Chicago (4-Purpose liquid face cream), thru Dancer-Fitzgerald-Sample, N. Y.; Balanced Foods Inc., N. Y. (electric home juicer), thru Chester Gore Adv., N. Y.; Altex Engineering Co., Summerville, S. C. ("Flex-A-Lite" windows), thru Bishopric Green & Assoc. Inc., Miami.

Television Bureau of Advertising (TvB) reports 149 members as of July 15—140 stations, CBS-TV, 8 reps. Latest to join are Branham Co.; WEWS, Cleveland; WCPO-TV, Cincinnati; WMAL-TV, Washington; KTRK-TV, Houston; WUSN-TV, Charleston, S. C.

New Reps: Sept. 1 WWJ-TV, Detroit, goes to Free & Peters (from Headley-Reed) and WGR-TV, Buffalo, also goes to Free & Peters (from Hollingbery); KWVL-TV, Waterloo, Ia. has changed to Avery-Knodel (from Headley-Reed).

**F**EWER THAN 8% of Wyoming's farms have TV sets, according to Census Dept. survey conducted in Oct.-Nov. 1954 and released this week. Sparsely populated Wyoming has only one station—KFBC-TV, Cheyenne—although some border areas can receive signals from out-of-state. Grouped by counties, the figures indicate that farmers near state lines are viewing TV from Salt Lake City, Idaho Falls & Billings, Mont. Census Bureau counted only 870 TVs on 11,392 Wyoming farms (projected from 20% sample) in connection with its Census of Agriculture, being released on a county-by-county basis. Figures for first 3 complete states (Nev., N. H., Vt.) were printed last week (Vol. 11:28). The Wyoming farm TV story:

WYOMING					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Albany	310	58	Niobrara	381	2
Big Horn	849	69	Park	891	74
Campbell	509	4	Platte	676	56
Carbon	330	5	Sheridan	760	8
Converse	348	2	Sublette	204	3
Crook	540	5	Sweetwater	139	—
Fremont	1,271	17	Teton	98	17
Goshen	1,154	134	Uinta	301	60
Hot Springs	200	5	Washakie	290	1
Johnson	320	3	Weston	251	2
Laramie	667	296			
Lincoln	629	32	State Total	11,392	870
Natrona	274	17			

Rate increases: Aug. 1 WCIA, Champaign, Ill. raises base hour from \$550 to \$700 and adds 20 sec. at \$140, ID going from \$55 to \$70. KOA-TV, Denver, has raised base hour from \$550 to \$650, min. \$120 to \$150; KBTW, Denver, from \$450 to \$600 & \$90 to \$120. Sept. 1 WFBC-TV, Greenville, S.C. raises base hour from \$400 to \$450, adds Class AA min. only rate (7:30-10 p.m. daily) at \$112.50, Class A min. going from \$80 to \$90. Aug. 1 WTVD, Durham, N.C. raises base hour from \$350 to \$450, min. \$70 to \$90; KVOS-TV, Bellingham, Wash. hour from \$200 to \$300, min. \$40 to \$60; WLOS-TV, Asheville, N.D. from \$250 to \$300. WCNY-TV, Carthage-Watertown, N.Y. has raised hour from \$150 to \$200; CFPA-TV, Port Arthur, Ont., from \$150 to \$170; WJIC-TV, Sault Ste. Marie, Ont. from \$150 to \$170.

CBS-TV Spot Sales adds to N. Y. staff Richard P. Hogue, ex-v.p. of Headley-Reed; Robert M. Williams, from Chicago office; Norman E. Walt, ex-Harrington, Righter & Parsons; Charles McAbee Jr. Joining Chicago office are Robert Resinger, ex-WBBM-TV, Chicago; James E. Conley, ex-WISH-TV, Indianapolis; Frank R. Hussey, ex-O. L. Taylor Co.

Cute commercial: Audio portion of ReaLemon-Puritan Co.'s 8-sec. spot (for ReaLemon lemon juice) on WABC-TV, N. Y. is in French—with separate film track in English. Agency Rutledge & Lilienfeld explains: "We needed an attention getter. With only 8 seconds, we felt we'd get lost in the shuffle."

CBC-owned stations increasing rates: CBFT, Montreal raises base hour from \$700 to \$800; CBMT, Montreal, from \$500 to \$600; CBUT, Vancouver, \$270 to \$400; CBOT, Ottawa, \$250 to \$320; CBWT, Winnipeg, \$280 to \$320; CBHT, Halifax, \$200 to \$220.

Dr. Benjamin Spock, famed pediatrician, will have commercially-sponsored 30-min. program on NBC-TV Sun. afternoon this fall, continuing his weekly series on educational WQED, Pittsburgh.

Clicquot Co., pioneer radio sponsor, has "Lottie Sparkle," blonde girl in Eskimo costume, and "Klee-Ko," Eskimo boy, as animations for new TV adv. & merchandising campaigns by its 125 franchised bottlers.

NBC Film Exchange has been moved from Manhattan to new headquarters at Englewood Cliffs, N. J. under Frank C. Lopore, mgr. of film & kinescope operations.

**Telecasting Notes:** Purchase of RKO Pictures Corp. by General Teleradio (Vol. 11:24, 26) for reported \$25,000,000, with \$13,000,000 down payment, is now a certainty, though principals are mum on details. Deal with Howard Hughes involves RKO's 400-700 feature film backlog and physical properties, excludes RKO Radio Pictures, holding company owned by Hughes and financier Floyd Odlum . . . Under terms of deal, General Teleradio will continue theatrical film production on RKO lot for limited time, though it might sell the film producing facilities to another company. General Teleradio's interest mainly is the picture backlog—not only for its own 5 TV stations but for syndication to other stations. ABC-TV is said to be eyeing the RKO films for Sun. 7:30-9 p.m., may already be negotiating . . . General Teleradio's Tom O'Neil also plans to release some of the RKO oldies to theatres as re-issues, using others on TV in moderation so as not to depreciate their value . . . "Vidpix production swings into high gear in Hollywood this month, with an unprecedented \$28,000,000 worth of TV pix going before the cameras during the next 2 or 3 weeks," reports Hollywood *Daily Variety*. This figure is in addition to about \$25,000,000 worth of TV film already shooting, with further increase scheduled next month . . . 20th Century-Fox, now preparing hour-long film shows for its 20th Century-Fox Hour on CBS-TV next fall (sponsored by GE), plans to release same films later for theatrical showing abroad . . . Hopalong abroad: NBC Film div. has sold *Hopalong Cassidy* and *Inner Sanctum* series to Associated-Rediffusion Ltd. for forthcoming British commercial TV . . . TV success of old *Our Gang* comedies (renamed *Little Rascals*) has led New York's WPIX to dig up some early Shirley Temple one-reelers with all-kid casts . . .

**A**DVERTISING & TV in 1970 were subjects of some fascinating speculations in recent address by Arthur C. Fatt, Grey Adv. Agency exec. v.p. to Toilet Goods Assn., reprinted in July 1 *Grey Matter*, agency house organ. Excerpts from his talk:

"Already we have seen 63,000,000 people witness one spectacular, *Peter Pan*, on the NBC network. Now picture to yourself a manufacturer introducing a meritorious new [drug] product on *Peter Pan*. With one lightning-fast stroke, he could have brought this new product into the forefront of America's consciousness.

"Now project your thinking to 1970 with 20-30,000,000 color TV sets tuned in, many with life-size screens in 3-dimension. Think of what could happen if you were to introduce a worthy new product to 100,000,000 people with 6 or 12 minutes of commercials demonstrating the product, explaining its merits, showing what it can do and creating an almost irresistible desire on the part of the viewer to possess it. And picture in your mind's eye what would happen if that same viewer could buy the product immediately by flicking a dial.

"All that may be necessary for the consumer to make a purchase may be to push a button or two on the 'Selle-vision' panel of her TV set. One button will instantly and automatically register the customer's code number in the store; another will indicate the item wanted, whether to send it COD or charge, etc. Unbelievable? No more so than the idea of dial telephones must have seemed once . . . And what is to prevent TV giving forth scent as it does color and sound? . . .

"What will these new wonders of TV do to radio . . . Remember when radio was supposed to eliminate the phonograph from our lives? . . . Wrist watch radios are more than a dream. They are closer to reality than many of us

"Grown-up hour" in the traditional kiddie-hour 5-6 p.m. time slot is novel program switch by Los Angeles' independent KTTV, which next week begins using filmed *Mr. & Mrs. North* and *Boston Blackie* in that segment, pushing its old 5:30 p.m. kiddie show to 7 a.m. . . . More theatre on TV: DuMont's WABD, New York, has acquired right to televise its choice of 5 of the 8 plays scheduled by off-Broadway Phoenix Theatre next season, after each play has finished its run; also featured will be commentaries on each play by producer, directors, authors, designers, artists . . . You don't have to miss TV when you go to the ball game in Chicago. P. K. Wrigley, pres. of Chicago Cubs, has set aside 1200 grandstand seats at Wrigley Field as special "TV audio section," where spectators will hear the usual TV announcer's commentary while seeing the game live . . . Mrs. Catherine Kreitzer, who settled for \$32,000 this week on CBS-TV's \$64,000 *Question*, signed by Ed Sullivan for Bible readings on his CBS-TV show, starting in Oct. . . . Victor Borge, Danish comedian whose one-man show is in 2nd year on Broadway, has signed exclusive contract with CBS-TV . . . Culinary Institute of America, New Haven, Conn., doing series of 26 half-hour films titled *What's Cooking*, to be syndicated by Elan-Porter Productions, N. Y. . . . Latest movie company venture into TV, *MGM Parade* on ABC-TV (Vol. 11:26), has definitely been slotted Wed. 8:30-9 p.m., immediately following *Disneyland*, beginning Sept. 14; actor-dancer George Murphy will be director and m.c., with Pall Mall as alt. sponsor . . . Ron Serling, whose TV plays *Patterns* and *The Rack* are being made into movies, this week also sold a third; Republic Pictures bought *Taps on a Bugle*, story of a tough Army sergeant who becomes headmaster of a boys' military school.

imagine . . . Just as we now determine the time of day by looking at our wrists, we shall be able to click a tiny button on our wrist watches and get the news, the weather, music, a ball game, which only we can hear . . ."

Among Fatt's other predictions: Slick-paper newspapers, all in color, electronically printed in the home by facsimile; magazines using sense of smell as well as sight, with early deadlines eliminated through electronic transmission and reproduction.

Prospect of commercial TV, offering competition for viewership hitherto monopolized by BBC, has caused BBC to "pull its socks up," said BBC commentator Raymond Baxter at recent meeting of British Sales Promotion Assn. He for one welcomed the competition, due to start in Sept., as "a good yardstick by which we will be able to measure our own products." And Radio Luxembourg, supported largely by British advertising and competing with BBC non-commercial radio & TV, is planning ambitious autumn-winter program schedules designed to hold audience and sponsors.

As a fall film-buying guide for TV stations and ad agencies, Judy Dupuy's Broadcast Information Bureau, 535 Fifth Ave., N. Y. has issued new edition of *TV Film Program Directory—Series, Serials & Packages* (Vol. 2, Issue 6, \$15); 390-p. volume lists titles, distributors, open markets, present sponsors, etc.

Listing of 3069 film titles available for free distribution to TV stations as well as individuals, with addresses of the industries or services from which they're available, is contained in 1955 *Educators Guide to Free Films*, 15th annual edition, published by Educators Progress Service, Randolph, Wis. (591 pp., \$6).

Directory of TV-radio farm directors by city & state has been compiled by and is available on request from Phil Alampi, WRCA, N. Y.

**WHIRLPOOL-SEEGER-RCA MERGER FAIT ACCOMPLI:** RCA gets its rounded white goods line, long-coveted, as result of Dept. of Justice approval of the Whirlpool-Seeger merger, as proposed (Vol. 11:22) -- with all that's implied insofar as shifts in national distribution are concerned. Tipoff came early in week when Whirlpool stock jumped 8 points to 38 high, closing week at 36½, and Seeger jumped 8½ points July 15 to close at 56. Formal announcement will be made coincident with opening of Whirlpool distributor convention July 18. It will contain these salient points:

RCA and Sears, Roebuck will each hold about 20% of stock in merged corporation, to be known as Whirlpool-Seeger Corp., with Whirlpool's Elisha Gray II becoming president and Walter Seeger chairman. RCA & Sears will have minority members on board, RCA probably designating pres. Frank Folsom & corporate exec. v.p. Charles Odorizzi. RCA will contribute production of its Estate Appliance Corp. into the common pool, will brand all its white goods "RCA-Whirlpool." Sears will continue to be supplied with its own Kenmore washers and Coldspot refrigerators. Financial details will be announced next week by Mr. Gray.

It's understood Govt. interposed no objection under anti-trust laws because 9 other major concerns have had "complete lines" since 1940 -- and it looks now like battle of giants for white goods market now dominated by such names as GE, Westinghouse, Kelvinator, Frigidaire, Crosley-Bendix, Norge, Philco, et al.

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"I've never seen dealers so enthusiastic about TV. Judging from way they're gobbling up new lines, you'd think they never heard of the word 'saturation.'"

This was the general dealer reaction to the new lines in "open houses," as expressed to us by a top manufacturer this week. He could have been speaking of any line, so universal was the acclaim of dealers. Their attitude clearly betokens a confidence lacking in last few years, when cautious buying was the rule. Even allowing for their currently low TV inventories (estimated at less than 1,000,000), dealers aren't just buying for their stockpiles -- they're buying "for the market."

Their purchasing has been abetted by generally longer discounts, to be sure. And there's no denying the sales appeal of the "furniture" in the lines -- cabinet styling, colors & finishes. They also see good merchandisable features in tuning controls -- for examples, RCA's "hidden" controls, Philco's "top touch" tuning and Westinghouse's "tip top" tuning, among others.

But the tempo of TV trade currently is seasonally sluggish, however zealous the preparations for fall season. Plant shutdowns, consumer vacations, etc. have put the kibosh on business generally. Cut-price close-out sales, special deals and normal liquidation of old TV models are general. For example, in Washington this week, Admiral 21-in. table model ("new, in crates") was advertised for \$96 (regular price \$160); 21-in. Philco open-face console for \$116 (list \$230); 17-in. Motorola table model for \$79 (list \$140). Such close-outs were duplicated in other cities.

The under-\$100 sets are activating the normally dull market somewhat this summer, says NARDA managing director A.W. Bernsohn, on basis of reports from his member dealers. GE's 14-in. "portable" at \$99.95 & \$119.95 continue quite the rage in a number of big-city markets, though it's in admittedly limited supply. Indicative of interest in low price, Hallicrafters this week came out with 17-in. mahogany textured table model at \$99.95 (details of new lines introduced this week on p. 9).

Brief highlights of other major trade developments this week:

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**What's With Admiral?** Why is Admiral so silent these days, while its stock dipped to year's low of 21½ (closing week at 23%)? This is pres. Siragusa's explanation: "There isn't anything wrong that a little extra govt. volume wouldn't cure. Our

govt. business is off approximately 80% compared with a year ago, so even though our civilian business is considerably ahead, our over-all is slightly behind. We are doing much better in TV and refrigeration than a year ago...All in all, we are very optimistic about the future. Our bookings on the new [TV] line are up 60%. Our production in June was the highest on record." Admiral news releases this week reported (1) 78,388 TV sets produced during June. (2) Dealer purchases of consoles at distributor open houses "more than doubled" over year ago. (3) Radio receiver sales for first half at record high, running 40% ahead of last year and auguring best radio year since end of war -- radio div. sales mgr. Alfred A. Medica saying Admiral increase is 30% greater than the first-half industry-wide gain of 10%.

**Economic Boom:** Dun & Bradstreet survey of 1100 manufacturers, wholesalers & retailers finds 77% of them believe their dollar volume in 4th quarter of 1955 will exceed same 3 months year ago, 61% forecasting higher net profits. Some 35% said they planned to carry higher inventories than year ago, 26% anticipated higher price tags in 4th quarter. Also this week, Commerce Dept. reported national production in second quarter had increased "substantially" over record \$375 billion rate in the first 3 months of 1955.

**Production:** TV output, reflecting plant vacations, dipped to 53,028 week ended July 8, first week of second half of 1955. Total was way down from 129,879 preceding week and 116,698 week ended June 24. It was year's 27th week and brought production for year to date to about 3,800,000, compared to 2,800,000 in equivalent period of 1954. Radio production totaled 124,501 (77,897 auto) week ended July 8, also decreased from 212,079 (94,498 auto) preceding week and 265,592 week before. For 27 weeks, radio output was 7,200,000 vs. 5,300,000 corresponding 1954 period.

**Topics & Trends of TV Trade:** Broad investigation of distribution practices in major lines of consumer durables, including TV-radio-appliances, will be launched shortly after Congress adjourns by House Small Business subcommittee headed by Rep. Roosevelt (D-Cal.). Study of distributor franchises and discount house operations will be part of the investigation, he said, without mentioning how deeply TV-radio-appliances will be involved. Subcommittee has already approved his bill (HR-7096) making exclusive dealer contracts illegal.

On another merchandising front on Capitol Hill, a House Commerce subcommittee postponed action on bill (HR-2688) which would ban trans-shipment of autos and thus pave the way for similar legislation covering TV-radio. Instead, the subcommittee scheduled additional public hearings for testimony from Justice Dept., Federal Trade Commission & auto manufacturers.

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Higher prices on some major appliances, excluding TV, are planned by Philco as result of shortages and higher costs of steel, copper, aluminum and other raw materials. In telegram to distributors, pres. James H. Carmine said: "It will be impossible for manufacturers of finished goods to absorb these increased costs. This applies especially to refrigerators and air conditioners, which are heavily weighted with copper, which is in extremely short supply."

GE's new line, to be introduced July 18 at National Assn. of Music Merchants convention in Chicago's Palmer House, features 2 clock-TVs—14-in. table at \$129.95 and 21-in. open-face mahogany console at \$270. Line also includes company's first 24-in. sets, addition of another "low-boy" console and extensive use of swivel bases. New 21-in. sets are priced at \$190, \$220, \$240, \$250, \$260, \$270 & \$300; 24-in. sets are \$240 for table, \$290 for console.

Sylvania signed 2-year contract this week with IUE's Local 511, covering about 700 employes at its Buffalo TV-radio plants. Agreement omits mention of guaranteed annual wage, provides extended seniority coverage for employes if company builds additional plants in area.

Hallicrafters added 10 basic models in line shown this week at regional sales meeting in Chicago's Hotel Knickerbocker. New sets start with 17-in. mahogany table model at \$99.95, go up to 24-in. mahogany console at \$350. Some sets also come with mahogany table and casters. Nearly all sets have vertical chassis and greater voltage. The 17-in. tables are priced at \$99.95 & \$120; 21-in. table at \$150; 21-in. consoles at \$280 & \$300; 24-in. tables at \$200 & \$250; 24-in. consoles at \$300, \$310 & \$350. Eight models in old line were carried over. Also introduced were 3 portable radios, all priced at \$40.

Capehart-Farnsworth's new line, introduced this week to distributors in N. Y., starts with \$170 for 21-in. ebony table model, ranges up to 21-in. fruitwood de luxe console at \$390. Line of 9 basic models is divided into "Starline" and "Super Comet" series. All sets in latter series have front-mounted speakers and aluminized picture tubes. The 21-in. tables are \$170, \$200, \$250 & \$290; 21-in. consoles are \$220, \$300, \$350 & \$390; 24-in. table \$220. Also introduced were 10 radios ranging from 20 ebony table to \$160 8-band portable, and 11 high-fidelity radio-phonos from \$130 to \$550.

TV-radio merchandising panel July 20 will be one of features of National Assn. of Music Merchants' 5-day convention starting July 17 at Chicago's Palmer House. Speakers are Magnavox pres. Frank Freimann, "How Can a Music Dealer Successfully Promote TV?"; NARDA chairman Mort Farr, "Type of Service to Be Rendered by a Music Dealer"; F. K. Lutes, of Thearle Music Co., San Diego, "Outlook for TV-Radio Sales in Music Stores"; Wm. J. Lee, of Sherman, Clay & Co. Adv., San Francisco, "TV-Radio Advertising & Promotion."

Clark Kelsey, public relations director of Chicago's American Furniture Mart since 1939, resigns to concentrate on position as exec. v.p. of National Wholesale Furniture Assn.

Admiral TV-radio account was resigned this week by Erwin, Wasey; Russel M. Seeds Co., Chicago, now handling print media, will take on more Admiral business.

**Trade Personals:** Arthur L. Chapman, Sylvania v.p., adds duties of gen. mgr. of TV-radio div., Buffalo, succeeding Howard E. Riordon, now gen. manufacturing mgr. . . . Charles R. Lunney promoted to adv. & sales promotion mgr., Sylvania TV-radio div., succeeding Wm. D. Strobin, recently resigned . . . Richard L. Myers, head of Paris office of Philco govt. & industrial div. (4 Rue Picot) returns as of Sept. 1 to become Chicago representative, with Robert McDonald going from Chicago office to replace him . . . E. R. Coblentz, ex-DuMont, named western mgr., Westinghouse TV-radio div., San Francisco, replacing Wm. P. Frost, who becomes independent Packard-Bell distributor in San Francisco . . . David Kaufman, ex-Sylvania, joins expanded RETMA engineering dept., now relocated at 11 W. 42nd St., N. Y. (phone remains Longacre 5-3450) . . . John O. Riggs, asst. production supt. of color tubes, promoted to mgr. of product administration, Westinghouse tube dept. . . . Oden F. Jester appointed asst. gen. mgr., Standard Coil, continuing as sales mgr. of distributor div. . . . John R. Howland, ex-Stewart-Warner & Zenith, named gen. sales mgr. of Dage TV div., Thompson Products, supervising sale of color systems & monochrome broadcast equipment . . . Larry S. Racine, pres. of Chicago Standard Transformer Corp., takes indefinite leave of absence because of ill health; chairman Wm. J. Shea adds duties of pres., with Ray Gislason appointed v.p. in charge of all plants . . . John Bentia, former exec. v.p., Alliance Mfg. Corp. (antennas, rotors, converters), named pres.-gen. mgr., replacing Murray D. Lincoln, as result of purchase of company by Consolidated Electronics Industries Corp. (North American Philips) . . . K. A. Jackson resigns as gen. mgr. of Hunt Capacitors (Canada) to become production mgr. of parent Canadian Marconi's new magnetron & power tube plant in Mt. Royal, Que.; he's succeeded by R. B. Finkle, Canadian Marconi's Toronto rep. . . . George B. Park, ex-GE adv. & sales promotion mgr., joins McCann-Erickson Sept. 1 as senior marketing executive . . . Frank Amaru promoted to gen. sales mgr. of RCA Victor's "Label X" records, replacing Joseph Delaney, now v.p.-gen. mgr. of Cadence Records . . . George Rowen, Sparton gen. mgr., elected a v.p. of parent Sparks-Withington Co. . . . Dr. James F. Battey, ex-Sylvania, named chief engineer of Transistor Products Inc., Waltham, Mass., unit of Clevite Corp. . . . H. Joseph Sarlin, ex-gen. sales mgr. of DuMont N. J. factory branch, named eastern district sales mgr., Westinghouse TV-radio div., reporting to Renville H. McMann, new eastern regional mgr.

Frederick Gordon Nixon, asst. controller of telecommunications of Canada's Dept. of Transport, Aug. 18 becomes controller, succeeding retiring G. C. W. Browne.

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**DISTRIBUTOR NOTES:** Sylvania appoints Wright & Wilhelmy Co., 10th & Jackson St., Omaha (J. C. Conley, pres.) . . . Trav-Ler Radio to open factory branch in Cleveland, replacing Shuler Distributing Co. . . . RCA Victor Distributing Corp., Chicago, appoints John Straus instrument sales mgr., replacing George Dorman, resigned . . . Westinghouse Electric Supply Co., Los Angeles, names John P. Adams TV-radio sales mgr., succeeding Edward G. Marten, promoted to mgr. of consumer products . . . Westinghouse Electric Supply Co. appoints Wm. B. Cone mgr. of Albany, N. Y. branch . . . GE Supply Co., Charlotte, promotes E. L. Dugger to consumer goods mgr. for Va. . . . Dallman Co., San Francisco (Philco) appoints Robert J. Parr adv. & sales promotion mgr. . . . Graybar names E. W. Windahl Indianapolis branch mgr., replaced as Duluth mgr. by D. A. Hilger.

Jack Rosen, sales v.p. of Raymond Rosen & Co., RCA's Philadelphia distributor, was hospitalized this week after being beaten and robbed of \$125 near Philadelphia home.

**Financial & Trade Notes:** Among officers' and directors' stock transactions reported by SEC for May, in addition to those previously published (Vol. 11:25, 27): John P. Richmond bought 150 ACF Industries, holds 200; Edward H. Litchfield bought 100 Avco, holds 100; Charles G. Munn sold 200 Consolidated Electronics Industries (controlled by North American Philips), holds 5500; Stanley F. Patten bought 100 DuMont Class "A," holds 500; Irving G. Rosenberg bought 100 DuMont Class "A," holds 200; John C. Harvell bought 200 Electronics Corp. of America, holds 500; George L. Irvine bought 900 GE, holds 1437; Donald L. Milham bought 200 GE, holds 1009; Wm. A. MacDonald bought 300 Hazeltine, holds 2300; Wilfred M. McFarland bought 100 Hazeltine, holds 310; Joseph S. McGee bought 250 Hoffman Electronics, holds 500; Arnold S. Kirkeby bought 1500 Magnavox, sold 1000, holds 1597; Thomas A. Kennally sold 3000 Philco, holds 6997; Emanuel Sacks bought 100 RCA, holds 445; Thomas B. Doe sold 800 Sperry, holds 1755; Bert T. Oakley sold 600 Sperry, holds 1820; Charles Ondrick sold 500 Sperry, holds 1400; John Sanderson sold 15,700 Sperry, holds 10,182; Paul J. Hemschoot sold 600 Tung-Sol, holds 40.

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Public offering of debentures (300, with \$1000 face value) is planned by Dolph-Petty Bcstg. Co., which seeks purchase of radio KMYR, Denver, in application filed with FCC this week. Purchasers (Wm. B. Dolph & Herbert L. Petty, major stockholders) also plan to exchange stock of Dolph-Petty for 42.5% of KULA-TV, Honolulu (Ch. 4) in which they now hold interests. Dolph and Petty are to hold 35,000 shares each, underwriters Cruttenden & Co. and Saunders, Stivers & Co. 8500 shares each, with public's debentures equivalent to 30,000 shares. Price of KMYR is \$60,000 plus cost of building facilities for 710 kc & 5 kw, for which KMYR holds CP.

Consolidated Television & Radio Broadcasters Inc. (Bitner group) reports profit of \$1,047,311 before taxes, \$505,024 after taxes for 6 months ended May 31 compared to \$1,606,320 & \$773,424 in same 1954 period. Decrease was attributed to entry of a second station in the Indianapolis market and program costs occasioned by shift of WFBM-TV from basic CBS to supplementary NBC & ABC and radio WFBM from basic CBS to supplementary ABC & Mutual. Included in report, which gave no grosses, were WOOD-TV & WOOD, Grand Rapids, but not newly acquired WTCN-TV & WTCN, Minneapolis.

Official Films Inc., which now claims 4500 share owners, reports earnings for fiscal year ending June 30, 1955 are still subject to audit but will exceed the \$317,172 earned in preceding year. Current accelerated pace of business, states pres. Harold L. Hackett, indicates profits before taxes for quarter ending Sept. 30, 1955 will exceed profits before taxes of entire fiscal year ended last June 30, so that current year "will be by far the best yet in terms of sales and earnings."

Reeves-Ely Laboratories Inc. reports net income for 5 months ended June 30 was \$1,001,733 (94¢ a share) vs. \$876,731 (82¢) same period last year.

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Richards W. Cotton, 60, asst. to pres. of the National Co., Malden, Mass., died of heart attack July 11 while vacationing in Portland, Me. He served as chairman of top-level govt. Electronics Production Board and as director of National Production Authority's Electronics Div. during last 6 months of 1952, while on leave from his position as asst. to Philco pres. Wm. Balderston and v.p. of Philco International. At time of his death, he was serving without compensation as industry advisor to Electronics Div. of Commerce Dept.'s Business & Defense Services Administration. He is survived by his widow, 2 daughters & a son.

**Color Trends & Briefs:** "Nonsense," is how RCA spokesman describes dope stories that RCA will "halve" price of its color sets this fall. Current prices are \$795 & \$895. RCA will push color sales for all they're worth, backed by heavy NBC and CBS colorcasting schedules, but RCA people think current talk about price cuts may have been "planted" by a competitor as a "diversionary tactic."

Story gained currency last week when Commerce Secy. Weeks, in roundup business prediction, foresaw "sweeping" reductions in color receiver prices, bringing increased sales. Later, it was learned that Weeks' prediction was plucked out of the blue by an overzealous staff member—definitely was not result of evaluation by Commerce Dept. electronic specialists. At least one national business publication and one trade journal gave same impression recently. We checked, and here's what an RCA spokesman told us:

"It doesn't make sense. To cut the price that much would require a genius that's beyond us. We're making and selling sets and tubes, and we're in the color business to stay, but they won't be cheap for a while yet." Commenting on speculation that one-gun tube might contribute to price reductions, he took occasion to whack back at Philco pres. James Carmine's sarcastic references to RCA color promises during recent Philco distributors convention at Miami Beach (Vol. 11:26):

"It's our color tube they're using in their announced set, isn't it—even though they called it the Hytron-CBS and said they got it from Sylvania? It looks to us like their green apple has worms in it," he added, obviously referring to Philco's one-gun tube project, known as "Apple," which Philco has frankly stated isn't ready yet.

Sylvania reports it's making 3-gun tubes in sample lots for whoever wants them, including Philco, while experimenting "with all other kinds of tubes." It's also making developmental color sets, has bought some complete receivers from RCA—as have other set makers (Vol. 11:27). It will introduce color sets, disclose prices and plans, at July 28 distributors meeting in Chicago.

That RCA means business in color is also manifest from Canadian reports that color is being pushed there, notably by RCA Victor Ltd. of Canada, whose pres. F. R. Deakins this week welcomed Canadian Broadcasting Corp. plans to telecast color experimentally, starting fall 1956. Deakins said company goal is to have color set on Canadian market for less than \$1000. (Canadian receivers, due to heavy taxes, traditionally run higher than U. S. by 40% to 50% at retail.)

CBC has earmarked \$500,000 in new budget to modify transmitters in Montreal, Ottawa & Toronto, to enable them to rebroadcast color coming from U. S. networks. Goal is to start by fall of 1956.

"British Radio Leads the World" titles 18-p. colored brochure heralding annual National Radio Show to be held at Earls Court, London, Aug. 24-Sept. 3. It has 121 exhibitors scheduled, including all TV-radio manufacturers. New 66,000-ft. RCA Photophone Ltd. factory at Sunbury is scheduled to exhibit for first time—mainly high fidelity equipment. From Aug. 23-Sept. 15, Britain also is seeking overseas visitors for other radio & electronics shows—the Farnborough Flying Display & Exposition and the Engineering & Marine Exhibition. Details are available from Radio Industry Council, 59 Russell Sq., London WC-1.

General Instrument Corp. earned \$60,996 (4¢ per share) on sales of \$7,472,479 in 3 months ended May 31, compared to loss of \$176,302 on \$4,684,405 in same 1954 quarter. The 1955 data includes earnings & sales since March 1 of newly-acquired components subsidiary Automatic Mfg. Corp. (Vol. 11:26).

NBC injected more color into an otherwise almost "colorless" summer by converting to color the *Matt Dennis Show*, Mon.-Wed.-Fri. 7:30-7:45 p.m., starting July 18, adding *Vaughn Monroe Show* in color Tues.-Thu. 7:30-7:45 p.m. July 19. Singer-pianist-composer Matt Dennis replaces Eddie Fisher and Tony Martin shows for summer, Vaughn Monroe taking Dinah Shore spot. These are in addition to the 2 big color shows scheduled July 25 & Aug. 22—*Fourposter* and a spectacular starring Cyril Ritchard.

One of the most powerful color set sales stimulants yet devised is being prepared by NBC—daily hour live drama 3-4 p.m.—costing estimated \$4,000,000 and starting Oct. 3. It will include original drama plus second-run plays from *Kraft Theatre* and *Philco-Goodyear Playhouse*. Project is so ambitious that entire Burbank, Cal. color facilities will be devoted to it. Series will be best opportunity for dealer demonstrations contrived to date. It will be titled *Matinee*, with Albert McCleery as exec. producer. Almost all other color "blockbusters" are scheduled for evenings or week ends (Vol. 11:27). CBS is also expected to come up with more daytime color.

The NCAA football games to be telecast in color by NBC turn out to be: Miami-Georgia Tech, Sept. 17; Notre Dame-Michigan, Oct. 15; Iowa-Michigan, Oct. 29; Army-Navy, Nov. 26. Among big one-shots being considered is a Labor Day show featuring live pickups from National Air Races in Philadelphia, Pike's Peak auto races in Colorado, water carnival in San Diego. NBC's color mobile unit is now being rebuilt to handle 5 cameras instead of 3.

CBS's Orson Welles series (Vol. 11:28) is mighty ambitious schedule. It will comprise six 90-min. shows shot in Eastman color in Europe for total of \$3,000,000, to be shown theatrically after colorcasts. First will be *Trilby*, with Welles as Svengali; another is his modern version of *Twelfth Night*.

Halicrafters & Capehart-Farnsworth each introduced 21-in. color sets this week, both using RCA-type tubes. Halicrafters put no list price on set, though it had previously announced it would retail for \$695 (Vol. 11:18). Capehart's sets were a consolette at \$795, console at \$895. E. W. Gaughan, v.p. & sales mgr., estimated 100,000 color sets would be sold this year.

Eye-glasses containing prisms and red & yellow filters, plus control of studio lighting, is how to get color pictures out of black-&-white sets—according to Prisma-Scope Corp., Failing Bldg., Portland, Ore. At least that's impression given in its 40-p. brochure.

BBC experimental color transmissions will begin in London this fall, according to reports from Britain. Various systems will be tested with aim of possibly starting regular color programming by 1958.

ACF Industries Inc., whose ACF Electronics at Alexandria, Va. started in 1954 with 15 employes, now has more than 300 and expects to have 500 or more by year's end, reports sales of \$190,774,346 for fiscal year ended last April 30, down 22% from \$245,086,908 in preceding year; net income was \$6,855,320 (\$6.62 per common share), 12% under \$7,778,420 (\$7.93) year ago. ACF Electronics, among other things, is developing "Tinkertoy" or "Compac" components for TV (Vol. 11:23, 24, 27). Parent company also reports \$17,000,000 in unfilled orders for Engineering & Research Corp., Riverdale, Md., acquired last Nov. and employing 1800, mainly on govt. nuclear projects.

New 40-p. glossary of microwave and mobile communications terms has been published by RCA engineering products div., Camden.

W. Stanley Edgar, ex-contracts & services engineer, named Western Union director of development & research.

**TWO STARTERS** this week—one a uhf commercial outlet in Fayetteville, N.C., other a vhf educational in Champaign-Urbana, Ill.—brought on-air total to 434, of which 106 are uhf. It was a week free from news of more uhf defections, though KQTV, Ft. Dodge, Ia. (Ch. 21) wired FCC July 13 for permission to go off air for indefinite period in order to repair damage to transmission lines and antenna after being struck by lightning.

WFLB-TV, Fayetteville, N.C. (Ch. 18) is next door to big Fort Bragg, first local TV outlet in area, nearest other being WNAO-TV, Raleigh (Ch. 28), 53 mi. away. It began tests July 15 but doesn't plan programming with CBS & NBC until FCC approves projected private microwave relay, says attorney Bernard Koteen. It has 1-kw GPL transmitter with GE antenna on 40-ft. tower. Owners are 9 local business men headed by Harry B. Stein. L. W. Allen is exec. v.p.; Wm. B. Belche, sales mgr.; Marvin Rosenberg, program director; J. D. Goodrich, chief engineer. Base hour is \$150. Rep is Adam Young.

WILL-TV, Champaign-Urbana, Ill. (Ch. 12, educational) started test patterns July 14, goes on program schedule shortly, reports Richard L. Rider, asst. mgr. & program director. Owned by U of Illinois, it's the 14th educational on air. It uses 5-kw demonstrator transmitter donated by GE, with 12-bay GE antenna on tower of Memorial Stadium. Dr. David Henry, ex-JCET chairman, is now president of the university; Frank E. Schooley, director of broadcasting; Richard G. Lawson, operations director; Hubert V. Cordier, production mgr.; John R. Brugger, chief engineer. Community has one other vhf—commercial WCIA, Champaign (Ch. 3).

There were no new reports on upcoming stations this week, but latest transmitter shipments & orders reported were:

From RCA, 50-kw transmitter to KWVL-TV, Waterloo, Ia. (Ch. 7); from Standard Electronics, 25-kw amplifier to WMAL-TV, Washington (Ch. 7). Standard Electronics also announced order from CJOC-TV, Lethbridge, Alberta (Ch. 7)—due on air next fall—for new economy model 10-kw transmitter, for delivery Sept. 1, as well as 12-gain Alford antenna and multicon camera, through Canadian Westinghouse. Standard Electronics also has order for 50-kw from KFVS-TV, Cape Girardeau, Mo. (Ch. 12) for Aug. 1 delivery.

James S. Copley, chairman of Copley Press Inc., and the First National Bank of Chicago are named defendants in suit filed by William M. Copley, of Paris, alleging "gross abuse of business judgment" in purchasing KCOP, Los Angeles (Ch. 13) about 2 years ago and in otherwise acquiring newspapers, radio stations, etc. without approval of probate court. The younger brother's suit in Chicago circuit court alleges "dissipation" and "mismanagement" of the estate of their father Col. Ira Copley, who died in 1947. The Los Angeles independent TV station has been a consistent loser, it's claimed, ever since it was purchased for \$1,375,000 from Mrs. Dorothy Schiff Sonnenborn, who retained her profitable radio KLAC (Vol. 9:49,52).

Transfer of WBLN, Bloomington, Ill (Ch. 15) to Worth S. Rough, ex-gen. mgr. of WCBC, Anderson, Ind. by Cecil W. Roberts (Vol. 11:26) for token \$1 and assumption of some \$200,000 indebtedness, was approved by FCC this week. Also approved was stock issue by KOAT-TV, Albuquerque (Ch. 7) whereby radio KOAT holdings are cut from 56% to 33%, Albuquerque Exhibitors from 35% to 30%, remainder being held by minority stockholders.

Nuclear explosion resulted in "only minor surface damage" to RCA 250-watt radio transmitter and 2-way mobile communications equipment during last May's civil defense test at atomic test site in Nevada. The equipment "could have returned to the air minutes after the explosion," said RCA engineering products v.p. Theodore A. Smith. Although buildings housing the equipment were partially to completely destroyed, he said, "not a single tube or component was damaged." All the equipment, with the exception of one 2-way radio, was housed less than mile from blast center.

Community antenna system in Harrisonburg, Va. has been sold by Frederick Allman, operator of WSVA-TV (Ch. 3) there, to group headed by Martin F. Malarkey. System has 600 subscribers, sold for a reported \$60,000. Malarkey, pres. of National Community TV Assn., started with system in Pottsville, Pa., extended it to Minersville, purchased Schuylkill Haven, Pa. system last year (Vol. 10:9), plans further expansion. Name of Harrisonburg system is being changed to Harrisonburg Trans-Video Corp.

Dr. Milton Eisenhower, President's brother who heads Penn State U and is educational TV enthusiast, said his school will expand its classroom instruction by TV in next 5 years as result of survey showing practically no difference in grades of students taught by TV or by classroom lectures. So far, it has taught only psychology & chemistry by TV; next fall it will take up music appreciation & history, he said.

Educational TV at its best: Stephens College, Columbia, Mo., putting in closed circuit for simultaneous lectures to small groups of first-year students in 50 different classrooms twice weekly. Project is supported by grants for Fund for the Advancement of Education (Ford) and RCA.

Initial decision in Lamb case, by examiner Herbert Sharfman, probably won't be forthcoming until fall. FCC Broadcast Bureau and attorneys for Toledo broadcaster-publisher Edward Lamb are due to file initial proposed findings by July 25. After this, additional time (possibly 10 days) may be given for answers—and then Sharfman begins consideration.

Anti-trust suit against 12 leading motion picture makers to compel them to release 16mm films to TV and other non-theatrical outlets (Vol. 8:30) has been set for trial Sept. 20 in Los Angeles Federal Court before Judge Yankwich. Depositions, starting with RCA-NBC Chairman Sarnoff, will be taken next week.

"Sponsored" theatre-TV: Box Office Television Inc. (Sid Caesar, pres.) is offering "for local public service sponsorship" Notre Dame-Navy and Notre Dame-Iowa football games next fall, with local commercial firms acceptable to Notre Dame invited to underwrite telecast by distributing free or premium tickets.

TV hath charms to keep prisoners contented, and it even has reduced escape rate of convicts in Richland County, N.C., says supervisor C. L. Talbert. But "the boys still wander from restless camps," he says, and so he's looking for donors of sets.

The Edgar B. Stern family (WDSU-TV & WDSU, New Orleans) has provided \$145,000 fund to the Governmental Affairs Institute, Washington, affiliate of American Political Science Assn., for compilation of a handbook of American election statistics to appear biennially.

CBS commentator Eric Severeid has gifted his alma mater, U of Minnesota, \$1000 for 1955-56 scholarship to graduate student planning a TV-radio career.

Tax on theatre-TV boxing bouts—5% of admission price—will be asked by Pennsylvania Gov. Leader under proposed new boxing code.



# Television Digest

with **ELECTRONICS** REPORTS

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## SUMMARY-INDEX OF THE WEEK'S NEWS—July 23, 1955

**SALE OF RKO** to General Tire sets up new show business giant in movie-TV-radio-programming field. Other majors eye move; film network a possibility (p. 1).

**BIG APPLIANCE MERGER**, creating RCA-Whirlpool brand, with RCA owning 20% of new Whirlpool-Seeger Corp., due to change distribution patterns (pp. 2 & 11).

**ABC SHOWING ZEST** program-wise and financially as result of Hollywood tieups and new ventures, but allocations economics is still big obstacle (p. 3).

**NEWSPAPERS ADVISED** by Campbell-Ewald's H. G. Little to "forget worrying about TV" as a competitor and to take longer view of business expansion (p. 4).

**PITTSBURGH GRANT** goes to WWSW, merging with WJAS; KNTV, San Jose, starts as 435th station; NBC purchase of WBUF-TV, Buffalo, due for hearing (p. 5).

**MOTOROLA'S NEW LINE** follows industry pattern of easier step-ups; Admiral increases some TV prices, others likely to follow by fall (p. 9).

**UHF PROBLEMS** to simmer this summer, inactive with McConnaughey gone; Doerfer proposal includes all-uhf N. Y.; 4 FCC members on network study group (p. 5).

**UHF BOOSTERS** recommended to fill "shadows," as industry comments on FCC proposal; some ask vhf boosters, too; 3 uhf stations prefer deintermixture (p. 6).

**HIGHER POWER** permitted for Zone I vhf stations with heights over 1000 ft., as FCC creates new 1250-ft. ceiling; 18 due for increases, including N. Y.'s 7 (p. 7).

**NBC & CBS COLOR SCHEDULES** to break "chicken-egg" cycle next fall with over 12-15 hours of color weekly, stimulating set manufacturing & distribution (p. 13).

**SIGNIFICANCE OF RKO SALE TO GENERAL TIRE:** There's more behind General Tire's purchase of RKO Radio Pictures (Vol. 11:24,26,29) than the obvious fact that Hollywood's feature film vaults have finally been decisively cracked by TV.

The \$25,000,000 cash sale of a major movie studio to a large holder of TV and radio properties (through General Teleradio, 90% owned by General Tire, 10% by Macy dept. store interests) actually sets up a new giant in the entertainment world -- the most important move to date in the much-discussed "merger" of Hollywood and TV.

Under one corporate roof now are one of the largest theatrical film producing companies, a huge world-wide movie distribution setup, a potential top-flight TV film production outfit, a TV film distributor with mammoth stock of first-run-on-TV features, 4 TV stations (N.Y., Los Angeles, Boston, Memphis), 5 radio stations (same cities plus San Francisco) one nationwide radio network (Mutual) and 2 regional networks (Yankee & Don Lee).

What started as a quest for programming material by General Teleradio pres. Thomas F. O'Neil to keep his independent New York and Los Angeles TV outlets in the competitive race with the network flagships, appears destined to end up as a new TV-radio-movie empire -- with important ramifications for both TV and the movies.

In buying RKO, General Tire got much more than just the vaultful of 500-800 old features it originally set out to acquire -- it took over a going concern which grossed about \$44,000,000 last year and is reported by film trade press to have shown profit as result of its vast distribution operations, even though it has produced very few pictures of its own in the last 5 years.

The obvious facts are these: RKO-Radio's theatrical distribution activities will continue, the company operating as subsidiary of General Tire, under Thomas O'Neil. With theatrical exhibitors crying for more product, it's likely that he'll put RKO wholeheartedly back into movie production (perhaps floating a stock issue to supply needed capital to start production rolling). Either General Teleradio or RKO can be expected to make TV films at RKO studios in Hollywood, Culver City & N.Y.

Many of the top RKO feature film properties may go to theatres for re-runs before they're released to TV -- if it's found that the profit potential is high;

one RKO oldie -- "King Kong," originally released in 1933 -- went through a highly successful theatrical reissue last year.

What did General Tire get from RKO's vaults? Nobody knows exactly how many features and short subjects. Among outstanding boxoffice attractions were the Fred Astaire-Ginger Rogers musicals, some Shirley Temple films, Howard Hughes' controversial "The Outlaw," academy award winner "The Informer" and pictures featuring Myrna Loy, Cary Grant, John Wayne, Gary Cooper, Gregory Peck, Lucille Ball, Henry Fonda, et al. A glance through RKO's titles of the last 20 years also reveals plenty of stinkers -- some of them probably not even suitable for free showing on TV.

Included in the purchase were two unreleased films made by RKO under Howard Hughes -- "Jet Pilot" and "The Conqueror" -- and there's some speculation that these may be given their premiere via TV.

As with his "Million Dollar Movie" series and his TV film properties, O'Neil will eventually syndicate RKO features to other stations. Whether he will actually set up a "film network" -- selling the time as well as the programs -- is an unanswered question, but it's recalled that in the past he's hinted at the possibility.

Does subscription TV fit into the picture? Best guess is that it probably does not, although O'Neil has loaned his WOR-TV, New York and his WGTH-TV, Hartford (whose sale to CBS now pends FCC approval) for experiments with the Skiatron pay-as-you-see system. General Teleradio needs the new-to-TV feature material now, isn't too interested in holding out for pay TV, which is still a long way off -- though there's no question that O'Neil is being approached by fee-TV proponents.

Will the sale pry open the vaults of the other majors? One theatrical trade publication accuses Howard Hughes of pulling his finger out of the hole in the dike and starting the flood. The flood was inevitable, of course. But the events of this week have certainly stirred the other movie producers into serious thought as to whether the time is now ripe. The only remaining question: Who's next and when?

**A NEW GIANT IN THE WHITE GOODS MARKET:** Biggest of all the TV-radio manufacturers, RCA moves into a relatively new arena as it prepares to mix it with long-established competitors for supremacy of the home appliance markets with new brand that combines 2 respected names -- "RCA-Whirlpool." It's a battle that promises to exert profound changes not only at consumer levels but also among rival manufacturers, suppliers, distributors & dealers. And, no less important, it will have new meaning for all others who depend on these giants for revenue -- including stations, agencies, etc.

Advertising & merchandising battle royal for consumers' white goods as well as TV-radio dollar will be far more intense than ever -- what with RCA-Whirlpool-Seeger-Sears combine lined up, as result of their factory-source merger last week (Vol. 11:29), against GE, Westinghouse, Frigidaire, Kelvinator, Crosley-Bendix, Norge, Philco, Admiral, Maytag & others whose names have long been household words. Reduced to its simplest terms, merger brought together RCA's air conditioner and Estate stove business with Whirlpool's washer-dryer operations (nation's largest) and Seeger's big refrigerator business. As one newsman described merger, "it's like putting Ted Williams and Willie Mays on the same team."

Sears, Roebuck will be both a partner at the factory and competitor at the retail counter. Like RCA, it will own 20% of merged Whirlpool-Seeger Corp., which will turn out RCA-Whirlpool line; but it will also continue to be supplied with own brand of Kenmore washers and Coldspot refrigerators from the combined company.

Pattern of distribution threatens to be a hodge-podge before it's finally settled. It's manifest RCA entered the consolidation to give its distributors the benefit of a rounded white goods line. Of RCA's 69 distributorships, 17 currently also handle Whirlpool. And for the rest, it presumably means switching Whirlpool lines to all or most of them -- including RCA-owned distributors in Buffalo, Chicago, Davenport, Detroit, Grand Rapids, Kansas City & Los Angeles -- or else switching RCA lines to existing Whirlpool distributors. An RCA spokesman assures, however, that all RCA-Whirlpool distributors will be selected on merit; that nothing will be done overnight and plenty of time will be allowed to make adjustments; and that contractual obligations will be respected fully in any changeovers made.

[Details of merger, probably the biggest in appliance history, are on p. 11.]

**ABC HITCHES WAGON TO HOLLYWOOD STAR:** With its smash-hit Disneyland, ABC apparently has found the formula for adapting the movie industry's skills to TV -- and during a visit to Hollywood this week it seemed evident to us that ABC's plans for further exploitation of that formula could give it excellent chance of eventually blossoming into a really strong third network. The upcoming season should tell.

Program-wise, ABC-TV now feels it has something to crow about -- and last week's press junket to Hollywood afforded previews of some movie-originated shows that evoked as much enthusiasm as did opening of much-publicized Disneyland park.

Keystone of its new programming is ABC's happy pact with Walt Disney studios, where magic is now being scientifically compounded for 6 hours a week of TV shows, as well as the regular Disney movie releases (One Disney official told us: "We turn out more in a couple of days now than we used to in a year".)

We saw some of next season's Disneyland films -- there'll be 24 new ones -- and they are of same high quality as this year's series. One difference is that the new Disneyland shows will be aimed more at whole-family audience than at the kiddies alone. Included will be 2 scientific films, authoritative as textbooks but as enjoyable as Donald Duck. One of these -- "Our Friend the Atom" -- will have occupied fulltime energies of crew for 2 years when it is finally telecast next spring.

But ABC's biggest programming whammy is its breakthrough into daytime kiddie TV through its hour-long Disney-produced Mickey Mouse Club. Slotted for 5-6 p.m. daily in all time zones (via 2 telecasts from New York, 2 from Los Angeles), it's taking on the formidable competition of NBC-TV's Pinky Lee-Howdy Doody sequence. But ABC topkicks point out that show was nearly sold out even before prospective sponsors saw clips, and confidently predict lineup of 100-plus stations, including some which carried Howdy Doody this season. Plan is to make 100 shows, re-run best 20.

If samples we viewed at Disney Studios are typical of whole series, Mickey Mouse Club is due to be a winner with children of all ages (including our age). The shows combine new and old cartoon material, instructive fun, and live segments from all over world, as well as specialty acts by group of talented kids -- completely up to the standards of wholesome entertainment for which Disney is noted.

\* \* \* \*

ABC is hoping its new Warner Bros. show will be "another Disneyland" -- this one aimed completely at adults. On our visit to Warners lot we found TV completely dominant, with 3 large sound stages exclusively devoted to shooting the hour-a-week Warner Bros. Presents, using most elaborate sets ever built for TV film. All material will be new, based on characters and settings of past Warner Pictures.

ABC's third movie pact is with MGM for 30-min. weekly series. We found very little concern over TV at MGM studios, got impression that no production had begun on the TV series. The show will rely mainly on old theatrical short subjects, tied together by George Murphy as m.c. and with newly produced blurbs for current MGM releases, borrowing Disney's "behind the scenes at the studio" format.

Network has plans for still another Hollywood show -- this one Sun. 7:30-9 and consisting of never-before-on-TV film features, possibly including some of the RKO backlog taken over by General Tire (see p. 1), if negotiations are successful.

\* \* \* \*

While other networks continue to diversify further into the manufacturing business, ABC apparently has few ambitions in that direction (though it does own 1/3 interest in Microwave Associates, small Boston electronics producer). ABC and its parent American Broadcasting-Paramount Theatres believe there's no business like show business -- and their diversification has all been in that direction.

Most important AB-PT extra-curricular activity is participation in the new Disneyland Park (under terms of its TV contract with Walt Disney). AB-PT owns about 35% of it and is hankering to buy more of the 160-acre Anaheim, Cal. property -- which some day could bring it more income than its entire broadcasting operation.

Disneyland's promotional value is tremendous -- its name being the same as the ABC-TV show. The \$17,000,000 park is due to become as big a tourist mecca as Yellowstone National Park or Niagara Falls; it will certainly get more promotion

than either. The Park, which should gross around \$20,000,000 a year, will be publicized in national advertising by some of the 53 concessionaires and exhibitors -- including such big names as TWA, Santa Fe, General Foods, Eastman Kodak, Quaker Oats, Monsanto, American Motors -- all of whom lease space at \$20 a square foot.

Almost feverish public interest in the park and in ABC-TV's Disney activities was strikingly confirmed when network's June 17 special 90-min. Dateline Disneyland telecast far outranked all competition -- including Ed Sullivan -- in Trendex survey.

AB-PT stands to gain from Disneyland park in other ways, too. Its United Paramount Theatres operates 5 refreshment stands there, and it's one of landlords of 650-unit \$10,000,000 luxury Disneyland Hotel (which promises "color TV in every room") being built by Wrather-Alvarez interests, owners of KFMB-TV, San Diego. being built by Wrather-Alvarez interests, owners of KFMB-TV, San Diego.

AB-PT's latest expansion is into phonograph record field, through its Am-Par label -- which has rights to Disney material, including some brand new ditties to be aimed at the younger set in the Mickey Mouse Club show.

\* \* \* \*

Just 2½ years after the infusion of new showmanship and new money into the ABC organization through merger with United Paramount Theatres, the network's programming innovations and new sponsorships are beginning to register on the balance sheet. Network is solidly in black and AB-PT financial statement this week (see p. 13) discloses second-quarter profit double that of last year's same period, with figure for first half nearly twice 1954's -- and next season should be even better.

But ABC-TV is still a poor third in the network business -- its monthly billings never approaching even one-third of CBS's or NBC's. ABC chieftains know that while showmanship and money will help, something else is needed to pull the network up to major league status -- time clearances on more TV stations. Limiting factors are economics of TV stations and the FCC's allocation plan -- neither of which is conducive today to 3 strong networks. ABC pres. Robert Kintner had this in mind at last May's NARTB convention when he pointed out that only 42 of nation's 233 TV markets had 3 or more outlets (Vol. 11:22).

Lacking continual access to stations in all markets, ABC-TV's strategy now -- as exemplified by its Hollywood programming -- is to make its schedule so strong on certain days and in certain time segments that it can attract sponsors and outlets in 2-station markets which formerly were closed to it.

**SAGE ADVICE TO NEWSPAPER COMPETITORS:** From one of top figures in the advertising business came some profound advice to those newspaper publishers still stewing about TV as a competitor. Said Campbell-Ewald pres.-chairman Henry G. Little, speaking last week before the Newspaper Advertising Executives Assn.:

"I don't think TV will ever take the place of the newspapers any more than it did of radio. TV seems to be well on its way to replacing network radio, but I don't think it can hurt newspapers too much, nor do I think it has significantly affected local radio which is in the same boat."

Mr. Little's reasoning was that TV can help the newspaper business, in fact merits editorial support, for it's a stimulus to "the tremendous business expansion that appears to be ahead. If newspapers will forget worrying about TV for a while and take a little broader viewpoint of what's down the road [they will] share this expanding business -- perhaps even increase their share."

Increased lineage will develop, too, from sponsors backing up their TV shows as they fight for audiences, he noted. If the newspapers had been alert, he added, such competition as the program-listing TV Guide, with its more than 2,000,000 circulation, might never have started. (He might have added that more than 110 newspapers, out of the 434 on the air, are identified with alert newspaper ownership, as disclosed in our TV Factbook No. 21.)

Another speaker at same session was Harold Barnes, director of ANPA Bureau of Advertising, but he had another "practical competitive" angle: Noting that a lot of automobile dealer and beer advertising is being lost to TV and radio, he urged that newspaper space salesmen concentrate on sponsors of programs with low ratings.

**FCC GRANTED 2 CPs this week**—to WWSW, Pittsburgh (Ch. 11) and to Vidicon Industries of America, Laredo, Tex. (Ch. 8)—as one new vhf station started test patterns to bring on-air total to 435. The Pittsburgh station is to be owned jointly by *Post-Gazette* and H. J. Brennen interests; the Laredo outlet 50% each by H. C. Avery Jr., architect, and David H. Cole, contractor. This week, too, one CP was cancelled—for WRNY-TV, Rochester, N.Y. (Ch. 27), held by Schine Theatres, on which construction never started.

New starter is KNTV, San Jose, Cal. (Ch. 11) which started testing July 21, plans programs later, probably as an independent since networks all have San Francisco affiliations. It's only 42 mi. from San Francisco, uses 2-kw RCA transmitter with 12-bay antenna on 218-ft. Ideco tower on Peak Loma Prieta, is designed to cover valley area up to Palo Alto. A. T. Gilliland is owner of Sunlite Bakers, the CP holder, with Harry Maynard as mgr., Harry Bartolomei as chief engineer. Base rate will be \$300. Rep has not yet been chosen.

Grant of second commercial vhf in Pittsburgh, looks toward merger of Block newspaper's WWSW with Brennen interests, who will sell their WJAS. Commission said CP "is without prejudice to any action the Commission may take with respect to any future application to effectuate a contract of June 2 which resolved these competitive applications." At same time, FCC dismissed Ch. 11 application of WENS, Pittsburgh (Ch. 16), which sought to compete for the channel—saying WENS was never a party to the proceeding, had no right to join now. WENS plans court appeal.

\* \* \* \*

NBC's second uhf purchase—WBUF-TV, Buffalo (Ch. 17)—was snagged this week when FCC, acting on objections of present NBC affiliate WGR-TV (Ch. 2), sent WBUF-TV a McFarland Letter indicating hearing is required. FCC said that WGR-TV had raised "serious questions" about extent of NBC's station ownership and

that it's concerned about anti-trust suit pending against RCA. NBC's purchase of WKNB-TV, New Britain, Conn. (Ch. 30) is already scheduled for hearing.

Efforts of TV-radio manufacturer H. L. Hoffman to get his KOVR, Stockton, Cal. (Ch. 13) designated a San Francisco station were turned down as Commission ruled San Francisco already has plenty of stations and Stockton shouldn't be deprived of its only vhf channel.

Shift of Ch. 21 from Huntington, Ind. to Ft. Wayne, requested by WANE-TV (Ch. 69) and WINT (Ch. 15), was denied by FCC because co-channel spacing with Campaign-Urbana, Ill. would be too short. At same time, Sarkes Tarzian, who owns WTTV, Bloomington, Ind. (Ch. 4) and who has applied for Ch. 21 at Roanoke, Ind., with transmitter 3 mi. from Ft. Wayne, was sent McFarland Letter which frowned on that method of getting into Ft. Wayne. Tarzian will probably find another site for projected satellite.

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Though FCC has "5-mile rule" pending—to require transmitters to be located within 5 miles of principal city—Commission granted more distant sites to 2 grantees. KTRB-TV, Modesto, Cal. (Ch. 14) was authorized to build on Mt. Oso, 22 mi. from Modesto—Commission noting that station proposes no change in studios or programming or any loss of service to Modesto. KWVL-TV, Waterloo, Ia. (Ch. 7) was allowed to move to site 15.5 mi. from city on grounds it would be less of an air hazard, and would increase rural service.

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FCC-requested modification of "protest" provisions of Communications Act (Vol. 11:26, 28) was passed July 21 by House, 77-10—but not without sharp debate. Most of those opposed expressed fear bill would render uhf stations defenseless against encroachment of high-power vhf outlets. Senate communications subcommittee under Pastore (D-R.I.) this week approved same measure, which will be considered by full Commerce Committee July 27. Passage of bill is certain—unless Senate drops it in last-minute race for adjournment.

**ALLOCATIONS SITUATION will remain unsettled** at FCC until Sept., now that Chairman McConnaughey has left for Europe (after designating Comr. Webster acting chairman). Then, Commission will come to grips with deintermixture, with Comr. Hyde's suggestions about weighing economics of allocations (Vol. 11:28), and with such things as Comr. Doerfer's drastic reallocation proposal which he laid before colleagues this week (with tongue in cheek, most observers believe).

A staunch opponent of deintermixture up to now, Comr. Doerfer proposed that Commission go the whole hog if it wants to help uhf—by moving all stations in major markets, such as New York, to uhf. Deintermixture proposals to date, he said, "would not solve the uhf problem but would create for a long time small islands of uhf markets contributing little or nothing to the objectives of the Sixth Report & Order."

He urged that vhf hearings be decided immediately in Madison, Peoria, Evansville & Hartford, stating: "It is manifestly unfair to single out a few communities which happened to be at the tail end of the priority hearing order for an experiment which gives little promise of making any substantial contribution to the objectives of the Sixth Report & Order."

Stating that cost of uhf conversion in New York "may well approximate \$500,000,000," Doerfer asked: "Why should a resident of New York City be permitted

to enjoy a choice of 7 channels without conversion costs and a farmer in Wisconsin, Indiana, Connecticut, and New York be denied any TV service?"

Rest of commissioners were a bit flabbergasted, were inclined (quite correctly, we believe) to feel that their colleague was seeking to dramatize, through *reductio ad absurdum*, his belief that current deintermixture proposals are futile. As one observer put it: "They wouldn't touch the idea with a 10-ft. pole."

Commission made first move, meanwhile, toward implementing network study, for which Congress has given it \$80,000, by designating 4 members as a "network committee"—McConnaughey, Hyde, Doerfer, Bartley. They're looking for a manager of the study, to come from outside FCC, but he isn't expected to be hired before McConnaughey's return Sept. 10.

■

KEDD, Wichita (Ch. 16) filed petition for reorganization under the bankruptcy act in Federal district court in Topeka July 21, pres.-mgr. Stanley Durwood claiming assets of \$551,000, unsecured debts of \$190,000 and secured or partially secured debts of \$520,000. Meanwhile, in state court, Ziv TV filed claim for \$20,000, Standard Rate & Data for \$1200; previously, MCA-TV had asked for receivership in Wichita Federal court on unpaid bill of \$5200, Atlantic Television Corp. on \$1400 (Vol. 11:28).

Further delay in Lamb case decision was indicated this week when examiner Herbert Sharfman extended deadline for filing initial proposed findings from July 25 to Aug. 15 at request of Broadcast Bureau.

**Personal Notes:** Howard S. Meighan, CBS v.p. since 1946 and first pres. of CBS Radio, named CBS-TV v.p. in charge of western div.; he was network's chief executive in Hollywood 1949-51 . . . Charles L. Glett, recently CBS-TV network services v.p., Hollywood, has joined exec. staff of General Teleradio to concentrate on motion picture activities . . . Capt. Wm. G. H. Finch, onetime Hearst Radio chief engineer and an inventor of facsimile systems, retires Aug. 1 from the Navy (Office of Naval Research) . . . Peter J. Smith promoted to mgr. of NBC telesales dept., succeeding Erik Hazelhoff, now mgr. of partic. programs . . . A. N. Bender promoted to gen. sales mgr., WHAM-TV & WHAM, Rochester, N. Y. . . . Robert M. Fisk, ex-NBC Film Exchange, named film supervisor, ABC Film Syndication . . . Fred Weber has resigned as gen. mgr. of WFPG, Atlantic City, to take charge of his upcoming WHTN-TV, Huntington, W. Va. (Ch. 13) due on air in Sept.; his successor at WFPG is Harry H. Foster . . . Hal Hackett, pres. of Official Films, elected chairman, succeeding Mike Nidorf, resigned . . . H. J. Eells succeeds Robt. Hoffman, resigned, as TPA Chicago sales mgr. . . . Robert Schlinkert, gen. sales mgr., WKRC-TV, Cincinnati, adds duties of asst. to David G. Taft, exec. v.p. & gen. mgr., with Roger Read becoming local sales mgr. . . . Peter Storer leaves CBS Spot Sales to rejoin Storer Bcstg. Co. as N. Y. national sales mgr. for WAGA-TV, Atlanta & WBRC-TV, Birmingham . . . John R. Overall, ex-CBS Radio eastern sales mgr., joins NBC-TV sales . . . Margot Anderson, ex-radio WSPA, Spartanburg, S. C., named exec. secy. of American Women in Radio & TV, replacing Betty Chapin, resigned . . . Frank Blotter, ex-Ruthrauff & Ryan, named v.p. & TV-radio director, Mumm, Mullay & Nichols, Chicago . . . Bradford B. DeMarcus, ex-Dage Products & radio WIBC, Indianapolis, named TV-radio production, Caldwell, Larkin & Sidener-Van Riper Inc., Indianapolis . . . Wickliffe W. Crider, TV-radio v.p., and G. Maxwell Ule, research v.p., Kenyon & Eckhardt, added to board of directors . . . J. J. Neale, v.p. of Dancer-Fitzgerald-Sample, takes over duties of TV-radio director, replacing Alvin Kabaker, resigned . . . Miss Pat Walsh placed in charge of new Hollywood branch of Campbell-Mithun Inc., Minneapolis, at 1680 N. Vine St. . . . Connie Ryan resigns as DuMont trade press editor to join Lennen & Newell on P. Lorillard Co. (Old Gold) account.

Lester W. Spillane is new chief of FCC Renewal & Transfer Div., filling vacancy left by resignation of Walter Powell, who joined NARTB staff. Spillane is a veteran Commission attorney, having joined Commerce Dept. radio div. in 1928, continuing with old Federal Radio Commission and with FCC. He has been asst. chief of Safety & Special Radio Services Bureau, is being succeeded by Joseph M. Kittner, ex-asst. chief of Broadcast Bureau (Vol. 11:29). Two important Broadcast Bureau jobs remain to be filled—chiefs of Broadcast Facilities and Hearing Divs.—and new Broadcast Bureau chief Edward F. Kenehan hopes they'll be taken care of within a month.

Two NARTB appointments this week: Robert L. Heald, with Welch, Mott & Morgan since 1947, becomes NARTB chief attorney Sept. 1, succeeding Vincent T. Wasilewski, new mgr. of govt. relations dept. succeeding v.p. Ralph W. Hardy, who becomes CBS Washington v.p. Heald is onetime law clerk to ex-Chief Justice Groner of U. S. Court of Appeals and was a wartime FBI agent. Also this week, Fred Garrigus, ex-CBS & WEEL, Boston, who had headed own Boston public relations firm, was named to new post of NARTB mgr. of organizational services, assuming duties of Oscar Elder, Hardy's former asst. now with Robert K. Richards Public Relations.

**UHF BOOSTERS, or "amplifying transmitters,"** as FCC terms them, were generally recommended as good means of filling "shadows" in normal service areas of uhf stations—as industry filed comments this week on FCC proposed rule-making (Vol. 11:14).

RETMA's comments, submitted by Ben Adler, chairman of satellite-booster committee, are probably most representative. RETMA suggests that boosters be handled on case-to-case basis, tailoring them to each station's needs; that FCC adopt no blanket minimum powers, heights or separations; that boosters be permitted within a station's normal Grade B coverage area, assuming station were using maximum power and height; that no limitation be placed on number of booster per station; that unattended operation be authorized.

RETMA recognizes possibility boosters may degrade color somewhat, asks that color specifications be delayed until more information is available. Sylvania, in separate comments, says that "sound engineering opinion indicates that no substantial color degradation would occur."

Sylvania also reported that it has operated successful 10-watt booster in Emporium, Pa. for 4000 hours; that booster can be built for about \$19,500, operated for some \$9950 annually. Adler stated that interest shown by uhf operators in his experiments indicates that "practically every TV station operator utilizing a uhf channel is experiencing some sort of shadow problem which emphasizes the need for this type of service." RCA and NBC filed separate comments, both in line with RETMA recommendations.

Vhf boosters should also be permitted, according to WSM-TV, Nashville, which has had considerable experience operating vhf amplifier at Lawrenceburg, Tenn., 68 mi. from Nashville. Similar request was made by Quincy Valley TV Inc., Quincy, Wash., non-profit group of some 350 area residents who have been served by illegal vhf boosters. Group claims that on-channel vhf boosters can be built for \$1500, compared with 10 times as much for uhf "translator" such as is being operated experimentally in Manson, Wash. It also states that community antenna service is uneconomical because of low population density.

Three uhf station operators dissented from others' recommendations, stating that deintermixture, not boosters, will give uhf the help it needs. Stations filing were WFIE, Evansville, Ind.; WEHT, Henderson, Ky.; off-air WKLO-TV, Lexington, Ky.

Laurence G. Woodford, 66, retired gen. mgr. of AT&T Long Lines Dept., was found dead of a bullet wound July 16 at his home in Wilton, Conn. It was ruled a suicide; he had been in ill health.

John D. Allison, 41, sales mgr. of KGMB, Honolulu, and with Raymer and Headley-Reed before moving to Hawaii in 1952, died of a heart attack July 15. Survivors are his wife and 10-year-old daughter.

David Chapin, 15-year-old son of Slocum (Buzz) Chapin, ABC-TV network sales v.p., was one of 7 boys killed July 11 in an avalanche while climbing a mountain in Canadian Rockies during vacation near Banff.

J. Scott Milne, 57, IBEW pres., died July 20 at Portland, Ore. of a heart attack. Head of the 625,000-man union since April 1954, he is survived by his wife, 2 sons.

Belgian Post Office, which runs the country's 4 TV stations, now printing the phrase "Be a televiewer" on postage stamp cancellations.

**Z**ONE I VHF STATIONS may now operate with full power permitted by FCC rules (100 kw for Ch. 2-6, 316 kw for Ch. 7-13) and with antenna heights up to 1250-ft. above average terrain. FCC this week finalized year-old proceeding which raises maximum from 1000 ft. Immediate effect is to permit 18 Zone I stations (northeast U. S.), now operating with less than maximum powers from heights above 1000 ft., to increase power. These include 7 in New York City. Rule doesn't affect uhf stations; they're permitted full power up to 2000 ft. in all zones.

Decision was a compromise, as expected (Vol. 11:2). Rule-making had been requested by WBEN-TV, Buffalo and WSAZ-TV, Huntington, both seeking to increase output to 100 kw with present antennas. FCC's original proposal would have increased Zone I ceiling to 2000 ft., same as in Zones II & III, but it brought flood of opposition resulting in the 1250-ft. compromise.

Seeking to forestall criticism that new rule would permit big vhfs to encroach on other stations' areas, particularly uhfs, FCC said: "The effect of the amendment would be to increase the limitation of other stations on a line between [stations increasing power] in the order of some 1 to 3 miles, assuming such other stations did not similarly increase antenna height and power. The extent of the increased coverage for stations going to the new maximum would be in the order of 4 to 5 miles, assuming no interference. Accordingly, we believe that stations operating under the new rule would have very little impact on the operation of other stations, both vhf and uhf, while at the same time such stations as WBEN-TV and WSAZ-TV would, through the use of maximum power and increased antenna height, be enabled to improve the service rendered to the public."

Commission also foresaw little possibility that new

Eventual U. S. Supreme Court ruling is expected to result from this week's indictment of UAW for using funds to pay for programs presenting Sen. Patrick McNamara and other Michigan Democratic candidates over WJBK-TV, Detroit during campaigns last year. Indictment charges violation of Corrupt Practices Act which prohibits unions, banks & corporations from using general funds for political purposes. Matter has never been tested in courts. UAW spent \$5985 for 9 programs, also invited GOP candidates to participate but they declined on grounds programs were illegal. UAW pres. Walter Reuther denied violating law, said that constitutional guarantees of freedom of press and speech permit union to express views through purchase of TV-radio time. He declared indictment was "inspired" by Postmaster General Arthur Summerfield and State GOP chairman John Feikens in effort to "save face" after party's defeat in Michigan last fall.

RCA has delivered "candelabra" antennas to be used by Dallas' WFAA-TV & KRLD-TV atop 1521-ft. Ideco tower, now past 1200-ft. mark. It will be 2nd tallest man-made structure, surpassed only by 1572-ft. tower of KWTW, Oklahoma City (Vol. 10:14; 11:8). Each antenna is of standard type modified to withstand high-altitude winds and will be mounted on 2 corners of triangular platform, 75-ft. apart.

GE's first image orthicon tubes are now in production after several years' preparation, will be delivered in early fall; GE also plans vidicon production. Up to now, RCA has been sole U. S. source of image orthicons, with production at Lancaster, Pa. plant. Westinghouse also plans to make them.

rule would encourage construction of taller towers and creating greater air hazards, pointing out that it has never had any limitation on physical height of towers and that case-to-case evaluation of hazards is always made.

The 18 Zone I stations which can now increase power are as follows, with new possible powers indicated, including presently authorized powers in parentheses: Detroit, WWJ-TV 100 kw (97.7); Manchester, N. H., WMUR-TV 316 (112); Newark-New York, WATV 316 (180); Binghamton, WNBC-TV 316 (166); Buffalo, WBEN-TV 100 (54); New York, WABC-TV 224 (110), WABD 79 (37), WCBS-TV 89 (42), WOR-TV 316 (129), WPIX 209 (100), WRCA-TV 63 (25.7); Schenectady, WRGB 100 (93); Cleveland, WEWS 100 (93); Dayton, WHIO-TV 316 (200); Johnstown, WJAC-TV 100 (70.8); Harrisonburg, Va., WSVA-TV 18 (8.32); Bluefield, W. Va., WHIS-TV 100 (50.1); Huntington, WSAZ-TV 100 (46.8).

New rule also makes it possible for Zone I CP-holders not yet on air to get modifications upgrading powers if their heights are greater than 1000 ft. Text of new rule reads as follows:

"(1) In Zone I, on Channels 2-13, inclusive, the maximum powers specified above for these channels may be used only with antenna heights not in excess of 1250 ft. above average terrain. Where antenna heights exceeding 1250 ft. above average terrain are used on Channels 2-13, or antenna heights exceeding 2000 ft. above average terrain are used on Channels 14-83, the maximum power shall be based on the chart designated as Appendix III, Fig. 2(a)." A new chart showing power-height relationships is substituted for old Appendix III, Fig. 2(a). Decision is Notice 55-802, Doc. 11181, effective Aug. 31. Copies are available from Commission or we'll get you one.

Power increases: KFMB-TV (Ch. 8) & KFSD-TV (Ch. 10), San Diego, both went to 316-kw ERP July 20; earlier, WTOG-TV, Savannah (Ch. 11) went to 209-kw; KOMU-TV, Columbia, Mo. (Ch. 8), to 251-kw.

Three NLRB actions this week affecting TV: (1) IBEW petition to represent TV-radio announcers and directors at KOLN-TV & KOLN, Lincoln, Neb. was turned down because bargaining unit should include "other employes who regularly or frequently appear before the cameras and microphones . . . including sports director, production director, newscasters and television personalities." Since IBEW had not demonstrated enough interest among this larger group, Board dismissed petition. (2) In case of unnamed station which had fired 4 TV directors who had refused to quit union, NLRB general counsel upheld regional decision that the men were "supervisors within the meaning of the Act and therefore the company had no duty to bargain concerning them." (3) On similar finding that directors were supervisors, board dismissed IBEW petition against KFMB-TV, San Diego.

This week's transmitter shipments: From GE—35-kw transmitter with film chain & portable camera chain to upcoming WKRK-TV, Mobile (Ch. 5) due in Sept.; 5-kw transmitter to upcoming KTRE-TV, Lufkin, Tex. (Ch. 9), also Sept.; 5-bay helical antenna to WFLB-TV, Fayetteville, N.C. (Ch. 18). From RCA—25-kw amplifier to upcoming KCRA-TV, Sacramento (Ch. 3) due in Sept.; 12½-kw transmitter to upcoming WOSU-TV, Columbus, O. (Ch. 34, educational) due late next fall.

Tributes to Bob & Helen Coar, who celebrated 20th anniversary of establishment of their radio studio on Capitol Hill July 20, came from leaders of both Senate & House in floor speeches that day. TV studio was added in 1952. The facility currently is used by 269 Representatives & 80 Senators.

**Network Accounts:** Oldsmobile, for 3rd straight year, will sponsor 1956 Academy Awards nominations & presentations on NBC-TV next March after Motion Picture Assn. of America this week rejected proposal for movie industry-wide sponsorship. Cost of televising "Oscar" shows was said to be about \$900,000, which MPAA board regarded as too expensive . . . Ed Murrow's *See It Now*, dropped by Alcoa last month, will be presented next fall on irregular schedule as either hour or 90-min. program in undetermined evening time, no sponsor signed yet; no decision yet on replacement for Tue. 10:30-11 p.m. period, which has become more valuable as result of success of \$64,000 *Question* 10-10:30 p.m. . . . American Tobacco (Pall Mall) & General Foods (Instant Maxwell House Coffee & Minute Rice) to be co-sponsors of *M-G-M Parade* on ABC-TV starting Sept. 14, Wed. 8:30-9 p.m., immediately after *Disneyland*, thru Sullivan, Stauffer, Colwell & Bayles, Benton & Bowles and Young & Rubicam . . . Ralston Purina to sponsor *Grand Ole Opry* on ABC-TV starting in fall, every 4th Sat. 8-9 p.m., thru Gardner Adv. . . . Webster-Chicago to be alt. sponsor of *Tony Martin Show* on NBC-TV starting Sept. 5, Mon. 8:30-9 p.m., thru John W. Shaw Adv., Chicago . . . Mobile Homes (trailers) buys 15 partic. on NBC-TV's *Today*, Mon.-thru-Fri. 7-9 a.m. & *Tonight*, Mon.-thru-Fri. 11:30 p.m.-1 a.m., thru J. Walter Thompson . . . DuPont drops *Cavalcade of America*, will replace it with *DuPont Cavalcade Theatre* on ABC-TV starting Sept. 13, Tue. 9:30-10 p.m., thru BBDO; new series of 26 films will be produced by Four Star Productions Inc., Culver City, Cal. (Don Sharpe) . . . Minute Maid-Snow Crop Frozen Foods, for 2nd straight year, to sponsor Tournament of Roses from Pasadena Jan. 2, 1956 on NBC-TV, possibly in color, thru Ted Bates & Co. . . . Miller Beer to sponsor half of College All Star-Cleveland Browns football game on ABC-TV Aug. 12, starting 9:30 p.m., thru Mathisson & Assoc., Milwaukee; Atlantic Refining Co. will share sponsorship in 35 eastern markets, thru N. W. Ayer . . . Dr. Spock's new NBC-TV series, titled *Dr. Spock*, starts Oct. 9, Sun. 3-30 p.m.; no sponsor yet . . . Reynolds Metals to sponsor *Frontier* on NBC-TV starting Sept. 25, Sun. 7:30-8 p.m., as replacement for *Mr. Peepers*, thru Clinton E. Frank Inc., Chicago.

Changes in format of \$64,000 *Question* (CBS-TV Tue. 10-10:30 p.m.) are being considered by packager Louis G. Cowan in light of many suggestions that something be done to ease the tax burden and thus make it easier for contestant to go for the \$64,000. Syndicated columnist J. A. Livingston this week proposed that sponsor Revlon pick up the tax tab, but a Cowan executive said this wasn't likely, urged patience in working out problems of show that's skyrocketed in popularity in the 7 weeks it's been on air.

Rate increases: WKZO-TV, Kalamazoo, adds new Class AA hour (8:29-10:31 p.m. daily) at \$1000, min. at \$200, with Class A hour going from \$900 to \$950; KMBC-TV, Kansas City, adds Class AA hour (7-9:30 p.m. daily) at \$600, min. at \$200, Class A hour going from \$540 to \$480. Rate decrease: KEYD-TV, Minneapolis, cuts base hour from \$600 to \$450, min. \$120 to \$90.

NBC-Westinghouse swap of Philadelphia & Cleveland stations (Vol. 11:21) should be held up, WSTV-TV, Steubenville urged FCC this week, until Westinghouse's KDKA-TV, Pittsburgh, modifies its network affiliation agreements to permit WSTV-TV access to more ABC-TV programs—possible under new territorial exclusivity rule (Vol. 11:26).

CBS signs KSLA, Shreveport (temporarily using KCIS call) as primary and adds KIVA, Yuma, Ariz. under Extended Market Plan.

Crosley's MBS affiliation, whereby its WLW, Cincinnati was offered on special basis in addition to affiliate WCPO, was terminated as of July 22.

Among advertisers currently reported using or preparing to use TV stations time: Maltex Co., Burlington, Vt. (cereal), thru Bryan Houston, N. Y.; Oz Greeting Card Co., N. Y., thru Francis D. Gonda Co., Hollywood, Cal.; Balanced Foods Inc., N. Y. (electric home juicer), thru Chester Gore, N. Y.; Tastee Products of Cal., Los Angeles (Tastee Freez), thru Dreyfus Co., L. A.; Stroh Brewery Co., Detroit Stroh's Bohemian beer), thru Zimmer, Keller & Calvert, Detroit; Redi-Magic Milkshake Mix Co., Los Angeles, thru Roy S. Durstine, L. A.; Florida Power & Light Co., Miami, thru Bevis & Tyler, Miami; Dri-Zit Co., San Jose, Cal. (Dri-Zit deodorizing products for garbage cans), thru Long Adv. Service, San Francisco; Neuhoff Packing Co., Nashville, Tenn. (Old Hickory bacon), thru Doyne Adv., Nashville; Ivano Inc., Chicago (Plumite drain cleaner), thru Sullivan, Stauffer, Colwell & Bayles, N. Y.; Coats & Clark's Sales Corp., N. Y. (Crown zippers), thru Kenyon & Eckhardt, N. Y.; Japan Canned Crabmeat Sales Co. Ltd., Tokyo, thru Gotham-Vladimir Adv., San Francisco; Brother International Corp., Los Angeles (Select-O-Matic automatic zigzag sewing machine), thru Allen Christopher Co., N. Y.; Florida Citrus Commission, Lakeland, Fla. (fresh & processed citrus fruits), thru Benton & Bowles, N. Y.; Washington State Fruit Commission, Portland, Ore. thru Pacific National Agency, Portland; Kur-lash & Co., Rochester, N. Y. (eye beautifiers), thru Charles L. Rumrill & Co., Rochester; Mail Pouch Tobacco Co., Wheeling, W. Va., thru Charles W. Hoyt Co., N. Y.

"Communist infiltration" in TV-radio writing and acting and the legitimate stage will be investigated in extensive hearings scheduled to begin Aug. 15 in New York City by House Un-American Activities Committee Chairman Walter (D-Pa.) At least a dozen actors and writers reportedly have been subpoenaed. In entertainment industry, some connections were implied between the forthcoming investigation and the recent overwhelming repudiation by AFTRA members of AWARE Inc., alleged to be a black-listing organization (Vol. 11:28). One unnamed actor was quoted by *New York Times* as saying he understood that all performers subpoenaed had signed petition urging condemnation of AWARE. Meanwhile, AFTRA administration—which had endorsed AWARE—hurriedly began conducting membership referendum aimed at disciplinary action, including expulsion in some cases, against members who decline to answer Congressional questions about Communist affiliations. A performer expelled from union would be barred from employment by TV-radio networks, which have union shop.

Sears, Roebuck & Co., which has joined RCA (each with 20%) in new Whirlpool-Seeger Corp. (see pp. 2 & 11), may be planning TV advertising for first time. This week, NBC-TV presented closed-circuit showing to group of top-level Sears officials, at their request, to demonstrate what TV could do for retailers. NBC pres. Sylvester L. (Pat) Weaver Jr. made brief talk, followed by sales pitches from NBC merchandising consultant Edward Weiss. NBC centered its presentation around upcoming *Richard III* & *Matinee*, latter the new hour daytime dramatic color strip.

American Bar Assn. convention in Philadelphia week of Aug. 21 will be covered by TV, both live & closed-circuit, as means of demonstrating to jurists how unobtrusively cameras can cover legislative sessions & court trials. Coverage was arranged by NARTB as public service, will be handled under pooled arrangement by 3 local stations—WCAU-TV, WFIL-TV, WPTZ.

ABC, CBS & NBC agreed this week on new 3-year contract with United Scenic Artists Local 829 granting 210 members new minimum wage scale of \$230 for scenic designers, \$171.50 for costume designers, \$170 for scenic artists—40-hour week.



**MOTOROLA'S NEW LINE; ADMIRAL UPS PRICES:** Motorola took over trade spotlight this week with a new 22-model TV line that stresses easier step-ups, simplified tuning, accented cabinet colors. Last of the majors to introduce its line, Motorola is preparing its most ambitious promotion campaign -- \$15,000,000 covering next 12 months -- in effort to improve even further its position as one of industry's "Big Four." Whereas other top-ranking TV-radio manufacturers are heavily in white goods (see pp. 2 & 11), Motorola bills itself as "largest exclusive electronics manufacturer."

Price differential has been narrowed to \$10 in all sets listing under \$300 (14 of them) as means of encouraging step-up selling. Widest gap in entire line is \$30. Controls are located at right front of picture in most sets, whereas RCA has gone to side & top tuning, Philco to top tuning, Admiral to top & front, most others sticking to traditional front controls. (Details of Motorola's new line on p. 12).

Pres. Paul V. Galvin, setting forth immediate targets at convention of distributors in Chicago, said Motorola anticipates record volume of about \$225,000,000 this year, topping previous high of \$217,000,000 in 1953. He said sales in first half of 1955 "moderately exceeded" the \$92,000,000 of first-half 1954. Motorola seeks to "maintain 10%" of industry's consumer products business, he stated. It is accordingly expanding TV plant at Franklin Park, Ill., has new Chicago plant for plated circuitry production, and new transistor facility at Phoenix.

Electronics volume of \$10 billion, with largest single factor being estimated 7,500,000 TVs, was foreseen by Mr. Galvin, long a RETMA leader. He also predicted 1955 sales of 12,000,000 radios. By 1965, he estimated more than 65,000,000 TVs in use, more than half of them color. (For Motorola color set plans, see p. 13.)

Another of the "Big Four" -- Admiral, which was first to release its line last June (Vol. 11:23) -- this week raised prices of 7 new models by \$10 in vhf, \$15 in uhf, because of "higher material and production costs." Prospect is that others will also hike prices by fall, for increases are being talked up generally in trade now. Strength of the TV market and the national economy as a whole are cited as reasons for belief that time is ripe.

Shortages of copper and other basic materials, plus wage increases, are the other factors likely to send prices of TV sets higher around Labor Day. Many a competitor goes along with Galvin's remark that "the price structure in consumer electronics products cannot go lower without penalty to quality."

Brief highlights of other major trade developments this week:

\* \* \* \*

**Music Show:** Panel on TV-radio merchandising was center of keen interest at Chicago convention of National Assn. of Music Merchants, which was otherwise dominated by high-fidelity. On the panel, Magnavox pres. Frank Freimann & NARDA chairman Mort Farr attacked bitterly what they called "overloading" of merchandise on distributors & dealers. Freimann said many of the 100,000 TV-radio dealers are "in hock to the distributor or the local bank," said "jungle warfare" can be ended only when factory-distributor practices are improved. Farr said he's convinced the factories are trying to put a lot of small, fringe dealers out of business by overloading them and that eventually the only dealers who will stay in business are those who can afford to buy merchandise in carload lots.

**Labor:** GE and IUE negotiated fruitlessly for 2 days on new contract calling for guaranteed annual wage, then suspended talks while union considered grievances not involved in new pact. IUE asked in opening day for guarantee of 85-100% of wage of 125,000 workers in event of layoffs. John H. Callahan, chairman of IUE negotiation committee, said company had been notified of plans to strike if accord is not reached by Sept. 15. In addition to guaranteed wage, union is also asking increase in wages, ending of geographical differentials in pay, improvements in incentive

system, reinstatement of profit-sharing plan, 9 paid holidays, minimum of 4 weeks vacation after 20 years, improvements in pension & insurance and a union shop.

**Economic Boom:** President's Council of Economic Advisers spelled out for Congress the extent of national economic strength in second quarter of 1955. Here are highlights: (1) National production climbed to record annual \$383 billion rate, \$8 billion higher than first quarter. (2) Corporate profits before taxes rose to an annual rate of \$42.5 billion, up from \$40.9 billion in first 3 months; profits after taxes climbed to \$21.2 billion from \$20.4 billion in first quarter. (3) Average take-home pay of each person rose to record yearly rate of \$1619. (4) Consumer savings rose to annual rate of \$17.5 billion vs. \$15.3 billion in first quarter. (5) Consumers spent at record annual rate of \$249.5 billion.

**Consumer Credit:** Sen. Sparkman (D-Ala.), chairman of the Senate Small Business Committee, is one who believes the current \$20 billion level of installment buying isn't dangerous as long as personal income also remains high. In speech to National Retail Hardware Assn., he remarked that "sky-limit credit with little or no down payment and years in which to repay has become one of the characteristics of our present-day prosperity." He said, however, that a "somewhat anxious watch" is being maintained in Congress and Federal Reserve Board on level of installment credit.

**Production:** TV output, still reflecting plant vacations, totaled 78,968 in week ended July 15, compared to 53,028 preceding week and 129,879 week ended July 1. It was year's 28th week and brought production for year to date to about 3,900,000, compared to 2,900,000 in equivalent 1954 period. Radio production totaled 180,987 (109,087 auto) week ended July 15, compared to 124,501 week ended July 1 and 212,079 week before. Radio output in 28 weeks was 7,380,000 vs. 5,450,000 same 1954 period.

**Trade Personals:** Thomas P. Ryan, Sylvania TV-radio midwest sales mgr., promoted to gen. sales mgr., replacing Arthur A. Currie, now v.p.-gen. mgr. of Adams Distributors Co., Sylvania's Boston distributor . . . Morris S. Lewis promoted to mgr. of market planning & analysis, RCA tube div., Harrison, N. J. . . . Frank D. Witten promoted to Philco electronics service mgr., succeeding Wm. Satterfield, now on leave of absence . . . Allen W. Dawson promoted to sales mgr., Corning Glass industrial bulb dept.; Phillip C. Leffel Jr. named sales mgr. receiver bulb dept. . . . Paul W. Hessinger promoted to v.p. & gen. operations mgr., RCA Victor Mexicana, S.A.; Michael S. Hazzard, ex-RCA rep for Caribbean area, recently Zenith-Norge distributor in Cuba, appointed sales v.p. . . . Maurice Scotti, ex-Motorola-New York Inc., named CBS-Columbia Long Island regional mgr., replacing Ed Weisl, resigned . . . C. A. Swanson, Standard Coil west coast sales mgr., promoted to gen. sales mgr. . . . Titus Haffa, Chicago industrialist (Dormeyer Corp.) who with family controls Webster-Chicago Corp., elected pres., replacing Norman C. Owen, resigned; Nick Malz, Dormeyer production v.p., elected exec. v.p. & gen. mgr. of Webcor laminations div.; Noel McKay, from Chicago headquarters, named gen. mgr. of subsidiary Webcor (Great Britain) Ltd. . . . J. Trevor Downer, ex-Radiomarine Corp. of America, named west coast sales mgr., Chatham Electronics (tubes) . . . Roy True, treas. of Industrial Development Engineering Assoc. (I.D.E.A.), elected exec. v.p. . . . C. R. Bower appointed Emerson southwest district mgr., Denver . . . Edwin Cornfield, ex-Pilot Radio, named sales mgr. of tape recorder div., DeJur-Ansco Corp., Long Island, N. Y. . . . Curtis B. Hoffman elected sales v.p., Brush Electronics Co. div. of Clevite Corp. . . . Russ D. Gawne resigns as sales mgr. of Crescent Industries home instrument div. (phonographs) to become sales mgr. of GC Electronics (resistors), new div. of General Cement Mfg. Co., Rockford, Ill. . . . K. D. Kerr appointed marketing mgr. of new dealer products dept., Dominion Electrohome Industries Ltd., Kitchener, Ont.

**DISTRIBUTOR NOTES:** CBS-Columbia establishes factory branch at 1351 W. North Ave., Milwaukee (Sam Abramson, ex-Hallicrafters of Milwaukee, gen. mgr.), replacing Standard Electric Co. . . . Motorola appoints Mountain Electronic Co. Inc., 708 Bigley Ave., Charleston, W. Va. (H. L. Kolin, pres.) . . . Sylvania appoints Tri-City Distributors, 300 N.E. 75th St., Miami (Sumner Swanson, pres.) . . . Admiral appoints Coffin & Wimple Inc., 142 Broad St., Bangor (Harold I. Hamm, gen. sales mgr.) . . . Raytheon appoints BESTelevision Distributing Corp., 14 E. Stratford Ave., Lansdowne, Pa. (Edward Clinton & Stewart Mears, partners) . . . Hallicrafters appoints E. O. Lundberg mgr. of Kansas City distributing branch, replacing John List, resigned . . . Emerson Radio of Michigan, Detroit, appoints Cy Perkins sales mgr., replacing Edward Henmon, resigned . . . Robert L. Rice Co., Portland, Ore. (Crosley-Bendix) names James Miles sales mgr., replacing Ralph Sacks, resigned . . . GE Supply Co., Milwaukee, appoints F. W. McDonald district mgr. of consumer products.

National Assn. of Music Merchants, at annual convention this week in Chicago, re-elected all officers: pres., Earl Campbell, Campbell Music Co., Washington; chairman, Russell B. Wells, Charles E. Wells Music Co., Denver; v.p., Paul E. Murphy, M. Steinert & Sons, Boston; exec. secy., Wm. R. Gard; secy., H. T. Bennett, Bennett Music Co., Santa Barbara.

Canadian Admiral pres. Vincent Barreca predicts retail sales of 800,000 TVs in Canada this year, 555,000 of them in second half, compared to 619,428 in all of 1954.

Frank J. Hughes, 58, contracts director of Avco's Crosley div., with headquarters in Washington, died of heart attack June 20 at his home. With Crosley since 1949, he formerly was v.p. of Warren Norge Corp., pres. of Brooklyn Serrel Corp. & N. Y. mgr. of Kelvinator Corp. He is survived by a son & daughter.

Frank L. Nason, 71, retired New England manager for Westinghouse, died July 17 in Brookline, Mass.

**A** PPLIANCE MERGER involving RCA, Whirlpool, Seeger and Sears Roebuck was consummated this week after Justice Dept. approved consolidation in principle, even though Govt. has been frowning on many industrial mergers recently. Clincher, it's understood, came when RCA persuaded Justice it has been handicapped by lack of a full appliance line. Buttressing its contention was argument that out of 35 makers of home laundry equipment in 1940, the 9 who then had full or diversified line are still in business; 10 of the remaining 26 have sold out; 8 have gone bankrupt or otherwise liquidated or discontinued; of the 8 remaining, 4 are known to be up for sale.

New Whirlpool-Seeger Corp. will have total assets of about \$130,000,000 and a net worth of about \$85,000,000. RCA and Sears will each own about 20%, or combined interest of less than 50%. By agreement of 2 companies, the common stock owned by each in excess of 20% of total common stock outstanding will be voted by Whirlpool-Seeger pres., who probably will be Elisha Gray II, currently pres. of Whirlpool. RCA buys into new company with undisclosed amount of cash, plus its air conditioning & Estate stove business, acquiring 1,157,000 shares in new company.

Whirlpool-Seeger Corp. will issue 5,785,000 shares of common (\$5 par) and 211,000 shares of non-voting 4½% cumulative preferred (\$80 par). Under distribution plan, 3,080,000 shares of common will go on a share-for-share basis to present Whirlpool stockholders; about 1,548,000 shares of common and the 211,000 shares of preferred will go to Seeger stockholders on basis of 1⅓ shares of common and 3/16 share of preferred for each Seeger share. Whirlpool's 1954 annual report showed 3,079,524 shares outstanding as of Dec. 31, 1954, of which Sears owned 158,965 directly and 110,000 indirectly. Sears also owns about 348,335 of the 1,125,685 Seeger common outstanding.

Whirlpool is the nation's largest manufacturer of automatic washing machines, also makes dryers & ironers. It markets its products under own name and produces Kenmore washers for Sears. It has plants at St. Joseph, Mich., Clyde, O. & LaPorte, Ind., and employs about 5800. In 1954

it reported net profit of \$9,185,038 (\$2.98 a share) on sales of \$169,000,000.

Seeger manufactures Coldspot line of household refrigerators, farm and home freezers & dehumidifiers for Sears, and commercial refrigerators, display cases & ice makers for Frigidaire div. of General Motors. It employs about 6000 in plants at St. Paul & Evansville, Ind. For 1954, it reported profit of \$5,986,929 (\$5.52 a share) on sales of \$112,000,000.

In addition to Gray, who has been proposed for pres., Walter Seeger will serve as chairman of new company. RCA will be represented on board by pres. Frank Folsom & corporate exec. v.p. Charles M. Odorizzi.

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First appliances bearing the new "RCA-Whirlpool" brand are expected to hit the market about Dec. However, the contract under which Fedders-Quigan Corp. makes air conditioners for RCA runs until June 30, 1956, and companies are currently negotiating a possible extension, according to Fedders pres. Salvatore Giordano.

On RCA's part, the divestiture of its Estate stove business to the new company will not cut into its gross appreciably, said a spokesman; it was said that RCA would benefit primarily in the strengthening of its 69 distributorships, aside from the profit expected from its stock ownership in the new firm.

There was some reluctance at first in RCA organization to venture so deeply into white goods, but the fact that RCA retains its primary identity as an electronics & communications concern and the need for strengthening distribution of its TV-radio products with addition of established white goods lines overcame the reluctance. In this respect, the counsels of Folsom & Odorizzi, both merchandising veterans, prevailed.

Role of RCA Service Co. in new setup isn't determined yet, though it already does appliance as well as TV servicing in some cities. Up in the air is question of whether a single service contract, covering TV-radio & appliances, might emerge.

In letter to Whirlpool stockholders, Mr. Gray said only that "a more complete line of major home appliances must be offered to distributors and dealers if its home laundry equipment line is to retain its share of industry sales and continue to grow."

**Topics & Trends of TV Trade:** How are the discount houses doing? Depending on whom you're talking to, you can get all manner of answers—they're expanding, they're folding, etc. Seeking clarifications, *Wall Street Journal* conducted own survey of so-called "franchised" and discount dealers, and discovered:

(1) Discount houses are still flourishing and expanding, generally, though some "Johnnies-come-lately" have failed. (2) Counter-price-cutting by dept. stores & small retailers is making it difficult to define a discounter. (3) Retail stores specializing in appliances have been hit hardest, dept. stores least. (4) Clear-cut winner is the consumer—"smaller factory-to-household markups on consumer hard goods appears here to stay."

Among biggest discount houses, E. J. Korvette Co. and Masters Mart Inc., both N. Y., expect \$23,000,000 & \$20,000,000 grosses this year, respectively. Polk Bros., Chicago, reports more than 1000 on its payroll, with first-half 1955 sales 40% over first 6 months of 1954. Big gains are also reported from Philadelphia's Silo Discount House and Los Angeles' Wm. E. Phillips Co.

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New high-fidelity directory & buyers' guide, titled *Audio Fair—Hi-Fi, Why, What & Where to Buy*, will be published in Oct. by Audio Fair Publishers, 67 W. 44th St., N.Y.

TV shipments to dealers totaled 2,677,630 in first 5 months, when production was 3,238,820, compared to shipments of 2,370,098, production of 2,301,055 in first 5 months of 1954, reports RETMA in state-by-state tabulation (county-by-county tables available to RETMA members on request). New York led, with 257,956; California second, 218,350; Pennsylvania third, 167,562. May shipments were 348,181, compared with 361,102 in April and 304,227 in May 1954. [State-by-state tabulations of TV shipments to dealers by years, 1950-54, first 5 months of 1955 and cumulatively from 1946-54, are included in upcoming *TV Factbook No. 21*, due about Aug. 1.]

Federal Trade Commission, as predicted (Vol. 11:28), this week denied RETMA's request for postponement of effective date of FTC's TV-radio trade practice rules so its members could study proposals further. Letter from FTC secy. Robert M. Parrish to RETMA counsel Glen McDaniel said merely: "It was the Commission's conclusion that no adequate grounds for the requested postponement have been presented."

Cooperative adv. steering committee of Assn. of National Advertisers includes J. R. Clemens, Westinghouse; J. W. Jackson, RCA; David H. Kutner, Motorola; E. B. Mercer, Philco; John G. Porter, GE.

RETMA of Canada's electronics div. next annual meeting is Sept. 22-23 at Hotel Chantecler, Ste. Adele, Que.

**M**OTOROLA'S new line, introduced this week at distributors convention in Chicago's Conrad Hilton Hotel, comprises 22 basic models ranging from a 17-in. ebony table model at \$150 to 24-in. blonde console at \$410. Prices are virtually same as old line. A feature of the line is a 17-in. table model with built-in clock timer (produced by Sessions Clock Co.) for \$170.

Motorola's big talking point is "Right-Up Front" tuning, in which the dual channel selector and fine tuning dial are at top right of picture, with other controls set directly below in vertical alignment. Explained gen. sales mgr. James E. Herbert: "Controls are on the right side close to the circuitry; up where they are within easy reach without stooping; and in front where they are ready for instant use. It's the easiest-to-tune set on the market."

Making these control locations possible, said Herbert, is a new vertical side-mounted chassis, called "Power Panel." Chassis is only 1 3/8-in. thick, with "unusually short" front-to-back dimension. All 21 & 24-in. models use 90-degree deflection tube. In all but the 17 & 21-in. leaders, the tube is aluminized. Line also goes in heavily for colors, featuring such cabinet finishes as bronze, charcoal, "carnation pink," "cerulean blue," "mist green."

The 17-in. tables are priced at \$150, \$160 & \$170; 21-in. tables at \$170, \$180, \$200, \$230; 24-in. consoles at \$230, \$250, \$280, \$290, \$300, \$310, \$340, \$350, \$360; 24-in. tables at \$250 & \$280; 24-in. consoles at \$300, \$350 & \$410.

Also introduced were 6 table radios ranging from \$15 to \$40; 6 clock radios from \$25 to \$50; 5 phonographs, including 2 high-fidelity units, from \$30 to \$210.

RCA's music synthesizer (Vol. 11:6) can now be heard in the home, RCA Victor having released \$3.98 record including 7 electronically created musical selections accompanied by commentary describing how synthesizer works. Record is available as 12-in. LP and 45rpm 4-record album.

New Andrea distribution plan: direct from factory to selected dealers, with factory handling all shipments, billings, etc.

**N**EARLY 20% of North Dakota farms now have TV sets, according to official U. S. Census of Agriculture. County-by-county census tabulated this week shows 11,178 of the state's 61,939 farms are TV-equipped. Analysis of distribution of sets shows them in counties clustered around the state's 4 stations in Bismarck, Fargo, Minot and Valley City, with no out-of-state stations close enough to reach the state's viewers. Greatest number of rural viewers are in Cass county, where Fargo and Valley City stations can be received—with 1365 farms TV-equipped out of total of 2323, or almost 60% penetration. TV figures were projected from 20% sample survey conducted in Oct.-Nov. 1954. Reports on earlier state tabulations were carried for Nev., N. H., Vt. (Vol. 11:28) & Wyo. (Vol. 11:29). We'll print future county-by-county tallies as soon as they are tabulated by Census Bureau. Here's county farm census of TV for North Dakota:

NORTH DAKOTA					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Adams	555	37	Mercer	852	46
Barnes	1,789	521	Morton	1,453	427
Benson	1,331	96	Mountrail	1,279	175
Billings	358	7	Nelson	1,104	93
Bottineau	1,677	490	Oliver	555	97
Bowman	537	5	Pembina	1,519	120
Burke	892	57	Pierce	957	62
Burleigh	1,026	296	Ramsey	1,269	82
Cass	2,323	1,365	Ransom	1,140	393
Cavalier	1,794	43	Renville	833	270
Dickey	1,171	197	Richland	2,325	939
Divide	907	24	Rolette	1,001	88
Dunn	1,059	31	Sargent	1,168	295
Eddy	556	29	Sheridan	865	67
Emmons	1,259	261	Sioux	318	47
Foster	612	78	Slope	447	5
Golden Valley	424	1	Stark	1,169	87
Grand Forks	1,886	466	Steele	862	353
Grant	1,018	115	Stutsman	2,042	288
Griggs	805	200	Towner	884	42
Hettinger	887	62	Traill	1,326	669
Kidder	871	141	Walsh	2,084	159
La Moure	1,365	247	Ward	1,983	603
Logan	827	67	Wells	1,391	89
McHenry	1,596	478	Williams	1,536	28
McIntosh	982	22			
McKenzie	1,202	10			
McLean	1,859	308			
			State Total	61,939	11,178

**Electronics Reports:** Motorola's transistorized auto radio (Vol. 11:19) will reach "production stage" before end of this year, v.p. Elmer H. Wavering told this week's distributor convention in Chicago. Use of modular design components in new auto radios was hinted when Wavering said transistors offered the "possibility of developing functional modules" which would operate for years without failure and without servicing. "As time goes on," he said, "we may well introduce transistors in such other products as portable radios, phonographs and TV. However, we will incorporate transistor applications only where by their nature they will do the best job in the equipment, and we will retain vacuum tubes in those circuits where the tube does a better job."

Emphasizing Motorola's ambitious plans in auto radio field are 3 new plants—the big transistor facility now under construction in Phoenix, a new large radio factory being built in Quincy, Ill., and newly acquired car radio tuner plant in Arcade, N. Y. Only other major manufacturer to announce transistorized auto radio to date has been Philco, which will produce \$150 set for Chrysler (Vol. 11:18) to be introduced this fall. But transistors are such a "natural" for auto radios, there's little doubt that the day is not far off when all car radio production will use them.

\* \* \* \*

Electronics Corp. of America has formed Electronics Corp. of America (Canada) Ltd., Toronto.

Electronic Design Magazine shifts from monthly to semi-monthly next Jan. 1.

Technical papers on Willys' "flat tube" (Vol. 11:3) will highlight annual Western Electronic Show & Convention (WESCON) Aug. 24-26 in San Francisco Civic Auditorium, from the standpoint of TV receiver and tube industry. The mystery-shrouded tube—only about 3-in. deep—is said to be nearing production readiness, but only scanty engineering details have been released. The paper on the tube, due for presentation Aug. 24, will be: "A Thin Cathode Ray Tube," by tube's inventor Wm. Ross Aiken of Willys West Coast Electronic Lab, Palo Alto, and "Beam Focusing & Deflection in the Aiken Tube" by R. Madey, also of Willys.

Tiny battery with many possibilities for miniature transistorized equipment has been developed by Elgin National Watch Co. Designed for electronic wrist watch now under development, new cell is smaller than a penny, will deliver constant voltage for 2 years. Gen. mgr. A. P. Barton of Elgin electronics div. said it was made possible by use of indium as an anode. It delivers 1.15 volts, which can be stepped up to 1.37 by using different cathode material, does not leak, smell or emit gas. Suggested uses for the new battery, which is not yet in production: hearing aids, portable radios, miniature recording devices, photo-flash units, self-focusing cameras.

Don G. Mitchell, Sylvania pres., to testify on effects of automation in hearings of Joint Congressional Committee on Economic Report, Oct. 10-28.

RCA has contracted with Mochizuki Radio-Wave Laboratory, Tokyo, for rights to make and sell its TV coil.

**Financial & Trade Notes:** Sylvania had record earnings of \$6,088,019, or \$1.90 per share on 2,961,520 shares, in first 6 months of 1955, up from \$3,522,785 (\$1.08 on 2,679,686 shares) in first half of 1954 and \$5,169,092 (\$1.70) in 1953 period. Sales were \$138,713,949, up 9% over \$127,070,638 in first half of 1954 but below the \$149,092,932 in same 1953 period. Second-quarter profit of \$2,840,364 also established a record for period, comparing with \$1,401,298 (41¢) in 1954 and \$2,395,849 (78¢) in second quarter 1953. Second-quarter sales were \$64,733,722 vs. \$60,075,187 in 1954 and \$69,032,624 in 1953. In semi-annual report to stockholders, pres. Don G. Mitchell said unit sales of TV receivers held up well but dollar volume declined from first half of 1954. Picture & receiving tube sales exceeded first half 1954 by big margin, he said.

\* \* \* \*

American Broadcasting-Paramount Theatres continues improvement over 1954, showing consolidated net profit of \$1,488,000, or 33¢ per share on 4,119,542 shares outstanding, in second quarter vs. \$740,000 (15¢ on 3,967,496 shares) in same 1954 quarter. For 6 months, earnings were \$3,438,000 (79¢) vs. \$1,850,000 (40¢). For all 1954, net profit was \$4,931,487 (\$1.06) on total income of \$188,795,705. Pres. Leonard Goldenson reported ABC div. showed marked improvement, though separate figures were not released. Seasonal third quarter drop was predicted, with jump expected in fourth quarter and 1954 topped as result of improved fall-winter time sales.

Jack L. Van Volkenburg, CBS-TV pres. & CBS Inc. v.p., has exercised option to acquire 4630 shares of Class A stock, increasing holdings to 4956 shares. Simon B. Siegel, AB-PT treas., has exercised options on 5000 shares, holds 5100; James L. Brown, AB-PT comptroller, bought 1500 shares of AB-PT on stock option. Arthur F. Vinson, GE v.p. for manufacturing, bought 1185 shares of GE, increasing holdings to 3019; Willard H. Sabloff, GE v.p., sold 1545 shares, decreasing holdings to 465.

DuMont sales for 24 weeks ended June 19 totaled \$29,741,000, down from \$41,590,000 for comparable 1954 period. Loss was \$1,249,000, or 56¢ per share, compared to profit of 412,000 (18¢) in 1954. The 1954 sales figure included sales of WDTV, Pittsburgh, whereas 1955 sales figure embraced income of that station for only 10 days in Jan., or until it was transferred to Westinghouse in \$9,750,000 deal (Vol. 10:49-50).

The upbeat movie industry: Loew's Inc. (MGM) grossed \$131,372,000, earned \$4,514,242 (88¢ a share) in 40 weeks ended June 9 vs. \$138,250,000 & \$4,466,376 (87¢) in corresponding 1954 period. Stanley-Warner Corp. grossed \$68,750,740, netted \$2,222,053 (\$1.01 per share) in 39 weeks ended May 28 vs. \$44,411,850 & \$1,494,960 (64¢).

Packard-Bell earned \$362,131 (52¢ per share) on sales of \$15,267,000 in 9 months ended June 30, compared to \$334,830 (49¢) on \$14,727,419 in same period year ago. Unit sales of TVs in first 6 months were up 41% from same 1954 period, though revenue was up only 8% because of decrease in average price.

Dividends: Hazeltine, 35¢ payable Sept. 15 to stockholders of record Sept. 1; American Electronics, 12½¢ Sept. 15 to holders Sept. 1; Servomechanisms, 10¢ Aug. 15 to holders Aug. 1; Television-Electronics Fund, 8¢ Aug. 29 to holders July 31.

GE's earnings hit new high in first half of 1955—\$101,892,000 (\$1.18 per share) against 1954's \$93,856,000 (\$1.08). Drop in defense business was balanced by increased commercial sales.

P. R. Mallory & Co. reports 6-month net income of \$1,192,984 (\$1.66 a share) on sales of \$32,326,945 vs. \$313,383 (23¢) on \$26,819,875 in same 1954 period.

**Color Trends & Briefs:** Network color schedules for next season are shaping up so impressively that it may be said that NBC & CBS are truly breaking the chicken-&-egg cycle of "too few programs to encourage purchase of sets and too expensive sets to encourage production of more color programs." With NBC & CBS doing their part in color, industry will be looking to stations, manufacturers, distributors & dealers to make the most of it.

Precise number of color hours to be presented weekly can't be nailed down yet. But NBC is already committed to some 9-10 hours a week—5 of them during 3-4 p.m. daily, prime dealer demonstration time (Vol. 11:29). CBS officials say it's impossible to get accurate estimate yet "because the situation is still too fluid." However, CBS has already announced some 1½-2 hours weekly, is planning more. It's likely, therefore, that there will be at least 12-15 hours of color available to the nation weekly next fall & winter—much of it tied to the networks' most ambitious programs, those in the "spectacular" class.

What's even more impressive about the color programs is that sponsors are snapping them up. For example, U. S. Rubber has just bought \$3,000,000 worth of spots in NBC's Sun. 7:30-9 p.m. "Color Spread," starting next Jan. and running once a month for solid year. Standard Brands has bought 3 partic. in "Color Spread" starting Sept. 11. Only one partic. in the program is yet unsold. Great majority of NBC's & CBS's big shows are sellouts.

\* \* \* \*

RCA will make Hallicrafters' color sets and RCA Service Co. will service them, for time being, Hallicrafters chairman Wm. J. Halligan Sr. told distributors meeting in Chicago this week—joining others who have decided to ease into color that way (Vol. 11:27). Price of sets wasn't indicated, presumably will be near RCA's \$795 & \$895 (instead of the \$695 originally announced by Hallicrafters). Halligan told group that many in industry feel that color activity will be substantial within a year, and pres. Raymond W. Durst stated: "We are sure there will be a market for color this fall. Admittedly, it will not be big but there will be one. Therefore, we have planned a cautious limited production so that you can be identified with color."

Servicing will be much more important for color sets than it has been for black-&-white, opines Crosley national service mgr. R. H. Schneberger in July 11 *NARDA News*, predicting that dealers who don't provide adequate color servicing will fall by the wayside. As for future of color, he said: "It is our humble opinion that when color comes into its own it will have as great if not greater impact on our business than monochrome TV had when it first took its place alongside radio." Though he foresees color set dominating the living room, he expects black-&-white sales to hold up, as did radio.

Motorola's color sets, using 19-in. CBS-Hytron tubes, will be offered at \$695 for consolette, \$795 for console—\$200 less than when they were first introduced last year (Vol. 10:34). Edward R. Taylor, consumer products marketing v.p., told distributor convention in Chicago this week that network color schedules will give sales strong lift. "All we need now to accelerate the orderly growth of color," he said, "are the several hours of daily programs, daytime and evening, being planned by the networks to begin after Labor Day."

Upcoming network color schedules: NBC-TV—July 25, *Producers' Showcase*, "The Fourposter," with Jessica Tandy & Hume Cronyn, 8-9:30 p.m.; July 26 & 28, *Vaughn Monroe Show*, 7:30-7:45 p.m.; July 27 & 29, *Matt Dennis Show*, 7:30-7:45 p.m.; Aug. 1-5, daily 15-min. segment of *Home*, 11-12 noon; Aug. 22, *Producers' Showcase*, 8-9:30.

Double-page spread in *Life Magazine* next week is part of RCA's heavy promotion of color sets.

**Telecasting Notes:** "Sneak previews" of pilot films have been tried on TV from time to time to test audience reaction, but rarely on nationwide basis. In trade ads plugging its new *Great Guildersleeve* series, NBC film div. announced it had received 25,000 fan letters as result of preview of the series presented unannounced over NBC-TV network. Story behind the ad is this: Sneak preview was held nearly year ago, when NBC-TV was considering the filmed show as a network program. Though audience reaction to pilot film was favorable, network shelved the program because of lack of time availabilities and other problems. Later, NBC-TV film div., under v.p. Carl M. Stanton, became interested in the property based on the popular NBC Radio series, revamped cast & format, began shooting at Hal Roach Studios and offered the series for syndication . . . Add CBS's midweek extravaganzas to the growing list of powerhouse one-shot shows scheduled for next season. These previously unannounced shows are said to be in the works or in negotiation stage at CBS-TV: *Wonderful World*, original musical with music by Arthur Schwartz & Howard Dietz; *I Hear America Singing*, another original by Jean Holloway & Carroll Carroll, produced by Ken Murray; Broadway play *Time Out for Ginger*; old Broadway musical *Along Fifth Avenue* starring Jackie Gleason; F. Scott Fitzgerald's *The Last Tycoon*, written for TV by Budd Schulberg; Cole Porter & Orson Welles' musical adaptation of Jules Verne's *Around the World in 80 Days*; musical version of Maeterlinck's *The Bluebird*; a musical show featuring Judy Garland . . . **Electronicam progress report:** DuMont expects to net nearly \$2,000,000 next year from its combination film-live camera system. Among films now being shot by Electronicam in DuMont's New York studios: Jackie Gleason's CBS-TV show for next year; 11 half-hour documentaries on Russian propaganda, by Columbia U mass communications center; experimental filming of five 15-min. episodes of Colgate's *Modern Romances* series; test commercials for Chevrolet. Completed in one day using Electronicam was 90-min. pilot dramatic production by producer Warren Wade, based on his live *Broadway TV Theatre* on WOR-TV last season . . . **Craftsman Films Inc.**, 350 Fifth Ave., N. Y. (Jackson Dube) has purchased exclusive rights to 44 films of *Greatest Fights of the Century* from International Boxing Club and Mike Jacobs estate . . . Evangelist Billy Graham, who says he has TV offers from 2 U. S. networks, has agreed to do some 15-min. shows for one of the commercial franchisers of Britain's ITA, which starts in Sept. . . . Ralph Edwards has agreed to do version of *This Is Your Life* on BBC while in London next month . . . Book version of Ed Murrow's *See It Now* due from Simon & Schuster in Nov. . . . Lou Cowan, top packager, subject of encomium in current *Time*, called "Man of the Hour" in current *Variety* because of top Trendex achieved by his \$64,000 *Question* . . . TeeVee Togs, N. Y. (Herbert Gussow) introducing "Jackie Gleason" polo and sweat shirts, bearing pictures of characters on his CBS-TV show, retailing at \$1 . . . Ed Sullivan bows as summer stock actor Aug. 2 in Southbury (Conn.) Playhouse's *King of Hearts*.

Four applications for new TV stations were filed with FCC this week, bringing total pending to 141 (16 uhf). Week's applications: for Elmira, N. Y., Ch. 18 satellite, by WSYR-TV, Syracuse; for Laurel, Miss., Ch. 7, by insurance man Wm. S. Smylie, mayor of Meridian, and realtor S. A. Rosenbaum; for Cheboygan, Mich., Ch. 4, by Richard E. Hunt, the operator of local radio WCBY; for New Orleans, Ch. 8 (educational), by Greater New Orleans Educational TV Foundation. [For details, see *TV Addenda 21-B* herewith; for complete listings of all grants, new stations, applications, etc., see *TV Factbook No. 21*, due off presses shortly.]

Subscription TV's possible impact on advertising is getting too little attention, *Printers' Ink* says in July 22 editorial which concludes: "Powerful advertising media are an economic necessity in order to preserve our economic system and any developments that might weaken their ability to move tremendous amounts of merchandise have important economic implications . . . If paid TV will diminish the power of TV advertising, this factor should be taken into consideration . . . Other advertising media should be big enough to see the point made here and should not be swayed by any shortsighted delight over the body blow that paid-TV might give a strong competitor." Theatre exhibitors' Organizations For Free-TV, summarizing results of several newspaper polls, reports these figures: *Knoxville News-Sentinel*, 814 against pay-as-you-see, 6 for; *Minneapolis Star & Tribune*, 72% against, 22% for; *El Paso Herald Post*, 15-to-1 against; *Cincinnati Post*, 2132 against, 68 for. L. S. Hamm, pres. of No. California Theatre Assn., opined that toll TV will be tried out and fail. "You can't stop technological progress," he said, "and you can't stop the toll-TV people from trying out their idea, at least. Anyway, I suspect the FCC will look at it this way. I believe toll TV will fail because I just don't think the public wants to pay what it will have to pay for unsponsored TV." In Chicago, poll of dealers at National Assn. of Music Merchants convention showed 3630 against pay TV, 320 for.

RCA's contact with Air Force Secy. Talbott figured prominently this week in Senate subcommittee's investigation of his private relations with firms handling Air Force business. Substance of charges, on basis of subcommittee records, was that Talbott had tried to pressure RCA into renewing a contract with N. Y. management consultants Paul B. Mulligan & Co., of which he is still a partner. RCA had refused to renew the contract without an opinion from Attorney General as to both its legality & propriety, in view of Talbott's connection with firm. Talbott testified he had asked RCA chairman David Sarnoff to talk it over with Mulligan, but denied any pressure. He first denied, later admitted, he had subsequently spoken about the matter to RCA attorney Sam Ewing. Sen. Bender (R-O.), a Talbott defender, introduced figures which he said proved RCA received twice as much Air Force business from Talbott after refusing to renew the Mulligan contract.

Public likes TV commercials—and to prove point he made in his NARTB convention speech, replying to "an unreasoning attack which is now being skillfully exploited by the proponents of subscription TV," ABC pres. Robert E. Kintner this week cited Trendex survey made for his network. It revealed a whopping 92.5% found sales talk "interesting and informative." Covering 1000 N. Y. homes, it showed that about one-third had seen a complete TV program that day, that about two-thirds of these remembered the show's commercial. Of latter group (about 250), 89% approved the pitch, 7% disapproved, rest had no opinion. Phone poll was made in evening, so showed 85% of viewers had last seen a network show and more than 70% of those remembered the commercial. Results were said to support recent Starch and Videodex studies.

Transcript of Senate hearings on TV and juvenile delinquency held last April 6-7 (Vol. 11:15) is now available from Judiciary Committee. Included are statements & testimony of NARTB pres. Harold Fellows, NBC v.p. Joseph V. Heffernan, ex-Comr. Hennock, et al.

DuMont concentrates all broadcasting div. activities in its Telecenter, 205 E. 67th St., N. Y., quitting old executive & sales office at 515 Madison Ave.

Hearst's WTVW, Milwaukee (Chick Showerman, mgr.) switches to new 1105-ft. Blaw-Knox tower and 12-bay antenna this weekend and changes call to WISN-TV.

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# Television Digest

with **ELECTRONICS REPORTS**

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## SUMMARY-INDEX OF THE WEEK'S NEWS—July 30, 1955

**PUBLIC SPENT** \$15.6 billion on their TV sets during last 10 years, nearly half now 21-in.; 4,191,000 TVs scrapped, 34,549,000 still in use (p. 1).

**ASSAULT ON COLOR MARKET**, planned by RCA-NBC, most far-reaching to date, including 6-fold increase in color programs, heavy ad schedule (pp. 2, 8 & 13).

**LIVE REPEATS** excite NBC pres. Pat Weaver, who aims to capture big juvenile audience with Sun. 7:30-9 p.m. re-runs of Sat. 9-10:30 p.m. spectaculars (p. 2).

**BRICKER VETOES** Magnuson plans for "freedom of air" probe and for aid from private foundations in TV study. Davis out as counsel, Dill offered job (p. 2).

**TELEVISION FACTBOOK** off the presses, on way to Digest subscribers—21st edition of TV-radio-electronics industries' standard reference volume (p. 3).

**"MOVIES COME FIRST"** says Tom O'Neil, aiming to expand RKO production. Some features may be issued, others released to TV in about year (p. 4).

**TV PRICE HIKES** due by fall, as result of increased labor & materials costs; color pace to be quickened by big RCA receiver promotion (p. 8).

**WESTINGHOUSE AUGMENTS** TV line with several white, yellow & blue-green models to be retailed through kitchen equipment dealers (p. 10).

**STOCK PORTFOLIO** of new Electronics Investment Corp. disclosed, totaling \$8,552,636. First-half earnings of RCA, Westinghouse, Hoffman, Storer, others (p. 12).

**ABC'S "MOVIE" IDENTITY** further solidified by purchase of 35 J. Arthur Rank films, 20 of which will be aired in 90-min. network show, others syndicated (p. 5).

**COURTS CHECKING ON FCC:** Rochester protest ordered to hearing, while Congress is on verge of pulling protest rule "teeth" (p. 5).

**NEW VHF STARTERS** in Bluefield, W. Va. and Miami, Fla. (educational) bring on-air total to 437; latest reports on upcoming stations (p. 7).

**FABULOUS FIGURES—THE TV STATISTICAL STORY:** In the 10 years since TV's emergence, 41,000,000 sets have been manufactured, 38,588,000 have been sold to the public, 4,191,000 have been scrapped -- making total of 34,549,000 sets-in-use as of July 1.

A public investment of \$15.6 billion is represented in the 38,588,000 sets sold at retail. Based on average retail price of \$270 for the 10-year period, the retail value of the receivers themselves comes to \$10.4 billion. Add about \$2.4 billion for servicing labor alone; about \$1.7 billion for components, antennas, accessories, etc.; about \$1.1 billion for tube replacements. Total: \$15.6 billion.

The 21-in. size accounts for 17,032,000, or 49.3%, of all sets in use; about 12,927,000 (37.4%) are 16-17-in.; 4,080,000 (11.8%) are 15-in. & under; 503,000 (1.5%) are over 21-in. As of July 1, some 8000 color sets were in use (15, 19 & 21-in.) out of an estimated 28,000 produced.

To give an idea of the current scrappage rate, some 600,000 sets were discarded in the first 6 months this year -- 306,000 of them under 15-in.; 246,000, 16-17-in.; 46,000, 19-21-in. Last year, 1,357,000 sets were discarded.

The figures are adduced from production, sales, inventory, sets-in-use and discard tables published in our TV Factbook No. 21, off the presses this week -- notably one table on the over-all trade pattern prepared by Frank Mansfield, Sylvania director of sales research. His table gives data on production, distributor sales, dealer sales, scrappage rates by screen sizes, 1953-55 (by quarters), plus 10-year accumulative tabulation of sets-in-use. Mansfield's estimates do not give market-by-market data on sets-in-use, a project still under study by NARTB (Vol. 11:22).

Current overwhelming popularity of 21-in. is evidenced by fact that of the estimated 3,182,000 sets sold to public in first half of this year, 2,624,000 were 21-in., the remainder mostly 17-in. Out of the 7,300,000 receivers sold at retail last year, about 5,785,000 were 21-in. (Complete table on p. 19, TV Factbook No. 21.)

Note: NBC Research monthly sets-in-use figures show 36,477,000 as of July 1 -- nearly 2,000,000 more than the Mansfield estimate.

**ALL-OUT RCA-NBC FALL COLOR CAMPAIGN:** Almost single-handedly, RCA-NBC are determined to put color across next fall-winter season in what shapes up as one of the most extensive and expensive efforts to establish a new product & service ever undertaken by any company in any industry. They're pushing with accelerating vigor on every front -- network programming, set & tube production, receiver and programming promotion & advertising, station equipment sales.

Rounding up programming plans this week, NBC exec. v.p. Robert Sarnoff drew attention not only to extent of color programs but to extremely important fact that many of them will be telecast in periods when sets can be demonstrated easily.

Volume of color programming, Sarnoff said, will be 5 times as great as last year's -- most of it in programs of great appeal -- strongly promoted live spectacles and big sports events. In terms of volume, NBC will have 37 hours of studio-originated color in Oct. vs. 7 last year, 41 in Nov. vs. 8½, 38 in Dec. vs. 9. This is in addition to color remotes of sports and mobile pickups for inserts in other programs. (For summary of program plans, see Color Trends & Briefs, p. 13.)

On receiver production & promotion end, RCA is uncorking most extensive broad-side yet attempted for color (details on p. 8), while its broadcast equipment sales force is doing its utmost to persuade individual stations that investment in local color originating equipment will pay off competitively.

**"REPEAT" IDEA WINS STRONG SUPPORT:** Live repeats of hit TV shows, performed while they're still "hot" and buoyed up by word-of-mouth and critical acclaim, are being explored by NBC-TV -- with a vengeance. Pres. Pat Weaver is so sold on the idea (Vol. 11:17-23) that he's thinking in terms of "next day" repeats. First such might be Max Liebman's monthly Sat. 9-10:30 spectaculars, repeated Sun. 7:30-9 p.m. -- thought being mainly to capture audience of children for whom Sat. show is too late. Weaver has long felt that last year's Babes in Toyland (9-10:30 p.m., Dec. 18) could appropriately have reached vast audience of children at an earlier period next day.

First show for which a repeat is planned, assuming cost & clearance problems are settled, is Oct. 1 Heidi. Since Liebman will also produce several Sun. night spectaculars, job of clearances should be somewhat easier.

Most top network executives and producers appear to be in agreement that click performances ought to be repeated (Vol. 11:17-23), only objection being fear of losing audience ratings. The NBC-TV experiment, if it jells, will receive close attention. An exceptional candidate for a repeat was July 25 Fourposter, in color on NBC-TV. Starring Hume Cronyn and Jessica Tandy in show they did on the stage, it had viewers and critics bubbling with superlatives -- and those who missed it are asking, "Why can't we see it, too?" It's our hunch they will.

**BRICKER VETOES MAGNUSON PROBE PLANS:** Senate Commerce Committee's ranking minority member, former Chairman Bricker (R-Ohio), decided this week that Chairman Magnuson (D-Wash.) and his chief counsel Sidney Davis were flying just a little bit too high in their plans for TV investigation -- and he put his foot down hard.

The conservative Republican put the kibosh on Magnuson's announced plans to "farm out" certain portions of the inquiry to non-profit foundations (Vol. 11:26) -- after reports that Ford Foundation's Fund for the Republic, headed by Robt. M. Hutchins, had been approached to study "freedom of speech and thought on TV-radio."

Not only did he demand that the Committee have no truck with foundations, but he threatened active opposition to any "freedom of thought" investigation -- and his opposition to Davis was at least partly responsible for the majority counsel's resignation, announced this week. The liberal Davis, a New York attorney, asked to be relieved of his duties to undergo treatment next week for dislocated spinal disc.

Office of majority counsel will be offered to former Sen. Clarence C. Dill (D-Wash.) who is currently working on "legislative phases" of TV probe at Magnuson's request. Joseph M. Kittner, asst. chief of FCC Broadcast Bureau, had been rumored as replacement for Davis, but he has not been approached by the Committee. Robert L'Heureux will continue as minority counsel.

Bricker is known to feel Magnuson and Davis were straying far afield in the



TV investigation. Bricker wants inquiry to concentrate on uhf problems and "monopoly aspects" of the network question.

Hearing phase of TV inquiry is now scheduled for January -- plans for fall hearings having been abandoned because of difficulty of rounding up Senators during recess and to allow time for completion of preliminary staff work.

"There will be no lag" in the investigation, Magnuson said this week. Summing up progress to date, he said special ad hoc engineering committee (Vol. 11:26) is well into its study of allocations, the FCC has begun its network investigation and is also working to "simplify its procedures," while Sen. Dill continues his study of possible amendments to Communications Act.

Investigation will continue under Magnuson's personal supervision, he added, denying rumors that hearings would be turned over to Sen. Pastore (D-R.I.).

Note: One important help-uhf project endorsed by Senate Commerce Committee in both Republican 83rd Congress and Democratic 84th went by the boards this week -- for at least 6 months. House Ways & Means Committee declined to act on HR-4070, introduced by Rep. Ikard (D-Tex.), to exempt uhf-equipped receivers from 10% Federal excise tax, after Administration opposed principle of bill (Vol. 11:27).

**"BIBLE OF THE BUSINESS"--21st EDITION:** Television Factbook No. 21 is on its way to all full-service subscribers this week -- our 1955 Fall-Winter edition bringing up to date the many directories and statistical tables that have become the standard reference of the TV-radio-electronics industries over the last 10 years.

As a semi-annual barometer of TV progress, it's noteworthy that it details 435 stations on the air in U.S., 27 in Canada, as against 426 & 24 just six months earlier, listing also the 56 stations that have gone off the air to date; that its log of foreign stations has grown to 150 in 35 other countries, serving 8,500,000 sets; that there are now 392 community antenna systems serving some 1,000,000 people as against 302 six months ago; that there are now 6 Armed Forces TV stations.

Some 75 reference depts. comprise the 432-p. Factbook, including network & station rates, personnel & other data; lists of CPs outstanding, prospective starting dates of upcoming stations, applications pending for new stations; channel allocation tables; lists of stations equipped for colorcasting; directories of TV, radio & tube manufacturers; TV-radio receiver production, sales & inventories figures; major TV advertisers and time-&-talent expenditures on networks & stations; directories of the FCC, engineers, attorneys, technical services, laboratories, research firms, labor unions, trade associations; lists of educational, newspaper & theatrical ownerships of stations; multiple ownerships and group operators; data on all sales and transfers of stations from 1946-55 -- among other features.

One copy of the Factbook, along with new 1955 TV wall map, 42x29-in. and in color, goes to each subscriber. Map shows all TV cities, all existing and projected AT&T and private network interconnections, all cities involved in the TV allocation plan, all other cities of more than 10,000 population, with log of all U.S. & Canadian stations and their channels. Extra copies of the Factbook are available at \$4; extra maps at \$1, lower prices in quantities.

Praise for TV industry's efforts to improve juvenile programming came this week from Sen. Kefauver's juvenile delinquency subcommittee in its progress report. After acknowledging that industry is "making efforts to improve its programs," report stated: "We asked the TV broadcasters to adhere more closely to their code. We pointed out to them that many violations of their own code are occurring which could have detrimental effect on children. We then asked those not belonging to the radio & TV code to join, so that a united front could be presented for better programming. We were also especially interested in having those who produce films for TV come under some sort of industry regulation. At present they are subject to no restrictions. Our full TV report will be released in a few weeks." Meanwhile, Vincent M. Gaughan, subcommittee's special counsel for TV-motion pictures-

pornography-youth employment phases of probe, left the group on completion of his assignment to organize new law firm in Buffalo. He's v.p. of CP-holder WSTF, Stamford, Conn. (Ch. 27) and was one-third owner of Buffalo's uhf WBES-TV, now off air.

Purchase of off-air WLBR-TV, Lebanon, Pa. (Ch. 15), sought by Triangle Publications (WFIL-TV, Philadelphia, WNBC-TV, Binghamton) which proposed to put station back on air as soon as possible (Vol. 11:27), has been held up by FCC, which sent McFarland Letter based on objections raised by WHP-TV, Harrisburg (Ch. 55). Commission notes allegations that Lebanon area already has plenty of TV service; that WLBR-TV would be a satellite of WFIL-TV and thereby hurt area uhfs; that station's service area would overlap those of WFIL-TV & WNBC-TV.

**GENERAL TELERADIO** is in the movie business through its \$25,000,000 purchase of RKO Radio Pictures (Vol. 11:30)—and “theatrical motion pictures come first.” So said General Teleradio pres. (and now RKO board chairman) Thomas F. O’Neil at New York press conference this week at which he sketched in some missing details surrounding the General Tire purchase and the company’s future plans.

He said he hopes to work out plans to expand theatrical film production in the relatively inactive studio he took over from Howard Hughes. Production organization will be headed by Charles Glett, former CBS-TV west coast network services v.p. with long experience in motion picture production. O’Neil accented his plans for future theatrical production—obviously anxious to get on good terms with movie exhibitors—but main interest of most newsmen at conference was in his TV plans for the RKO product.

He estimated the feature film backlog at about 800, but said it may be as long as a year before any are on TV. He said it was difficult to estimate how many were suitable for TV; then, he added, there are some legal problems involving TV use of some of the pictures. Possibilities of re-release to theatres of some of the movies will be considered. He foresaw no “flood of features” to TV, pointing out that some 400 feature films came to TV in 1954, and adding that the “gradual release” of RKO product won’t result in any glut.

“No major film company is likely to make its entire library available at one time,” he said. “Rather, we should envision a judicious apportion that would recognize that there are older films which should probably precede the release of the newer product and that would take account of the physical realities in selling any given number of films. If these probabilities prove to be fact, it is not likely that

there will be any real upset of the TV feature film market, least of all any ‘loosening of the floodgates’ to pour thousands of films on a suddenly disinterested market.”

He also said that RKO’s 2 unreleased films—*Jet Pilot* & *The Conqueror*—would be shown in theatres before they’re released to TV; that he has “no immediate plans” to establish a film TV network; that TV film production at RKO studios was a “possibility”; that General Tire has “no immediate intention” of offering RKO stock to public. He revealed that \$20,000,000 of the \$25,000,000 price paid to Howard Hughes came from Chase Manhattan Bank, remainder from General Tire.

RKO sale doesn’t open the floodgates as far as 20th Century-Fox pres. Spyros Skouras is concerned. Asked at London news conference whether his company would sell its feature film backlog for TV, he replied that it would—to the first buyer willing to pay \$150,000,000.

\* \* \* \*

List of 612 pictures “to which RKO Radio is understood to have clear title,” and which presumably will eventually be offered to TV, was compiled by *Billboard* and printed in July 30 issue. Among the topflight titles:

*Abe Lincoln in Illinois* (Raymond Massey), *Alice Adams* (Katherine Hepburn), *Annie Oakley* (Barbara Stanwyck), *Bachelor & the Bobby Soxer* (Cary Grant, Shirley Temple), *Bachelor Mother* (Ginger Rogers, David Niven), *Big Street* (Henry Fonda, Lucille Ball), *Bring ‘Em Back Alive* (Frank Buck), *Citizen Kane* (Orson Welles), *Double Dynamite* (Jane Russell, Frank Sinatra), *Hunchback of Notre Dame* (Charles Laughton), *If You Knew Susie* (Eddie Cantor, Joan Davis), *King Kong*, *Kitty Foyle* (Ginger Rogers), *Last Days of Pompeii*, *Sister Kenny* (Rosalind Russell), *Mr. Blandings Builds His Dream House* (Cary Grant, Myrna Loy, Melvyn Douglas)—plus all of the Fred Astaire-Ginger Rogers musicals and pictures featuring John Barrymore, Jimmy Durante, James Stewart, etc.

**Personal Notes:** Terence Clyne, chairman of McCann-Erickson plans review board, assumes management supervision of TV-radio dept. . . . Alfred R. Stern promoted to new post of NBC Radio director of partic. programs; Nicholas Gilles upped to operations mgr. of partic. programs . . . John P. Jefferson, ex-Radio Free Europe, joins CBS as asst. director of public affairs; Ralph Backlund promoted to exec. producer of radio public affairs programs; Dr. George Crothers, in charge of CBS-TV’s *Lamp Unto My Feet & Look Up and Live*, named director of educational & religious broadcasts . . . Calden P. (Bud) Stitt, from Chicago office, promoted to v.p. in charge of rep John E. Pearson’s Minneapolis office, replacing James Bowden, now John Blair & Co., Chicago . . . Jim Terrell upped to asst. national sales mgr., WKY-TV, Oklahoma City, Bob Gamble replacing him as news director . . . Charles R. White has resigned as commercial mgr. of KPTV, Portland, Ore., to become gen. mgr. of new KLEW-TV, Lewiston, Ida. (Ch. 3), due on air next Nov. . . . Dean McCarthy promoted to program mgr., WISN-TV, Milwaukee, succeeding Mel Quinn, now public affairs director . . . Thomas Freebairn-Smith appointed to newly created post of exec. secy., Academy of TV Arts & Sciences, L. A.; he was recently with WCAU, Philadelphia . . . Cody Pfanstiehl resigns as public relations director of WTOP-TV & WTOP, Washington, to take charge of public relations for Washington Community Chest Federation; Robert Adams continues as promotion director for TV, Wm. Wiggins for radio . . . Gene P. Loffler, ex-KSO, Des Moines, named gen. mgr. of KMMT & radio KAUS, Austin, Minn., replacing Tom Steensland, resigned . . . Jerome D. Greenberg promoted to merchandising director, WATV & WAAT, New-

ark . . . Dick Peck promoted to chief engineer, WREX-TV, Rockford, Ill. . . . Roman W. Wassenberg, ex-gen. mgr. of now off-air KTVU, Stockton, Cal., named exec. v.p. & gen. mgr. of Wesley Dumm’s KSFO, San Francisco, replacing Alan Torbett, resigned . . . Walter Kingsley, Ziv western div. chief, moves to N. Y. to become sales mgr. of new national sales organization, Allen Johnston taking over western div. and Russ Clancy continuing in charge of eastern div.; new setup will serve national advertisers . . . Tony Azzato, ex-film director, WPIX, N. Y. and recently eastern sales chief, George Bagnall Assoc., has formed own eastern film sales firm, Tony Azzato Assoc. . . . Charles Levy, ex-eastern publicity, adv. & exploitation director, resigns from Walt Disney organization to start own firm specializing in TV & film . . . De Alton Neher, ex-WDSU-TV & WDSU, New Orleans, named TV-radio director, Bauerlein Adv., New Orleans . . . Frank Riordan, sales mgr., promoted to managing director of WGBS-TV, Miami, succeeding Noran E. Kersta . . . Don M. Alexander elected pres., Alexander Film Co., Colorado Springs, Colo., succeeding his brother J. Don Alexander, who died May 6.

FCC Comr. Richard A. Mack’s new legal asst. is Earl Barber, from Miami firm of Yonge, Whiteside & Prunty. Engineering asst. hasn’t been selected; Mack has “borrowed” John Doane from staff, meanwhile.

Gordon M. Freeman, of Cincinnati, elected pres. of IBEW (AFL) by executive board July 25; he succeeds the late Scott Milne and his term runs to 1958. H. B. Blankenship, of Canton, O., succeeds Freeman as v.p.

**Telecasting Notes:** ABC's purchase of 35 top British films is first of its kind by a network, besides marking ABC-TV's entry into regular 90-min. programming. For \$1,600,000, the network acquired unlimited 5-year rights to the J. Arthur Rank features—many of recent vintage. Network will slot 20 of the films Sun. 7:30-9 p.m. under title *Movie of the Week*, in the tough time spot opposite CBS-TV's 8-9 p.m. *Ed Sullivan Show* and NBC-TV's new *Colgate Variety Hour*. Remaining 15 films will be marketed to stations by ABC Film Syndication as "Anniversary Package." All are first-run-on-TV. Advertisers in Sun. "film spectaculars" will be offered 9 spots during 90-min. period, ranging in price from \$9450-\$13,500 each, depending on frequency, with each film due for one or 2 repeats next season a la *Disneyland* . . . Films to be shown on network include *Caesar & Cleopatra* (Vivien Leigh, Claude Rains, Stewart Granger), *Notorious Gentleman* (Rex Harrison, Lilli Palmer), *Clouded Yellow* (Jean Simmons, Trevor Howard), *Mikado* (Kenny Baker, Martyn Green), *Tight Little Island* (Joan Greenwood, Basil Radford), *Odd Man Out* (James Mason, Robert Newton), and possibly several Alec Guinness films. Slated for syndication are such films as *Great Expectations*, *Seventh Veil*, *Kind Hearts & Coronets* (Alec Guinness) . . . More than 60% of ABC-TV's programming next season will be on film, its movie industry-originated programming (Vol. 11:30) consisting of 1½ hours weekly of feature films, 7 hours of new material produced by movie studios (Disney & Warner Bros.), 30 min. of new-to-TV theatrical short subjects (MGM) . . . **Educational spectacular:** Granddaddy of the 90-min. programs, Ford Foundation's *Omni-bus*, returns to CBS-TV Oct. 9, Sun. 5-6:30 p.m., with several big projects scheduled, including musical comedy based on "Hans Brinker, or the Silver Skates" by Alan Jay Lerner & Frederick Loewe; Alec Guinness in new humorous play; "Battle of Gettysburg" by Pulitzer Prize winner Bruce Catton; and series of 3 programs called *TV World's Fair* . . . Talent & production costs for network programs

next season may hit the astounding figure of \$500,000,000, TV-radio editor George Rosen predicts in lead story in July 27 *Variety*; he points out that \$50,000,000 in agent commissions expected next season would have paid cost of all TV network programming only a few years ago . . . Ziv TV to produce film series on order for advertisers through new national sales organization in N. Y. headed by Walter Kingsley. New Ziv properties for regular syndication include now-in-works *Dr. Christian*, with Jean Hersholt & Macdonald Carey, and *I Love a Mystery*, Carleton Morse's former radio serial; *Mr. & Mrs. Theatre*, possibly with Rex Harrison & Lilli Palmer; *Craig Rice, Woman Detective*, with Barbara Stanwyck; *Man Called X*, by James Saphire . . . Some 4000 actors will be employed in NBC-TV's daily *Matinee* series of hour-long color drama shows (Vol. 11:29), to be produced at Burbank, Cal. studios at cost of about \$100,000 a week. Tieups with movie studios for talent (but no big names) are being explored by exec. producer Albert McCleery . . . "Film network" plans of Guild Films and station-owned Vitapix Corp. apparently have been discarded because of time-clearance difficulties, Guild announcing modification in its deal with Vitapix to allow it to sell its film shows to networks and to national sponsors for network airings . . . TV Inc., small-station-owned film purchasing organization which claims to have acquired more than \$250,000 worth of film for its members, has voted to let major market stations use its film buying services as "associates," but they can't be stockholders . . . TV Review-Preview section in July 27 *Variety* is good reading, studded with predictions and features by top network and TV film officials, and by leading TV writers, directors, producers, etc. . . . Another TV drama goes to Broadway: Paddy Chayevsky's "Middle of the Night," originally produced last year on *Kraft TV Playhouse* (NBC-TV), has been adapted by author for theatre, with opening tentatively set for Dec. . . . Both NBC & CBS reported negotiating with Irving Berlin to write and appear in a spectacular next season.

**COURT OF APPEALS** is certainly holding tight rein on FCC, particularly in its review of Commission action on protests. This week, court tossed another protest case back, telling Commission it erred in denying an evidentiary hearing to radio WSAY, Rochester, N.Y., which had objected to grant of shared-time CPs to WVET-TV & WHEC-TV.

It is enough, court said, that WHEC is owned by Gannett Newspapers, to require a hearing. Court noted Gannett's widespread newspaper & broadcasting interests, said FCC should look into charges that there is a "threatened monopoly control of mass media of communications in the Rochester area." Court went on to say this issue isn't "frivolous or immaterial," and it called attention to Clarksburg, W.Va. decision (Vol. 11:25) which emphasized same idea. Court called for a "broad reopening" of case.

It was touch-&-go at press time, meanwhile, as to whether Congress would accede to FCC's request to get the protest "albatross" off its neck. The House-passed measure, which would give Commission more discretion in calling hearings, was approved by Sen. Pastore's subcommittee, but appeared doomed after full committee failed to report it. Pastore wouldn't give up, polled members, got bill reported and placed on calendar, awaiting final action.

An earlier reversal by courts was implemented by Commission this week when it stayed CP for WANE-TV, Ft. Wayne (Ch. 69) and ordered reopening of hearing

between it and Anthony Wayne Bestg. Co. Court had ruled that role of Paul V. McNutt, Anthony Wayne principal who died after final decision, must now be considered differently (Vol. 11:25).

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Commission held its last meetings this week until end of vacation period Aug. 31. It got out flock of AM grants, sales, etc. but issued no TV grants. Final action on anything important will be delayed a month. Acting Chairman Webster & Comr. Lee will be only members regularly on hand.

One allocations change was finalized—addition of Ch. 6 to Hayes Center, Neb. Allocation of Ch. 12 to Santa Barbara, Cal. was sought in petition filed by James M. Monroe & Wm. E. Sullivan who asked FCC to cut mileage restrictions. WVEC-TV, Hampton, Va. (Ch. 15) asked change of rules to permit it to identify location as Hampton-Norfolk. Grantee WOBS-TV, Jacksonville, Fla. (Ch. 30) asked that city be deintermixed by making Ch. 12 educational, shifting Ch. 7 to Savannah.

Pay raise for FCC commissioners hung in the balance at week's end as Congress rushed toward adjournment. Both House & Senate Civil Service Committees had approved slightly different versions of President Eisenhower's proposals to increase salaries of about 250 top gov't. executives. House version would increase commissioners' pay from \$15,000 to \$19,000, Senate version to \$20,000 as requested by President. Chairman Magnuson (D-Wash.) of Senate Commerce Committee this week introduced bill to raise members of independent boards and commissions (including FCC) to \$21,500.

**Station Accounts:** Television Bureau of Advertising has launched local sales campaign, *Pinpoint Concept of Television*, mailing 34-p. presentation under that title to its members, advertisers & agencies. Presentation is first of a series of 5, deals with local news programs and is based on study conducted for TvB by Nielsen. It reveals that 63% of all TV homes regularly view local news programs, and that they watch these shows average of 2.7 times a week. Subsequent presentations will deal with children's programs, movies, women's programs & weather shows . . . Spot TV expenditures in first quarter, revealed by TvB on basis of N. C. Rorabaugh figures, showed increases in 8 product categories over first 3 months of 1954: shortenings, up 220%, mouthwashes 93%, toilet soaps 67%, shaving creams 40%, soaps & detergents 34%, shampoos 28%, dentifrices 21%, home permanents 18%. In addition, TvB disclosed gasoline & oil companies spent \$2,816,000 on spot TV in first quarter (no comparable 1954 figures available), top 10 sponsors being Esso, Shell, Standard Oil of Ohio, Standard Oil of Indiana, Phillips, Pure Oil, Bardahl Oil, Sinclair, Richfield, Ohio Oil . . . Old favorite, *The Goldbergs*, is now being syndicated by Guild Films as 30-min. program; under Old Dutch Coffee sponsorship, it returns as weekly feature on WABD, N. Y. starting Sept. 22, Thu. 7:30-8 p.m. . . . Among advertisers currently reported using or preparing to use TV station time: Marlin Firearms Co., New Haven, thru Scheideler, Beck & Werner, N. Y.; Calistoga Mineral Water Co., Calistoga, Cal., thru Charles R. Stuart Adv., San Francisco; Chattanooga Medicine Co., Chattanooga (Black-Draught laxative) thru Harry B. Cohen Co., N. Y.; Lucky Lager Brewing Co., San Francisco, thru McCann-Erickson, San Francisco; Heckman Biscuit Co., div. of United Biscuit Co., Grand Rapids, thru George H. Hartman Co., Chicago; Shulton Inc., N. Y. (men's toiletries), thru Wesley & Assoc., N. Y.; Armour & Co., Chicago (frankfurters), thru Tatham-Laird, Chicago; Petri Wine Co., San Francisco, thru Young & Rubicam, San Francisco; Byko Co. Inc., N. Y. (Oranjeboom beer), thru Ralph Jones, N. Y.; Continental Baking Co., N. Y. (Daffodil Farms bread), thru Ted Bates, N. Y.; Carnation Co., Los Angeles (Instant Chocolate Drink), thru Erwin, Wasey & Co., L. A.; Perkins Products Co., Chicago (Kool-Aid powdered soft drink), thru Foote, Cone & Belding, Chicago; National Lead Co., N. Y. (Dutch Boy paint), thru Marschalk & Pratt, N. Y.; Rogers Imports Inc., N. Y. (smoking accessories), direct; Kummeth Mfg. Co., Owantonna, Minn. (Trav-L-Eez baby carriages), thru Erwin, Wasey & Co. of Minn., Minneapolis; L. Sonneborn Sons Inc., N. Y. (Amalie Pennsylvania motor oil), thru Humbert & Jones, N. Y.

Signs of the TV-radio times: TV-radio took largest share of Canadian advertising dollar placed through 91 agencies during 1954, reports Dominion Bureau of Statistics; total ad volume last year was \$156,163,289, up 8.2% from 1953 . . . NBC's owned-&-managed stations, TV & radio, collectively registered gain of 13% in national spot, 12% in local sales in first 6 months of 1955, reports v.p. Charles R. Denny; biggest gainers were WRC-TV, Washington, up 43% in national; WNBK, Cleveland, up 34%. WRCA-TV, N. Y. registered 18% gain in local, WNBK 16%, KRCA, Los Angeles, 15%, and Cleveland's WTAM led local radio with 45% gain . . . Westinghouse's 5 radio stations earned 96% more profit in first 6 months of this year than last, with local sales up 25.9%, reports pres. Chris J. Witting; KYW, Philadelphia, alone, was up 60%. Its 4 TV stations, he added, without giving figures, are "regularly setting new highs, but then TV is a booming new medium" . . . Radio WWJ, Detroit reports increase in national spot was 8.9% in first 6 months, with local up 54.2%.

**Network Accounts:** Westinghouse will spend estimated \$5,000,000 to cover 1956 Presidential conventions, campaigns & election returns on CBS-TV & radio. In 1952, it paid CBS \$3,000,000 for similar sponsorship. Coverage will consist of special program the day before each party's convention, conventions themselves, weekly progress report on campaigns for 8 weeks, election returns. Democratic convention will open in Chicago Aug. 13, Republicans in San Francisco Aug. 20 . . . General Motors, whose United Motors Service div. recently bought 30-min. of NBC-TV's bi-weekly *Wide Wide World* starting Oct. 16, Sun. 4-5:30 p.m., has taken option on entire program, with other 2 segments likely to go to Frigidaire and one of its automobile divs. . . . AT&T's first regular TV show will be *Storyteller*, series of 30-min. filmed dramatizations of true human interest stories, filmed at Hal Roach Studios, on undetermined network this fall, thru N. W. Ayer; it will be narrated by John Nesbitt and tied to Bell Systems' "Second Phone for Every Home" campaign . . . Camels & Amana Refrigeration Co. to be alt. sponsors of Phil Silvers' *You'll Never Get Rich* on CBS-TV starting Sept. 20, Tue. 8:30-9 p.m., thru Wm. Esty & Co. and MacFarland, Aveyard & Co., Chicago . . . U. S. Savings & Loan League buys 3 partic. on NBC-TV's *Color Spread* next year, Jan. 1, March 25 & June 17; show is scheduled for every 4th Sun. 7:30-9 p.m., thru Christopher, Williams & Bridges, Chicago . . . Johnson & Johnson buys alt. Tue. 12-12:15 p.m. segment of *Tennessee Ernie Ford Show* on NBC-TV; alt. Tue. 3:15-3:30 p.m. of *Ted Mack Matinee*; Tue. 4:30-4:45 p.m. of *World of Mr. Sweeney*; 8 partic. on *Home*, Mon.-thru-Fri. 11 a.m.-noon, thru Young & Rubicam . . . Standard Brands buys alt. Fri. 12:15-12:30 p.m. segment of *Tennessee Ernie Ford Show* and alt. Fri. of *Howdy Doody* on NBC-TV, 5:30-6 p.m., thru Ted Bates & Co. . . . Dow Chemical buys *Football Scoreboard*, post-NCAA show, on NBC-TV this fall, thru MacManus, John & Adams . . . Pitching for more food sponsors, NBC-TV's *Home* starts year-round promotion of food industry Aug. 1—including weekly "editorial" on food, remotes from grocery stores & processors, tie-in display promotions with grocers.

Rate increases: WPTZ, Philadelphia, raises base hour from \$2500 to \$3200 and 20 sec. from \$500 to \$650; WXIX, Milwaukee, hour from \$700 to \$800, min. \$100 to \$125; KOTV, Tulsa, from \$700 to \$750, 20 sec. \$150 to \$175; WSJV-TV, Elkhart-South Bend, from \$250 to \$300, min. \$50 to \$60; KBAK-TV, Bakersfield, Cal., \$235 to \$275 & \$47 to \$55.

Miss Suzanne Herz, of Biow-Beirn-Toigo Inc., N. Y. agency, won first prize of \$400 in contest guessing when new 1105-ft. tower of WISN-TV, Milwaukee, would be completed; her guess was 12:05 p.m. July 25. Richard Scott, American Chicle Co., won second prize of \$200; Gene O'Fallon, KFEL-TV, Denver, third prize of \$100.

NBC-TV offers combination rate to sponsors for partic. on *Today*, *Home & Tonight* and weekend radio *Monitor*; exec. v.p. Robert W. Sarnoff said "typical schedule" of 18 messages (14 on *Monitor*, 4 on combination of TV shows) would deliver "29,000,000 commercial impressions" for \$30,853—or \$1.06 per 1000.

NARTB will back National Radio & TV Week Sept. 18-24 (Vol. 11:3) with kit of institutional spot announcements. TV pitch will stress new big-screen sets, urge public to think of second set purchase with theme "Dedicated to Better Home Entertainment." Networks, RETMA, NARDA, RAB & TvB have pledged support.

First Spanish-language ad agency in U. S. is branch of Publicidad Badillo, San Juan, Puerto Rico, opened in Chanin Bldg., N. Y. this week by exec. v.p. Harwood Hull.

**TWO MORE VHF stations can be added to** roster of those now operating—WHIS-TV, Bluefield, W. Va. (Ch. 6) and WTHS-TV, Miami, Fla. (Ch. 2, educational)—and they bring on-air total to 437, of which 106 are uhf.

Bluefield station turned on first test patterns afternoon of July 29, planned preliminary test programs daily from 6:30-10:30 p.m. and interconnection with NBC in 2 or 3 weeks, depending on completion of microwave relay. It's owned by Hugh I. Shott family, publishers of *Bluefield Daily Telegraph*, oldtime broadcasters, and it's located on W. Va.-Va. border where it opens up virtually new TV market since nearest other outlets are in Roanoke, 71 mi. distant, and Oak Hill, 50 mi. away. It uses 10-kw RCA transmitter, 100-ft. Ideco tower with 6-bay antenna on East River Mt. Ridge. Hugh I. Shott Jr. is gen. mgr.; P. T. Flanagan, station mgr.; J. F. Byers, chief engineer. Base hour is \$200. Rep is Katz.

Miami station, second vhf in city and country's 15th non-commercial educational, is slated for Aug. 1 test patterns, Aug. 10 programming schedule. It utilizes old GE Ch. 4 transmitter of local WTVJ, converted and located on top floor of downtown Everglades Hotel. In charge of operation for Dade County Board of Public Instruction is Vernon Bronson, asst. director of its dept. of radio & television education.

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

KTBS-TV, Shreveport, La. (Ch. 3) now plans to start NBC programming Sept. 3, writes pres.-gen. mgr. E. Newton Wray. RCA antenna, on hand, is scheduled for installation on 1051-ft. Truscon tower Aug. 25, with test patterns due next day. DuMont 25-kw transmitter also is on hand for installation at site 3 mi. SE of Mooringsport, La. It will be city's second outlet, KSLA (Ch. 12) having begun in Dec. 1953. Base hour will be \$400. Rep will be Petry.

Two engineers who have done quite well: Frank C. Carman and partner Grant R. Wrathall have given 4-month option to publishers of *Salt Lake Tribune* and *Ogden Standard Examiner* to acquire all their TV-radio station holdings for sum reported in excess of \$1,000,000. Salt Lake City newspaper already owns 50% of KUTV (Ch. 2) and radio KUTA, ABC outlets, in which Carman, gen. mgr., and Wrathall, onetime Washington consulting engineer living in Aptos, Cal., are founder-owners of 25% each. Ogden newspaper, owned by Glassman family, including son-in-law George C. Hatch, pres. of radio KALL, Salt Lake City, is owner of radio KLO, Ogden; KIMN, Denver; and 40% of KMON, Great Falls, Mont. Carman & Wrathall own 12½% each of KLIX-TV, Twin Falls, Ida. (Ch. 11) and radio KLIX, also to be sold to the newspaper combine, which has not indicated how it will divide ownership; they also own 16¾% each of radio KOPR, Butte, Mont., whose counterpart KOPR-TV (Ch. 4) quit the air last year; 12½% each of radio KIFI, Idaho Falls, Ida.; 6¼% each of radio KWIK, Pocatello, Ida.—latter 2 stations to be sold to J. Robb Brady Trust Co., of Idaho Falls. Carman personally owns radio KGEM, Boise, and Wrathall is 100% owner of recently inaugurated KPOO, San Francisco, 10-kw daytimer on 1010 kc, and both those stations may go into the new newspaper group.

Latest private microwave: Upcoming WFLB-TV, Fayetteville, N. C. (Ch. 18) was granted CP for system to pick up signals of WFMY-TV, Greensboro & WTVD, Durham.

KCRA-TV, Sacramento (Ch. 3), planning Sept. 1 NBC programming, has set Aug. 25 test pattern target, reports pres.-gen. mgr. Ewing C. Kelly, writing from new headquarters at 310 Tenth St. Transmitter house is ready for 25-kw RCA transmitter due July 27. Coaxial cable is in place and Ideco 450-ft. tower is 60% completed for 6-bay 102-ft. antenna scheduled for installation week of Aug. 15. It will be 2nd vhf to compete with city's first outlet, KCCC-TV (Ch. 40)—KBET-TV (Ch. 10) having started last March. Base hour will be \$650. Rep will be Petry.

WITI-TV, Glendale, Wis. (Ch. 6, allocated to Whitefish Bay), granted June 29, expects to be on air by next Jan. 1, reports pres. Jack Kahn, Milwaukee yarn & hosiery manufacturer. Glendale is suburb of Milwaukee. Equipment not ordered yet, rep contract not signed.

WXEX-TV, Petersburg-Richmond, Va. (Ch. 8) now has Aug. 13 test pattern target, reports managing director Irving G. Abeloff. On Aug. 15 it takes over as NBC outlet for Richmond area from pre-freeze WTVR (Ch. 6). Pres. Tom Tinsley Jr., of Baltimore's WITH, has moved to Petersburg for summer to supervise installation, and 50-kw RCA transmitter is now reported nearly ready. Antenna is scheduled for installation Aug. 9 on 978-ft. Stainless tower at Hundred Rd. site, 12 mi. S. of Richmond. Base hour will be \$750. Rep will be Forjoe.

KTRE-TV, Lufkin, Tex. (Ch. 9), planning Sept. 1 commercial start using KPRC-TV programs via microwave from Houston, has Aug. 10 test pattern target, reports v.p.-gen. mgr. Richman Lewin. KPRC-TV is lending cameras and remote equipment for Aug. 30 opening program featuring live show from new Lufkin High School auditorium. GE 5-kw transmitter is now being installed; antenna is ready on 500-ft. Andrews tower. Base hour will be \$150. Reps will be Venard, Rintoul & McConnell and Clyde Melville Co. (Southwest).

WTTW, Chicago (Ch. 11, educational) now plans test patterns Aug. 15, preparatory to early Sept. programming. It's installing GE antenna atop Field Bldg., also has 5-kw GE transmitter. Regular 4-10 p.m. schedule begins after move of studios & offices to Chicago Museum of Science and Industry late this year.

FCC chief accountant Wm. J. Norfleet retires Oct. 31 after 39 years of govt. service, and Chairman McConaughy plans to split staff into 2 groups—incorporating economists into Broadcast Bureau as a separate division, putting accountants into Common Carrier Bureau, abolishing Office of Chief Accountant. Move is considered logical because economists have been working primarily on TV-radio, accountants on common carrier—and Commission has become acutely aware of TV-radio economics, principally because of Congressional pressures on color, uhf, network practices, subscription TV, etc.

FCC "line of succession" in case of disaster was announced this week. The first 10: chairman, "defense commissioner" (now Lee), "alternate defense commissioner" (Bartley), any other commissioner, chief of Field Engineering & Monitoring Bureau, general counsel, chief engineer, chief of Safety & Special Bureau, chief of Broadcast Bureau, chief of Common Carrier Bureau.

First authorization for 5-megawatt power went this week to New Orleans' WJMR-TV (Ch. 61, due to switch to 20). Commission's grant was experimental, to permit station to serve as proving ground for new GE equipment (Vol. 11:25). FCC's proposed 5-megawatt rule is expected to be finalized within few months.

Low-power uhf & vhf transmitters (150-watt) are among products described in technical bulletins issued by Adler Communications Labs, 1 LeFevre Lane, New Rochelle, N. Y. Also covered: video switcher, video distribution amplifier, video clamp amplifier.

**PRICE HIKES DUE BY FALL, COLOR ACTIVATED:** Increases in black-&-white TV prices this fall seem more certain than ever, in light of recent increases in costs of labor and raw materials -- plus the robust condition of TV market and national economy. Top set manufacturers and their components suppliers are virtually unanimous now in forecasting price increases in autumn -- though they're understandably cautious, for competitive reasons, about public predictions on their own plans.

RCA, Philco, Admiral, Motorola & Westinghouse are among set makers who have indicated that prices would be raised. Their theme generally is: "We're going to try to hold the price line, but we're not sure we can do it. We anticipated the higher labor costs, but not materials. In the long run, it depends on parts."

Leslie F. Muter, pres. of parts maker Muter Co., flatly predicts 5-10% hike in components prices shortly after Labor Day, saying parts prices now are 10-15% under year ago. He reflected a general attitude when he commented to us:

"We made only a 2% net profit in the first 6 months of this year. I think you'll agree with me that that's a pretty thin margin. In view of the strong TV business, there's no reason for it." (Muter Co. financial report is on p. 12.)

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Record or near-record TV year continues to be indicated in field reports and forecasts. Dealer enthusiasm -- and purchases -- at "open houses" continues to astonish the most experienced manufacturers. Important and especially gratifying aspect of their enthusiasm has been purchase of high-end, or "furniture" TVs.

Sylvania pres. Don G. Mitchell this week added his optimistic forecast to those which have emanated from trade leaders lately. Addressing his distributors' convention in Chicago, he predicted retail sales of at least 7,200,000 TVs this year -- perhaps more. In fact, he forecast unit sales to public will range from about 6,500,000 to 7,300,000 a year for next decade.

Closer attention should be paid to national economic trends, said Mitchell, because TV industry has "now come of age" and is tied closer than ever to economy at large. "In the years ahead," said Mitchell, "I think we [the TV industry] will get better traffic directions from the state of the economy than we will from the facts we used almost exclusively in the past" -- that is, statistics concerning past performances of the TV industry and its potential markets.

Magnavox pres. Frank Freimann, at dealer showing in N.Y., predicted a 20% increase in dollar volume of TV-radio-phono sales this year over 1954. He cited such factors as new TV stations, growth in second-set homes, improved programming. (Details of Sylvania and Magnavox lines are on p. 10.)

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Color is getting ready for another start this fall -- accelerated & sustained almost entirely by RCA, backed by an enlarged NBC colorcasting schedule including daily daytime Matinee (3-4 p.m.) for "showcasing" to customers (see p. 2). It's now preparing big receiver promotion campaign to get color rolling. It's admittedly aiming at outset for a relatively small portion of the 35,000,000 black-&-white set owners -- the 1% or so "Cadillac trade" which can easily afford the \$795-&-up sets. RCA feels they can provide momentum to push color into high gear by year's end.

How many color TV sets will be made rest of this year and next is conjectural and depends largely on what rest of the trade sees in public reaction to all-out RCA promotion. Sylvania is gearing to turn out RCA's 21-in. shadow-mask color tubes -- but so far as we can learn, it's only tubemaker besides RCA readying for quantity. RCA's own capacity at big color-converted Lancaster plant was said to be 30,000 a month, and the company has stated it will use all of its output for its own sets if regular tube customers don't want to buy.

RCA is making complete color sets for Hallicrafters & Magnavox and perhaps

others as yet undisclosed, and it's interesting to note that Hallicrafters withdrew its originally announced \$695 list price after revealing RCA would make its chassis. Magnavox never disclosed a price. Until production really starts rolling, RCA says there's very little chance of color prices coming down substantially.

Taprooms and cocktail lounges, as well as the carriage trade, could well be major factor in color set purchasing, just as they were mainstay of black-&-white market when TV first emerged in 1945 & 1946. This is supported in an article by 3 hotel operators in Feb. Hotel Management Magazine, pointing out that the few such color installations made so far have lured many customers.

RCA's ambitious color promotion was launched with 4-color spread in Aug. 1 Life Magazine, illustrated by shot from smash-hit Peter Pan colorcast. Tentative budget includes 23 one-page ads in color in 14 national magazines in 4th quarter, all devoted to color sets, plus 5 color-set ads in 5 magazines in conjunction with black-&-white line. In Sept., it will place full-page ad in 125 major newspapers in color reception areas and a full-page ad once a month in trade papers, tied in with the Producers' Showcase spectaculars on NBC. In addition, it will have 2½-min. commercial on color sets on RCA-sponsored portion of Producers' Showcase. Dealer co-op promotional material, radio scripts & TV slides round out the campaign.

That RCA intends to capitalize on recalcitrance of others vis-a-vis color, notably Philco & Zenith, is manifest from fact that many of the ads will carry the notation: "RCA pioneered and developed the compatible color TV system."

Brief highlights of other major trade developments this week:

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**Whirlpool Merger:** RCA's assurance last week that distribution pattern would not be changed abruptly as result of its 20% ownership in merged Whirlpool-Seeger Corp. (Vol. 11:29-30) was echoed this week by Whirlpool exec. v.p. John A. Hurley. He said that selection of distributors will be based on their ability to deliver satisfactory sales performance and ability to maintain adequate financial resources. "If and when changes of distributorship are to be made, I do not expect any quick decisions," he said. "These things require time and thought for best solution." It's assumed RCA-Whirlpool lines will be handled by a single distributor in each market, which inevitably means changes in present representations; best information available to date is that Whirlpool line is currently handled by about 17 RCA distributors, about 13 Admiral, 12 Philco and 5 Motorola outlets. Proxy notice going out to Whirlpool stockholders next week is expected to give further details.

**Business Outlook:** Still upbeat, judging by all the economic indicators. United Business Service interprets opinion of leading economic authorities thus: "Overall business outlook remains favorable. Mild summer slowdown, mostly seasonal, will give way to a renewed uptrend in the fourth quarter...Total production, after a third-quarter 'breather', is expected to expand moderately this fall...Retail sales will continue to hold above high year-ago levels over the remainder of 1955." U.S. News & World Report stresses that current economic prosperity is being "privately generated," points out that govt. spending is declining, while business outlays and individual spending are on the increase.

**Production:** TV output, still reflecting factory shutdowns, totaled 90,072 week ended July 22, compared to 78,968 in preceding week and 53,028 week ended July 8. It was year's 29th week and brought production for the year to about 4,000,000 vs. 3,000,000 in equivalent 1954 period. Radio production totaled 224,866 (125,619 auto), compared to 180,987 week ended July 15 & 124,501 week before. Radio output in 29 weeks was 7,600,000 vs. 5,650,000 same period of 1954.

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Dun & Bradstreet reports 209 failures among TV-radio-appliance retailers in first 6 months, compared to 274 in first half of 1954. Liabilities in failures this year totaled \$6,213,000 vs. \$22,311,000 year ago. In June alone, there were 27 retail failures, liabilities of \$769,000, vs. 39 & \$947,000 in May and 54 & \$1,636,000 in June 1954.

Excise tax collections on TV-radio-phonos totaled \$128,443,000 in 11 months ended May 31 vs. \$135,096,000 in same period year ago, reports Internal Revenue Service.

NARDA's Institute of Management for 50 top-level TV-radio dealers will be held at American U, Washington, Aug. 14-20. Speakers will be John M. Otter, Philco; Joseph B. Elliott, ex-RCA, now pres. of Schick Inc.; Charles W. Theelen, GE; Dan Packard, McCann-Erickson.

TV Remote Control Co., Los Angeles, has appointed Tilds & Cantz Adv. there to handle local test campaign preliminary to national campaign for its remote control mechanism for TV sets.

**Topics & Trends of TV Trade:** Westinghouse will supplement its TV line shortly with several new models to be marketed through retailers of kitchen equipment, it's revealed by gen. sales mgr. Dan D. Halpin. The new table models, all 21-in., will be in same colors as appliances—white, "sunshine yellow" & blue-green—and will be priced slightly higher than their counterparts in regular line.

The action reflects 2 of Halpin's pet projects—to use more colors in cabinet finishes and to make a bigger dent in second-set market. Like several other set makers, Westinghouse is hitting hard with colors in cabinets this year, expects to expand its color offerings next year.

"Color in cabinets is one important feature that makes the customer feel he is getting something new," said Halpin. "Furthermore, it opens up several rooms in the house to TV—the kitchen, maid's room, den. The time is past when we can just sell brown sets."

Halpin also attacks "one-set thinking" in some segments of industry, comparing it to "the concept in my childhood days that the living room should have only one big center light." Getting a TV set into the kitchen is an ideal way of cracking the second-set potential and capitalizing on woman's intense interest in TV, he says.

Note: In 1949, Motorola showed 7-in. table TV, in ivory cabinet, for "kitchen trade" (Vol. 5:36), planned to sell it for \$140—but it was a novelty number, never did catch on.

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Sylvania's new line, introduced this week at distributors convention in Chicago, comprises 20 basic models ranging from 21-in. mahogany table model at \$200 to 24-in. full-door console at \$400. One 21-in. table model will be priced by distributors according to local market conditions. Big talking point in some sets is "cabinet of light," with all wood framing removed from the front of set, giving appearance of greater brightness. Other features are new all-channel tuner and increased power. The 21-in. tables are priced at \$200, \$210, \$230, \$250, \$260, \$270 & \$290; 21-in. consoles at \$230, \$260, \$270, \$300, \$310, \$320, \$350, \$370, \$380 & \$420; 24-in. table at \$330; 24-in. consoles at \$370 & \$400. Also introduced were 8 radios ranging from \$26 to \$47 and 2 high-fidelity units at \$150 & \$170.

Magnavox is misinterpreted by many as strictly a "premium-priced" company specializing in more expensive TV models, whereas actually the Magnavox line, model for model, is 10-25% lower than other brands of comparable quality. So said v.p.-gen. mgr. Leonard F. Cramer at his company's N. Y. showing of new models to press & dealers this week. For example, said Cramer, the Broadway 21-in. 3-way combination at \$298 is \$100 less than other models in its class, and the Operetta at \$349 is likewise \$100 under comparable models. Line ranges from 17-in. table at \$150 to 24-in. combination at \$600, has top or front top tuning in all models.

Motorola won't enter white goods field in the foreseeable future, no matter how many of its competitors do so, company spokesman emphasized this week. In wake of RCA's 20% purchase of Whirlpool-Seeger Corp. (Vol. 11:29,30), Motorola spokesman said company is determined to expand only in electronics, taking pride in billing itself as the "largest exclusive electronics manufacturer."

Two all-transistor portable radios will be introduced by RCA some time this fall, both at \$79.95. Six-transistor model will be 5½x3¼x1½-in., 7-transistor model about 10x7x3½-in. Other manufacturers with transistorized portables on market report public snapping them up.

Encouraging step-up selling, Admiral has added mahogany & blonde cabinet finishes (at \$10 extra) to its 21-in. ebony table model at \$170 only, and mahogany, blonde & maple to its 21-in. bronze mahogany console at \$200.

Bullish outlook for phono record business is shown in *Billboard Magazine* survey of dealers, pointing to peak retail gross of \$210,000,000 this year, up from previous highs of \$205,000,000 in 1954 & 1947. Biggest single development in pushing sales up this year—and, it's expected, in next few years—was industry-wide price slash on LP records at start of 1955 (Vol. 11:1-2). Salient points of survey: (1) More than 50% of all record dealers grossed more in first 5 months of 1955 than in same period year ago, average gain being 20%. (2) 67% of dealers increased or held same profit level. (3) Competition from mail order houses decreased sharply, resulting in more optimistic assessment of future. (4) Inventories are up, but are not regarded as dangerously high.

Phonograph sales are moving briskly, too. Bud Letzer, v.p.-gen. sales mgr. of Webster-Chicago, predicted at distributor convention last week that industry would sell 4,000,000 phonographs this year, slightly higher than last year. He estimated that there are now 29,000,000 phonographs in use, or about 37% saturation; that average phonograph in use is 4½ years old; that about 62% of all phonographs sold now are for replacement market.

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Demand for major appliances will rise as much as 300% in some cases by 1959, according to 8-p. booklet prepared by GE and mailed to its 350,000 stockholders and 14,000 dealers. Here's the way it foresees the estimated 1959 demand in units (industry's 1954 sales in parentheses): refrigerators, 4,000,000 (3,484,000); automatic washers, 3,600,000 (2,350,000); electric ranges, 2,200,000 (1,260,000); room air conditioners, 1,850,000 (1,230,000); electric water heaters, 1,600,000 (785,000); clothes dryers, 1,400,000 (660,000); freezers, 1,200,000 (925,000); food waste disposers, 850,000 (425,000); dishwashers, 700,000 (215,000).

Industry-backed excise tax revision bill, correcting inequities in current 10% Federal tax on TV-radio-phonos and components, was passed this week by both House and Senate. HR-7024, introduced by Rep. Simpson (R-Pa.) would remove excise tax from all non-entertainment TV-radio equipment and from components sold "for further manufacture" (Vol. 11:27-28). Only difference between House and Senate versions, both passed by unanimous consent, is that latter was amended to include an unrelated rider with regard to tax litigation. Final passage of Senate version by House is expected before adjournment.

Shortage of available distributors is forcing Hoffman Electronics & Capehart-Farnsworth to institute limited policy of direct factory-to-dealer selling in some markets. Hoffman gen. sales mgr. Walter L. Stickel said new program will be applied largely in big eastern metropolitan markets "where independent distribution of a quality character is not available to us." Capehart v.p. E. W. Gaughan said "such a step is necessary to gain the full advantages afforded by our extensive national advertising program."

Standard Coil Products Co. has formed wholly-owned Canadian subsidiary, Standard Coil Products (Canada) Ltd., having acquired 30,000-sq. ft. plant in Toronto. Jere Cavanaugh has been named gen. mgr.

Agency appointments: Crosley TV-radio to Compton Adv., N. Y., with Earle Ludgin & Co., Chicago, continuing to handle Crosley appliances & Bendix laundry equipment; Spartan TV-radio to Paxson Adv. Inc., Benton Harbor.

Sylvania introduced 21-in. color console, using RCA-type tube, at distributors convention this week. It was unpriced.

Sentinel Radio looking into jukebox TV field, one plan being to put sets in public places to operate 15 min. for 25¢.



**Trade Personals:** Charles P. Baxter, asst. gen. mgr. of RCA Victor TV div. since 1949, promoted to gen. mgr., succeeding v.p. Henry G. Baker, who will serve as staff adviser on consumer products sales & merchandising policies, reporting to Robert A. Seidel, exec. v.p. for consumer products . . . Norman C. Owen, ex-pres. of Webster-Chicago, named Zenith Radio distribution mgr. . . Robert K. Hartman, CBS-Columbia v.p. in charge of industrial & military manufacturing, appointed director of industrial & defense contracts for CBS-Columbia, CBS-Hytron & CBS Labs . . . Ross D. Siragusa Jr., son of Admiral pres., transferred from San Francisco factory branch to Chicago headquarters as asst. sales mgr. of TV div. . . B. H. Melton, sales mgr. of Admiral contract div., adds duties of sales mgr. of newly-integrated refrigerator & freezer-air conditioner div., replacing Wm. Doyle, who resigned as sales mgr. of freezers & air conditioners to join Crosley-Bendix, and J. M. Tenney, who resigned as sales mgr. of refrigerators, moving to Tucson as Admiral consultant; Evans T. Morton resigns as engineering director of Admiral appliance div. . . Richard B. Leng, ex-Sylvania, RCA & Raytheon, elected v.p. in charge of Packard-Bell's technical products div. . . Jack R. Feeney promoted to sales mgr., RCA Victor Co. Ltd., Montreal . . . F. H. O'Kelley Jr. named eastern regional sales mgr., GE tube dept. . . R. S. Sheetz, from lamp div., named asst. to R. J. Sergent, mgr. of Westinghouse major appliance div. . . Herman S. Sacks resigns as Bendix Radio director of adv. & sales promotion . . . Norman L. Harvey promoted to chief engineer, Sylvania TV-radio div. . . Robert W. Conner, mgr. of installation coordination & customer service, RCA engineering products div., Camden, transferred to RCA Victor Radio S.A., Rio de Janeiro, as head of new engineering dept. under pres. Perry F. Hadlock . . . Jerome E. Respass resigns as v.p. of La Pointe Electronics Inc. to become pres.-treas. of Johns-Hartford Tool Co., Hartford . . . Howard Cushing named sales director of Bell & Howell's new high-fidelity div. . . Bob Deatrick appointed administrative asst. to George Rowen, Sparton gen. mgr. . . J. R. Johnson, gen. mgr. of Los Angeles plant, promoted to technical asst. to Standard Coil pres. Glen E. Swanson . . . Barron W. Chandler named Indianapolis district sales mgr., P. R. Mallory . . . Stanley Kempner, ex-*Mart Magazine* (Caldwell-Clements) & onetime TV-radio editor of *Retailing Daily*, named public relations mgr. of Westinghouse TV-radio div., Metuchen, N. J. . . Norman Wicks resigns as mgr. of business development dept. & adequate wiring bureau, National Electrical Mfrs. Assn., to join General Precision Labs . . . Marcus S. Chacona appointed sales mgr. for GE's TV tables & bases, headquartering in Chicago . . . Manuel H. Rosen, ex-Majestic Radio, named Trav-Ler Radio New England regional mgr., Boston . . . Channing Dichter promoted to mgr. of industrial & military product engineering, GE picture tube sub-dept., Syracuse; Joseph W. Dreher promoted to mgr. of engineering administration . . . Wilfrid L. Larson, pres. of Switchcraft Inc., Chicago, elected chairman of Assn. of Electronic Parts & Equipment Mfrs., succeeding Theodore Rossman, Pentron; J. Wayne Cargile, Permo Inc., succeeds Larson as vice-chairman . . . James O'Connor appointed Sparton district merchandiser for east-central Texas, headquartering in Dallas.

Paul V. Galvin, Motorola pres., appointed chairman of a permanent RETMA organization committee, in charge of recommending changes in its organizational structure. Other members: Dr. W. R. G. Baker, GE; Max F. Balcom, Sylvania; H. J. Hoffman, Machlett Labs; F. R. Lack, Western Electric; Leslie F. Muter, Muter Co.; A. D. Plamondon Jr., Plamondon Magnetics; Robert C. Sprague, Sprague Electric.

**DISTRIBUTOR NOTES:** CBS-Columbia establishes factory branch, CBS-Columbia of Southern Ohio, 905 Broadway, Cincinnati (Charles E. Goodman, gen. mgr.) . . . Admiral appoints Certified Appliance Distributors Inc., 817 S. Alameda St., Los Angeles, for radios & phonos only, supplementing its factory branch, which will concentrate on TV . . . Crosley-Bendix appoints Lott & Geckler, Cleveland . . . GE appoints Lowry Electric, Williamsport, Pa., replacing Raub Supply Co., Lancaster . . . Admiral transfers Carl Lantz from gen. mgr. of Denver factory branch to Chicago headquarters as asst. to Clarence Tay, gen. mgr. of all distributing branches . . . Motor Radio, Kansas City (Motorola) appoints Gene Abrams sales mgr., replacing Joe Merchand, resigned.

Crosley-Bendix reorganization creates merchandising group at Cincinnati headquarters under F. E. Howell, v.p. of sales & distribution, separating it from field sales force. Herbert J. Allen, TV-radio sales mgr., becomes merchandising mgr. of all electronic products, including TV; James Farrell remains as asst. to Allen; Gene Huber is promoted as additional asst. to Allen. Joseph L. Armstrong, Bendix laundry sales mgr., becomes sales mgr. of all products, including TV. Wm. B. Doyle, ex-Admiral, named merchandising mgr. of all kitchen appliances. Sales regions are increased from 5 to 6—and each regional sales rep will merchandise all products, rather than specialties, calling on fewer distributors.

Stromberg-Carlson div., General Dynamics Corp., will convert present administrative building in Rochester into a factory and will build new \$2,000,000 administrative & engineering building adjacent to it by spring of 1956. John Jay Hopkins, General Dynamics pres.-chairman, and his exec. staff visited Rochester plant July 28; he was interviewed on Stromberg's WHAM-TV by gen. mgr. William Fay, later spoke to management group of 325, predicting bright future for GD's electronics-communications div.

John T. Hickey promoted to gen. mgr. of Motorola transistor manufacturing facility, Phoenix, reporting to Daniel E. Noble, v.p. in charge of communications & electronics div.; Dr. Virgil E. Bottom promoted to director of research & development; Edmund G. Shower, ex-National Union Electric, named product production mgr.

Dr. George A. Morton and Dr. Ernest G. Linder, research scientists at RCA Princeton labs, are members of U. S. delegation to International Conference on Peaceful Uses of Atomic Energy to be held in Geneva, Aug. 8-20.

Buyers guide edition of *Electronics Magazine* is out, listing some 3000 companies manufacturing electronics and/or allied products, classified according to products (McGraw-Hill Publishing Co., \$3).

Save-A-Tube Co., 2116 Walnut St., Philadelphia, is marketing "Save-A-Tube" plug-in unit designed to extend life of receiving tubes by absorbing shock of initial current surge, retails for \$5.95.

Home tube tester called Fil-A-Test, is offered by Bava Co., 3655 E. Canfield St., Detroit, claimed useful for testing CR and regular vacuum tubes. Selling for \$4.95, it operates on flashlight batteries, tests only filament.

Leslie F. Muter, winner of RETMA's 1955 Medal of Honor for contribution to industry, named chairman of committee to pick 1956 winner.

Magnavox retains Robert S. Taplinger & Assoc. for public relations.

William T. Meenam, 68, retired GE supervisor of TV-radio news and broadcasting pioneer who helped set up the broadcasts from Admiral Byrd's 1930 Antarctic expedition, died in Schenectady July 27. His wife survives.

**Financial & Trade Notes:** Initial portfolio of investments of recently organized Electronics Investment Corp., mutual fund set up by ex-broadcaster Charles E. Salik, Bank of America Bldg., San Diego (Vol. 11:17), was disclosed this week. It's dated July 1, shows total stock & bond investments of \$8,552,635.88 out of \$10,000,000 fund raised by \$5 per share offering of 2,000,000 shares last April. Holdings are as follows (market values as of July 1): 2000 shares of ACF Industries, \$134,500; 6000 American Broadcasting-Paramount, \$174,000; 1000 Babcock & Wilcox, \$95,125; 3000 Bendix Aviation, \$158,250; 2500 Borg-Warner, \$108,750; 4000 Burroughs Corp., \$131,500; 5000 Cleveite, \$111,250; 4500 CBS "A," \$123,750; 6000 Consolidated Engineering, \$159,000; 1500 Corning Glass, \$106,875; 1500 Cutler-Hammer, \$115,500; 4000 Garrett Corp., \$146,000; 3500 Gary (Theodore) & Co., partic. common, \$187,250; 3000 General Dynamics, \$178,125; 3000 GE, \$160,875; 2500 General Railway Signal, \$121,562.50; 300 IBM, \$124,200; 4000 Magnavox, \$145,500; 3000 Minneapolis-Honeywell, \$190,500; 1000 Minnesota Mining & Mfg., \$111,250; 2500 National Cash Register, \$104,375; 3000 North American Aviation, \$174,750; 1500 Otis Elevator, \$103,875; 4000 Philco, \$167,500; 200 Philips Gloeilampenfabrieken, \$225,200; 3500 RCA, \$182,875; 7000 Raytheon, \$156,625; 8125 Sperry-Rand, \$230,546.88; 3000 Sprague Electric, \$177,000; 2000 Square "D," \$94,000; 3500 Sylvania, \$169,312.50; 10,000 Texas Instruments, \$136,250; 3000 Thompson Products, \$156,375; 4000 Western Union, \$101,500; 2000 Westinghouse, \$134,750; 2000 Worthington, \$111,000; 1500 Zenith, \$177,375; 3000 P. R. Mallory pfd., \$166,500. Bondholdings consist of \$2,999,064 worth of govts.

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Financial histories of 69 companies in TV-radio-electronics fields, dating from 1950 through first quarter 1955, is a major reference feature of the 1955 Fall-Winter edition of the semi-annual *TV Factbook* which goes Aug. 1 to all subscribers to the full services of *Television Digest*. Dept. was compiled & edited by Edgar N. Greenebaum Jr., Chicago financial consultant on electronics, and has been expanded from previous editions. Whereas the preceding edition contained 62 listings, the new one adds such companies as American Broadcasting-Paramount Theatres, General Dynamics Corp., General Precision Equipment Corp., Hycon Manufacturing Co., Paramount Pictures Corp., Radio Condenser Co., Storer Broadcasting Co. Shown are the exchanges on which traded, capitalization (debt, if any, and shares authorized), sales, pre-tax earnings, net earnings per share, dividends, total assets, price ranges for fiscal years thru 1954 & for first quarter 1955.

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RCA executives expressed confidence this week that they'll achieve 1955 volume of \$1 billion (it was \$940,950,220 last year) as announcement was made of record first half sales & earnings. Consolidated statement shows 6-mo. volume of \$488,510,000, up about 10% from previous record of \$444,369,000 in same period 1954, while net profit rose to \$22,061,000 (\$1.46 per share), up 14% from the \$19,268,000 (\$1.26) for same 1954 period. Sales during second quarter were \$232,205,000, net profit \$9,493,000 (62¢) vs. \$217,760,000 & \$9,202,000 (60¢).

Westinghouse sales in first 6 months of 1955 were \$755,963,000, earnings \$29,417,000 (\$1.73 per share on 16,413,231 shares) vs. \$811,709,000 & \$45,359,000 (\$2.75 on 16,117,026) in same 1954 period. Second quarter sales were \$388,258,000, profits \$16,635,000 (98¢) vs. \$405,172,000 & \$19,073,000 (\$1.15). Drop was said by Pres. Gwilym Price to be due to lower billings for apparatus & defense products plus expense of new production facilities, but he predicted 1955 sales will approach 1954 record of \$1,631,045,480, though with lower earnings.

Hoffman Electronics Corp. reports \$17,354,339 sales and \$419,179 profit after taxes (59¢ per share on 721,528 shares outstanding) for first 6 months of 1955 vs. \$22,916,497 & \$818,683 (\$1.13) for same 1954 period. In quarter ended March 31, net profit was \$309,996 (43¢) vs. \$470,238 (65¢). Sales for all 1954 were \$42,647,008, earnings \$1,485,513. Scheduling of military shipments and seasonal characteristics of TV sales, said pres. H. Leslie Hoffman, accounted for the first-half decline, but he anticipated that both sales and profits for full year will exceed 1954.

American Broadcasting-Paramount Theatres officers & directors who have recently exercised their options to acquire AB-PT stock at \$16.63 (currently around 32), as reported to SEC: Leonard H. Goldenson, bought 50,000 shares, holds 52,450 directly; Walter W. Gross, bought 12,500, now holds 12,600; John Balaban, bought 7500, his total holdings; Robert M. Weitman, bought 12,500, holds 12,533; Edward L. Hyman, bought 12,500, total holdings. Disclosed this week: Overseas Securities Co. has purchased 1000 shares of AB-PT.

Storer Broadcasting Co. net income for 6 months to June 30 was \$1,851,908 (75¢ a share) vs. 1,617,336 (65¢) in same 1954 period; for second quarter, it was \$1,039,919 (42¢) vs. \$814,100 (33¢). On July 1, 1955, company redeemed and cancelled all its 7% cumulative preferred stock at \$107 per share, or aggregate of \$1,605,000.

Standard Coil Products reports loss of \$88,892 on net sales of \$30,638,113 for 6 months ended June 30 vs. profits of \$1,358,996 (92¢ a share on 1,470,000 shares) on sales of \$38,542,948 in same 1954 period, and about twice that in 1953. In first 1955 quarter, profit was 8¢ a share against 28¢ for same 1954 quarter.

General Precision Equipment Corp. 6-mo. earnings were \$2,173,654, or \$1.95 per share on 1,022,882 shares, on sales of \$70,238,745, vs. \$2,541,652 (\$3.37 on 749,509 shares) & \$54,305,196 in same 1954 period. Second quarter earnings were \$1,211,668 (\$1.10) on \$35,985,184 sales vs. \$1,485,993 (\$1.86) & \$30,816,064.

Muter Co. earned \$148,948 on sales of \$6,253,815 in first 6 months, compared to \$130,879 on \$5,926,825 in first half of 1954. In semi-annual report, pres. Leslie F. Muter predicted 5-10% increase in components prices around Labor Day, observing that they're now about 15% below July 1954.

Cleveite Corp. net profit went up to \$2,672,957 (\$1.40 per share) for first half of 1955 vs. \$1,646,758 (84¢) for same 1954 period. Company announced plans to expand transistor production and to purchase Intermetall GmbH, Germany.

National Union Electric Co. (C. Russell Feldman, pres.) has purchased most of stock held by estate of late Paul V. McNutt in Cayzor Athabaska Mines Ltd., uranium development near Uranium City, Sask.

Philco Corp. profit-sharing plan, holder of more than 10% of firm's outstanding common stock, bought 3000 more shares recently, sold 198, increasing holdings to 525,659, according to SEC report.

\* \* \* \*

Dividends: Storer Bcstg. Co., 35¢ payable Sept. 14 to stockholders of record Sept. 1; Gross Telecasting, 30¢ Aug. 10 to holders July 29; Standard Coil Products, 25¢ Aug. 16 to holders Aug. 5; Indiana Steel Products, 25¢ Sept. 10 to holders Aug. 23; Baltimore Radio Show Inc. (WFBR), 10¢ Sept. 1 to holders Aug. 15; P. R. Mallory, 50¢ Sept. 10 to holders Aug. 15; Westinghouse, 50¢ Sept. 1 to holders Aug. 8; Stewart-Warner, 5% stock div. plus 45¢ Sept. 10 to holders Aug. 12; General Dynamics, 55¢ Sept. 10 to holders Aug. 18; Stanley Warner, 25¢ Aug. 25 to holders Aug. 8; Seeger Refrigerator, 65¢ Sept. 2 to holders Aug. 8.

**Color Trends & Briefs:** Summarizing NBC's fall-winter color plans (p. 2), exec. v.p. Robert Sarnoff added several features not previously announced. One is Davis Cup tennis finals Aug. 27, 2:30-5 p.m., and Aug. 28, 2-5 p.m. Another is Mozart's opera *The Magic Flute*, Sun. Jan. 15, 4-6 p.m. Sarnoff also confirmed that all World Series games originating from New York will be colorcast, as will 4 NCAA football games—Miami-Georgia Tech, Sept. 17; Notre Dame-Michigan State, Oct. 15; Iowa-Michigan, Oct. 29; Army-Navy, Nov. 26.

"Blockbuster" of the NBC schedule in terms of volume and of receiver demonstration by dealers, will be *Matinee*, 3-4 p.m. 5 days a week, live drama from Hollywood starting Oct. 3. Also highly "demonstrable" will be daily 5:30-6 p.m. *Howdy Doody*, going permanently into color Sept. 12.

Once-a-month spectaculars will be: *Color Spread*, Sun. 7:30-9 p.m., starting Sept. 11 with *The Skin of Our Teeth*, starring Helen Hayes & Mary Martin; *Max Liebman Presents*, Sun. 9-10:30 p.m. beginning Oct. 1 with *Heidi*; *Producers' Showcase*, Mon. 8-9:30 p.m. starting Aug 22; *Milton Berle Show*, Tue. 8-9 p.m., first Sept. 27. Approximately once a month, Maurice Evans will present *Hallmark Hall of Fame*, Sun. 4-5:30 p.m., frequently in color, starting with *Alice in Wonderland* Oct. 23.

Beyond the foregoing, Sarnoff stated, there will be a steady series of color inserts in *Today, Home & Tonight*. And the ambitious bi-weekly *Wide Wide World*, Sun. 4-5:30 p.m., now wholly sponsored or optioned by General Motors div., will include frequent color segments, starting Oct. 16.

CBS officials still report situation "fluid" as regards final color schedule—but average of some 3 hours weekly is expected, as against NBC's 9-10. Announced to date: monthly *Shower of Stars*, Thu. 8:30-9:30 p.m., starting date not set; *Ford Star Jubilee*, Sat. 9:30-11 p.m., beginning Sept. 24. Majority of *Omnibus*, Sun. 5-6:30 p.m., first Oct. 9, will be in color. And 6 big 90-min. film shows produced by Orson Welles will be colorcast.

\* \* \* \*

Local color originations: (1) KRON-TV, San Francisco, is one of most active, in July 22-30 week offering all live commercials in color during 1-3 p.m. daily *Golden*

*Gate Playhouse*, plus whole 3-3:30 p.m. daily *Exclusively Yours* in color, plus one-shot half-hour color film *Champions All*. (2) WTVT, Tampa, has been colorcasting 4:30-5 p.m. daily film show since April 1. (3) WABD, New York (DuMont) reports ad agencies jumping at its offer of free time to permit sponsors to experiment with color. Mgr. Ted Cott said that after technical improvements have been completed, substantial stepup in color schedule will be achieved, particularly in film. Presumably, new "Vitascan" equipment (Vol. 11:21) will permit live colorcasts. (4) WIS-TV, Columbia, S. C., has begun distributor-dealer promotion, called "Operation Rainbow," with goal of getting public color-conscious by time of station's color debut Sept. 11. (5) RCA shipped 3-V color film cameras this week to WCAU-TV, Philadelphia & upcoming KCRA-TV, Sacramento, due in Aug. (6) WBAP-TV, Ft. Worth, now originates 11 hours weekly.

Here's how RETMA's new pres. H. Leslie Hoffman sizes up the upcoming color receiver market, as expressed in July 27 letter to shareholders: "The company has maintained a research staff on color television and was the first to introduce the new 21-inch set the early part of the year. Since then a limited number have been produced and sold and have given very excellent performance in the field. It is anticipated that with the telecasting of the World Series, college football and the material increase in color programming, color will begin to be a factor in the market this fall, and your company is in a good position to capitalize on it without exposing itself to any sizable hazard."

First big color year will be 1957, according to *Billboard Magazine's* survey of networks, stations, agencies, sponsors, etc. Respondents were asked: "When do you expect there will be an adequate circulation of color TV sets to warrant your engaging in color programming?" Total of 107 named 1957, 59 picked 1958, 29 picked 1956. Asked whether "there has been an undue delay in the expansion of color TV circulation," 100 said "yes," 113 "no."

Network color schedules for next 2 weeks: NBC-TV—Aug. 1-5 & 8-12, *Matt Dennis*, Mon.-Wed.-Fri. and *Vaughn Monroe*, Tues.-Thu., 7:30-7:45 p.m.; Aug. 1-5, segments of *Home*, 11:45-noon.

Proposed "Commprovision" closed-circuit wired system for Douglas, Ariz. (Vol. 11:24) has been withdrawn, according to I. W. Brayer, who has taken over an uncompleted regular community system there. Brayer, who owns Whitey's Radio & TV Co. in Phoenix as well as Whitey's TV & Co., Douglas, said community system hadn't been completed because of engineer's opinion that satisfactory signal couldn't be received. He reports, however, that his group recently managed to bring in usable picture of KTVK, Phoenix, at Saddle Gap Mt., 263 mi. from station, send it down to Douglas via cable. He plans to add 2 more stations to system.

Sale of radio WKLO, along with CP for off-air WKLO-TV, Louisville, Ky. (Ch. 21) for \$350,000 to ex-Secy. of Commerce Charles Sawyer's Great Trails Bcstg. Corp. (Vol. 11:27) was approved last week. Selling group is headed by E. R. & Harold J. Plunkett, Emanuel Levi & Milton S. Trost. Great Trails operates radio WING, Dayton, has interests in Ohio radio stations WCOL, Columbus & WIZE, Springfield, also controls Ohio newspapers *Lancaster Eagle-Gazette* & weekly *Waverly Watchman*. Return of TV to air is planned when "operation may be resumed on another channel," WKLO-TV having asked for Ch. 7 in deintermixture petition (Vol. 11:23).

The WAAM fellowship at Johns Hopkins, awarded annually by the Baltimore station for graduate studies in TV and valued at \$4500-\$6000, has been awarded for 1955-56 to John J. Moffitt, WEWS, Cleveland.

Three microwave applications to serve community antenna systems granted by FCC recently: (1) Antenna Service Co. Inc., to bring Phoenix signals to proposed systems in Clifton, Morenci, Stargo & Plantside, Ariz. (2) Televue Networks, for relaying signals of KOOK-TV, Billings to system in Sheridan, Wyo. (3) Inland Empire Microwave Co., to transmit Spokane signals to systems in Pasco-Kennewick-Richland, Wash. area.

The \$469,000 sale of WHIM, Providence, to Headley-Reed's Frank W. Miller (Vol. 11:28), was approved by FCC this week. This clears way for Robert T. Engles & C. George Taylor (12½% of WHIM each) to acquire 13% of WPRO-TV (Ch. 12).

S. H. Patterson, owner of KSAN-TV, San Francisco (Ch. 32), himself a former preacher in Kansas, has leased United Paramount's 2150-seat State Theatre on Market St. for his Radio Prayer League and proposes to use it as an interdenominational evangelistic center.

CP for experimental booster in Hawaii, held by Iresco Inc., Santa Monica, Cal., was relinquished after grantee told FCC stations whose signals it was to rebroadcast have withdrawn permission.

AT&T network interconnections scheduled for Aug.: KRNT-TV, Des Moines, by Aug. 1; WHIS-TV, Bluefield, W. Va., Aug. 8; WXEX-TV, Petersburg, Va., Aug. 15.

Television Bureau of Advertising (TvB) lists 153 members with addition this week of Westinghouse's 4 stations.

The subscription TV picture: (1) Off-air WFMZ-TV, Allentown, Pa. (Ch. 67) informed FCC it's willing to serve as guinea pig for 3-year tests, said it neither favors nor opposes pay-TV. Under its plan, outlined in 89-p. document, subscription-TV proponents would foot bill for decoders, first 5000 to be installed by Dec. (2) Demonstrations of Zenith's pay method, for purpose of checking effects of co-channel and adjacent-channel interference, will be conducted in Chicago Aug. 18 for benefit of FCC engineers Hart Cowperthwait and Edward Chapin. (3) *Tide Magazine*, in July 30 issue, says poll of its "leadership panel" of agencies, sponsors and public relations men shows 70% believe toll TV should be given a try. (4) Two more Congressmen got on record on the subject, Rep. Lane (D-Mass.) saying there's room for free and fee TV, Rep. Radwan (R-N.Y.) rejecting the idea of "scrambled phony-vision." (5) General Teleradio chairman Thomas F. O'Neil says he's "neutral" on subject; WOR-TV has been used for tests, and his company owns 5000 out of pay-TV proponent Skiatron's 1,200,000 shares.

Defense Dept. suddenly dropped opposition to new 1610-ft. tower proposed by KSWs-TV, Roswell, N. M., after opposing it in Airspace Subcommittee and at FCC hearing as an air navigation hazard (Vol. 11:11, 21). Commenting on recent initial decision in favor of station (Vol. 11:27), Pentagon this week told Commission it still considers tower a menace, but that "operational requirements necessitate the immediate removal of the present KSWs-TV tower [and] this can be most expeditiously accomplished by consenting to the grant of the pending application." Defense Dept. said its action is based upon "purely practical—not legal—considerations."

British Broadcasting Corp.'s TV service, which derives its revenues from the £3 (\$8.40) tax on receivers, and from part of 50% manufacturers excise tax on sets now selling at rate of more than 1,000,000 a year, during last fiscal year paid its own way for first time, BBC reported this week. Postoffice Dept. reported it had issued more than 1,250,000 TV licenses during the last year to bring total to 4,500,000. It also reported loss of 2,500,000 radio licenses (now totaling 26,000,000), presumably to TV, in second 1955 quarter, while estimating "adult TV public" at same time rose from 9,000,000 to 12,700,000.

General Teleradio now owns 5 TV stations outright, with FCC's approval this week of its purchase of WEAT-TV (Ch. 12) & WEAT, W. Palm Beach for \$194,000 (Vol. 11:27). Its other wholly-owned stations are in N. Y., Los Angeles, Boston & Memphis; it's selling to CBS its 55% of WGTH-TV, Hartford (Ch. 18). WEAT-TV seller J. Robert Meachem remains as mgr. for 5 years at \$12,000 annually.

Permission to sell CP for WAGE-TV, Marquette, Mich. (Ch. 6) to local radio WDMJ, subsidiary of *Marquette Mining Journal*, for \$20,000, was granted this week (Vol. 11:28). New owner is Frank J. Russell, who also controls *Iron Mountain (Mich.) News* and radio WMIQ, Iron Mountain. Sellers are Jerome Sill (67%) and Herbert R. Herzberg (33%).

Georgia's ex-Gov. E. D. Rivers Sr. no longer holds any TV interests, having obtained FCC approval this week for \$90,000 sale of his 59% holdings in CP for WOBS-TV, Jacksonville (Ch. 30) & WOBS to 21% owner Jim Macri (Vol. 11:27). Previously, he disposed of CPs for WCTV, Thomasville, Ga. (Ch. 6) and WMIE-TV, Miami (Ch. 27).

J. Elroy McCaw's purchase of pre-freeze KFEL-TV, Denver (Ch. 2) for \$400,000, plus assumption of some \$350,000 in liabilities (Vol. 11:25, 28), was approved by FCC this week. McCaw also operates KTVW, Tacoma (Ch. 13), owns 25% of KONA, Honolulu (Ch. 11), has interest in 5 radio stations.

FARM TV SET counts in Idaho and Utah were tabulated this week by U. S. Census Bureau as part of its annual Census of Agriculture. Based on 20% sampling in Oct.-Nov. 1954, census shows TV set penetration of 43% in Utah, and nearly 30% in Idaho. Utah's relatively high penetration—despite fact that Salt Lake City's 3 stations are only ones picked up in state—is due to extremely heavy farm TV set ownership in the counties within range of Salt Lake. Idaho figures indicate sparser distribution of farm viewers, though 7 stations can be received in various parts of state—2 in Boise, one each in Twin Falls & Idaho Falls, 3 from Spokane, Wash.

We'll continue to give full county-by-county farm TV count for each state as soon as they are tabulated (other state counts appear in the last 3 issues of *Television Digest*). Here's count for Idaho & Utah:

IDAHO					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Ada	2,007	879	Gooding	1,038	49
Adams	283	38	Idaho	1,090	79
Bannock	873	267	Jefferson	1,247	588
Bear Lake	759	73	Jerome	1,122	135
Benevah	440	109	Kootenai	1,324	494
Bingham	2,160	840	Latah	1,309	445
Blaine	320	55	Lemhi	491	4
Boise	142	33	Lewis	391	78
Bonner	1,150	373	Lincoln	413	73
Bonneville	1,482	684	Madison	902	413
Boundary	596	128	Minidoka	1,067	208
Butte	271	67	Nez Perce	938	156
Camas	131	12	Oneida	485	246
Canyon	4,183	1,725	Owyhee	744	310
Caribou	578	145	Payette	1,113	387
Cassia	1,225	296	Power	397	154
Clark	67	42	Shoshone	168	41
Clearwater	386	62	Teton	447	102
Custer	290	54	Twin Falls	2,406	279
Elmore	407	94	Valley	206	47
Franklin	1,098	403	Washington	776	124
Fremont	891	372			
Gem	916	241	State Total	38,735	11,404

UTAH					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Beaver	342	—	Rich	275	38
Box Elder	1,660	1,042	Salt Lake	2,072	1,598
Cache	2,184	1,033	San Juan	272	5
Carbon	315	37	Sanpete	1,363	556
Daggett	49	—	Sevier	923	107
Davis	1,333	989	Summit	443	219
Duchesne	892	24	Tooele	309	214
Emery	718	21	Uintah	867	7
Garfield	329	1	Utah	3,179	2,264
Grand	59	1	Wasatch	340	109
Iron	465	—	Washington	637	—
Juab	337	179	Wayne	290	—
Kane	162	—	Weber	1,477	973
Millard	1,094	242			
Morgan	237	136	State Total	22,825	9,795
Piute	202	—			

RCA attorney Samuel Ewing testified this week before a Senate subcommittee that Air Force Secy. Talbott had continued to seek a contract with RCA for management consultants Mulligan & Co., in which he was partner, even after RCA had expressed doubts about contract's legality and propriety. Letter from RCA Chairman Sarnoff saying Talbott had never attempted to use the influence of his office to induce him to do business with the Mulligan firm was introduced in the record. The letter was sent, said Sarnoff, "in fairness to Secy. Talbott and at his request." On last day of hearings, Talbott announced his resignation from Mulligan & Co. but denied planning to resign secretaryship.

Good reading: Question-&-answer interview with Clair R. McCollough, WGAL-TV, Lancaster, Pa., TV chairman of NARTB, on his observations of upcoming commercial TV system in Great Britain and of plans to convert from AM to FM there, as well as on broadcasting in France; in July 25 *Broadcasting-Telecasting*.

Cooperative newsfilm exchange among Canadian stations has been set up under leadership of Walter Blackburn, pres., CFPL-TV, London, Ont.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE  
FOR MANAGEMENT  
OF THE  
VISUAL BROADCASTING  
AND ALLIED ELECTRONICS  
ARTS AND INDUSTRY

# Television Digest

with **ELECTRONICS REPORTS**

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## SUMMARY-INDEX OF THE WEEK'S NEWS—August 6, 1955

**REVOLUTIONARY RADIO** communication system put to work by military for ultra-reliable long-distance use. TV may use it to span oceans & continents (pp. 1 & 8).

**HOTEL & MOTEL ROOMS** increasingly important outlets for TVs, some 10-15% of them now equipped; how the business is handled (p. 2).

**FEATURE FILM FEVER** grips networks, eyeing success of "Million Dollar Movie." CBS & NBC may underwrite or produce movies for TV first, theatres later (p. 3).

**INITIAL DECISION** favors Piedmont for Charlotte's Ch. 9; Clarksburg case moot with sale of station & CP; Congress leaves protest rule unchanged (p. 4).

**ALLOCATIONS PLANS** studied at all levels—include off-record FCC-RETMA session, new low-power vhf drop-in plan, Jan. 17 start of Senate hearing (p. 5).

**CANADA'S 28th TV** goes on air in St. John's, Newfoundland. New stations due to start next week in Petersburg-Richmond, Va. and Lufkin, Tex. (p. 7).

**AUTO INDUSTRY** offers guidance for repeat TV sales: liberal trade-ins, restrictive franchises, greater use of accessories. Admiral ups prices (p. 9).

**MERGERS ACCELERATE**, with "diversifications" the aim as big companies enter electronics; Avca again denies it's selling Crasley stations (p. 12).

**TRANSISTORS REPLACE TUBES** in aviation gear, survey showing 33% of sockets in equipment now under development are designed for tube substitutes (p. 12).

**RCA-NBC COLOR CAMPAIGN** evokes varying reactions; Dr. Baker skeptical, another manufacturer calls it "first real step"; Gaad discounts on sets (p. 13).

**NETWORK TV BILLINGS** nearly \$200,000,000 for 6 months, may approach \$500,000,000 for year; PIB report shows radio down about \$6,000,000 (p. 14).

**FILM ACTORS STRIKE** won't seriously affect fall programming unless it continues for lengthy period. Prospects for immediate settlement are slim (p. 14).

**REVOLUTION IN THE ETHER—VHF-UHF 'SCATTER':** The hottest thing in radio communications -- and you'll be hearing plenty about it in coming months -- goes under the name of "forward scatter transmission," now in practical use by the military to transmit vhf signals for distances up to 1000 mi. and uhf as far as 400 mi. or more, both without intermediate relay hops.

The truly sensational aspect of the new type of transmission is this: For the first time, long-distance point-to-point radio systems are being built which are designed not to fail at all -- with reliability so close to 100% as to make radio communication even more dependable than wire or cable!

Its practical uses today are entirely military -- but AT&T is now conducting uhf scatter experiments with TV signals -- and scientists envision the new method as the vehicle by which TV will some day span oceans and continents.

First public revelation that scientists had harnessed "scatter" principles for long-distance radio communication was made by Television Digest on April 26, 1952 (Vol. 8:17) when we reported exclusively that the National Bureau of Standards was receiving vhf signals 774 mi. from transmitting point -- and the signals were constantly receivable "irrespective of season, time of day or geomagnetic disturbance."

Progress has been tremendous in the 3 years since that announcement. For the last 18 months, Air Force has been operating high-reliability vhf radio link, carrying multi-channel teletype transmissions, from Limestone, Me. to Thule, Greenland, over series of relays whose longest hop is 1000 mi.

Scatter transmission is used to connect stations in Arctic continental defense radar "DEW line." Bell System has installed another multi-channel system for military use, with uhf relay hops as great as 225-250 mi. The new "Texas Tower" offshore radar stations will be linked to mainland by many-channel scatter hookup, designed with standby equipment for reliability of 99.9% or better.

TV signals are being beamed over the horizon by Bell Labs and AT&T for distances as great as 200 miles in experiments described at this year's IRE convention

(Vol. 11:13). AT&T is now operating experimental uhf TV relay from Florida to Cuba. It should be borne in mind that scatter is useful only in point-to-point communications, and that home viewers' receivers won't pick up such long-distance signals.

(For description of "scatter" principles, etc., see story on p. 8.)

**HOTELS & MOTELS—A GROWING SET MARKET:** With little fanfare, a few set manufacturers and a handful of special lessors have been diligently and successfully working a vein of receiver and other equipment sales & servicing that seems to have plenty of potential in it yet -- namely, hotel and motel installations.

Though statistics are extremely difficult to pin down, it's estimated that there are some 2,750,000 hotel-&-motel rooms in the nation, and that not more than 10-15% have been equipped with TV sets.

Accentuating role of TV in recent years is fact that struggle between hotels and motels has become extremely intense, each seizing upon every feature that promises to enhance its appeal to the traveler -- and TV is a valuable "weapon."

It's estimated hotels have 1,500,000 rooms, motels a surprising 1,250,000. Last Census Bureau figures, 1948, show 8664 hotels with 50 or more rooms. There were only 25,919 motels then, but there are believed to be 48-50,000 now, growing at rate of 3000 a year -- most new ones having 50 or more rooms.

Hotel-motel business is handled by 3 principal methods: (1) Outright purchases of sets and associated equipment direct from manufacturers, practiced mainly by the major hotels. (2) Leasing arrangements with special contractors, by large & small hotels. (3) Leasing or coinbox deal with local distributors & dealers, a method employed generally by motels.

Penetration of hotels is much smaller than motels, percentagewise. Arthur J. Moxham, pres. of Master Video System, a major lessor, estimates less than 5% of all hotel rooms are equipped. Milton Shapp, pres. of Jerrold Electronics, installers of master antenna systems, believes 300-400 hotels are wired up, while E.M. Lurie, pres. of contractor American Communications Corp., sets higher figure -- 500-600.

Motel installations are really burgeoning. According to D.J. Berne, mgr. of RCA's sound & community antenna equipment dept., virtually all new motels are building in master systems and supplying sets. It's estimated that 3000 new motels provide potential of 150,000 new set sales annually.

Interest of hotel managers is growing, nonetheless. One contractor says he made 2000 set installations last year, expects to hit 5000 this year. Potential isn't merely in old or small hotels. For example, James B. Morris, mgr. of Washington's new Congressional, near the Capitol, says apologetically: "We're up-to-date in all respects, with air-conditioning, etc., but we missed putting in TV, and we have to do so soon. We've been renting sets, but our modern steel construction makes rabbit ears ineffective."

\* \* \* \*

Majority of hotel installations are made on lease basis, hotel buying no sets but laying out flat sum per set -- by year or by day of room occupancy. Daily fee ranges 20-50¢, depending on size & construction of hotel, kind of set, etc.

One lease operator gives this breakdown of his costs on recent job, figuring on a 5-year basis: \$140 for a set, \$85 antenna & installation, \$125 servicing, \$50 carrying charges -- total \$400 (22¢ per day per set over the 5 years). Hotel paid \$450 (25¢ per day), giving operator net of \$10 per year per set. Jerrold's Shapp estimates cost of installing master systems at \$20-\$50 per room.

Some of major Statler hotels have bought own sets. W.R. Lever, chain's engineering v.p., says they write own specifications for sets, antennas & service, then get competitive bids. As result, Statlers bought DuMont for New York, Boston and Hartford, RCA for Los Angeles and Washington. Among big hotels on lease basis is New York's Waldorf-Astoria, working through Master Video Systems, which provides sets made by CBS-Columbia. (For list of major lessors, see p. 14).

Cost of TV is almost always included in hotel room charge. Some hotels raised rates when TV was added, others didn't. Few use coin-operated sets.

Older motels rely heavily on coin sets, on other hand. With somewhat less solid financing, they were generally unable or unwilling to undertake outright pur-

chase or fixed rental fees. They're usually served by local distributor or dealer who handles everything, gives motel 10-25% of gross. Newer motels, however, are getting away from coin sets -- becoming more and more like hotels. Master antenna for motels is often simple installation handled by local men, whereas hotel systems frequently pose major construction and engineering problems.

\* \* \* \*

Most common hotel set is 21-in., motels leaning toward 17-in. Consolettes are preferred, with consoles going into fancier suites. Color is still no factor, though new antenna systems are designed to handle it.

Some outfits offer TV-only, others TV-radio-wired music set or even a TV-dresser-desk such as Wells TV Inc. is promoting. Other modifications may include tamper-proof back and limited volume control -- and sets are usually sturdier, featuring cabinets that resist burns and stains.

Servicing is extremely important, of course, to keep the guests happy. Most hotel contracts call for full-time serviceman for spot repairs and regular checks. In Washington's Statler, for example, serviceman handles 850-set installation from 9-5, house electrician taking over after-hours, doing no repairs but substituting one of 20 spare sets for any that go on the blink.

**'FEATURITIS' GRIPS THE TV NETWORKS:** The networks are out after top feature films for showing during prime evening hours -- even if they have to make them themselves.

It was General Teleradio's "Million-Dollar Movie" series which convinced the networks that "movies are your best entertainment" -- even in Class A time -- if they're top-notch feature films. So successful werethe "Million-Dollar" features that Teleradio first tried to buy out RKO's feature backlog, ended up by buying the entire motion picture company (see p. 7 and Vol. 11:30-31).

NBC-TV was actually the first network to announce feature film spectaculars when it broke stories on its coming TV premieres of British-made Richard III and The Constant Husband before their American theatrical showings (Vol. 11:23,26). It also plans spectacular featuring star-studded British oldie, The Magic Box -- which, incidentally, traces the history of the motion picture industry.

Then came ABC-TV's entry into the spectacular field -- to begin next fall -- via Sun. 7:30-9 p.m. series of new-to-TV J. Arthur Rank feature films (Vol. 11:31).

But now something new has been added -- the do-it-yourself feature film. The networks' reasoning apparently runs this way: If we can't get first-run features, why not make our own, show them on TV first, and later try to recoup some of our investment by peddling them to theatres? No doubt they bear in mind the success of Walt Disney's Davy Crockett in theatres after 3 runs on ABC-TV's Disneyland.

CBS seems to have led the way in the make-your-own-movies field. By putting a 90-min. spectacular on film, there's still something left to show again on TV -- or in theatres. So the network has already announced 2 Bing Crosby features and 6 Orson Welles productions, all 90 min. for first showings as TV spectaculars -- with theatre plans understood to be in the works if it looks profitable.

Biggest deal of all is now in negotiating stage between CBS chairman Wm. S. Paley and independent film producer Louis deRochemont for 3 full-length features to cost \$500,000-\$1,000,000 each on TV-first-theatres-next basis.

Another network venture into theatrical film production was revealed in this week's disclosure of long-term contract between CBS & United Productions of America for series of half-hour cartoon shows (26 next year) which eventually could wind up in theatres as short subjects. In addition, CBS will finance one UPA-produced full-hour cartoon for theatres. Whether the network will hold "second-run" TV rights to this feature wasn't disclosed.

NBC will make feature films too, if negotiations with Hal Roach Jr. and team of Laurel & Hardy bear fruit. Reportedly the plan is to turn out three 90-minute color films, NBC underwriting most of cost, for showing first as TV spectaculars, later in theatres abroad -- and domestically too, no doubt, if there's demand.

All of which suggests this interesting question: With networks apparently aiming to go heavily into feature film production, when will the movie exhibitors start crying for networks to release their backlogs to the theatres?

**Personal Notes:** Louis G. Cowan, packager-producer (*\$64,000 Question, Down You Go, Quiz Kids, Stop the Music*), joins CBS-TV as fulltime producer in development of new programs; he retains his interest in Louis G. Cowan Inc., to be operated by new pres. Harry Fleischman & exec. v.p. Steve Carlin . . . Howard G. Barnes promoted to CBS v.p. in charge of network radio programs, succeeding Lester Gottlieb, now CBS-TV director of daytime programming . . . Ernest Lee Jahneke Jr., ABC v.p. & asst. to pres. Robt. F. Kintner, and Ned Hullinger, regional mgr., ABC station relations dept., return Aug. 15 from tour of affiliates in mountain states in connection with fall operations . . . Jack R. Poppele, assistant director of USIS (Voice of America) for TV-radio, left this week for 6-week tour of European offices . . . Wm. M. Davidson, asst. gen. mgr. of NBC's WNBK & WTAM, Cleveland, named asst. gen. mgr. of WRCA-TV & WRCA, N. Y. . . W. C. Swartley, Westinghouse Bestg. v.p. & gen. mgr. of its WBZ-TV, Boston, elected pres. of Rotary Club of Boston . . . James J. Kane, CBS trade publicity mgr., N. Y., shifts to Hollywood as director of press information, succeeding Ted Wick, now handling special press projects . . . Gilbert W. Kingsbury, Crosley public relations v.p., assumes added management policy duties for news & special broadcast services programming; James E. Allen named director of special projects, succeeded as publicity & promotion director by James Bruce, program mgr. of WLWT, Cincinnati . . . Gene Cuny promoted to commercial mgr., KRLD-TV, Dallas, succeeding Wm. A. Roberts, now mgr. of AM affiliate KRLD . . . George Diefenderfer Jr., ex-Raymer, Chicago, and son of the NBC Chicago radio sales chief, named sales mgr. of WISH-TV & WISH, Indianapolis, succeeding Robt. F. Ohleyer . . . Wm. Geary promoted to station mgr. of WMGT, Adams-Pittsfield, Mass., succeeded as commercial mgr. by Allan L. Bonney, ex-WPMT, Portland, Me. . . . Roger Van Duzer, ex-KBET-TV, Sacramento, named station mgr. of KTVK, Phoenix, succeeding Ralph Watkins . . . Harry Stone, onetime mgr. of WSM, Nashville, recently with Texas & Arizona TV stations, named TV director of WSIX-TV . . . Wm. Grayson promoted to program mgr., WRC-TV & WRC, Washington, reporting to James E. Kovach, director of programs . . . James W. Frost, ex-sales development mgr., CBS Pacific network, named secy.-mgr. of Oregon State Bestrs. Assn., will also teach radio journalism at Oregon U . . . Richard A. Jackson promoted to public relations director, WOR-TV & WOR, N. Y. . . . Jack Gregory named Ziv western div. sales mgr., Allen Martini succeeding him as spot sales mgr. . . . Alfred Butterfield, ex-CBS-TV and *Life*, joins with Thomas W. Wolf, ex-Pathe and *Time*, to form Butterfield & Wolf Inc., packagers . . . Harold M. Tulchin, ex-Sterling TV Co., appointed commercial TV director & film dept. mgr., Hutchins Adv. . . . Gordon White, asst. business mgr., promoted to business mgr., TV-radio dept., Kenyon & Eckhardt . . . Sylvan Taplinger, TV-radio director of Peck Adv., recovering from emergency appendectomy.

Earl H. Gammons, who retires as CBS Washington v.p. Sept. 1, being succeeded by ex-NARTB govt. relations v.p. Ralph W. Hardy, is retaining offices at 1735 DeSales St. NW, and will continue to represent CBS in an advisory capacity, along with Storer Broadcasting Co. and ex-broadcaster John A. Kennedy, who recently acquired *Siox Falls* (S. D.) *Argus*.

Aurele Seguine, 51, Canadian Broadcasting Corp., executive, a widower and father of 3 sons, became a Dominican monk Aug. 3—recalling that NBC's pre-war Central European correspondent, Max Jordan, quit that company about 5 years ago to become priest in Germany.

**ONE INITIAL DECISION**, proposing Ch. 9 grant to Piedmont Electronics & Fixture Corp., Charlotte, featured week at FCC which was relatively quiet because of commissioners' vacations. One CP was dropped—WTVM, Muskegon (Ch. 35).

Examiner H. Gifford Irion picked Piedmont over WSOC and Carolinas' TV Corp. WSOC was turned down primarily because of financial weakness, and Piedmont was found to have enlisted Charlotte stockholders who "have materially contributed to fashioning that applicant's proposals," as opposed to less such activity on part of Carolinas' Charlotte stockholders. Piedmont's Charlotte stockholders are headed by theatreman Hershell H. Everett; 40% is owned by Wolfson-Meyer theatre interests, owners of WTVJ, Miami. Carolinas' is also composed of 2 groups—Charlotte interests headed by dept. store owner George M. Ivey and Broadcasting Co. of the South, latter operating radio WIST, Charlotte and WIS-TV & WIS, Columbia (G. Richard Shafto).

\* \* \* \*

Celebrated Clarksburg, W.Va. case, in which Commission took such a lambasting from Appeals Court (Vol. 11:25), was rendered largely moot this week when stock of Ohio Valley Bestg. Corp. was purchased for some \$250,000 by owners of WSTV-TV & WSTV, Steubenville (Berkman-Laux interests). Purchase includes CP for WBLK-TV, Clarksburg (Ch. 12) & WBLK and radio WPAR, Parkersburg. It's presumed sale removes situation that invoked court's criticism—overlap with Wheeling's WTRF-TV, concentration of media ownership, etc. It also eliminates need for weighing role of Clarksburg community antenna system in Wheeling-Clarksburg overlap question. At direction of court, FCC had scheduled hearing on matter Sept. 15. Case was initiated by protest of WBLK-TV grant by *Clarksburg Exponent & Telegram*.

Meanwhile, Commission will have to live with protest section of Communications Act for at least 5 months more, Senate failing to act on House-approved modifications which had been requested by FCC.

There were 2 requests for allocations changes: (1) WNOW-TV, York, Pa. (Ch. 49) asked that its channel be swapped with Lancaster's Ch. 21. (2) WNAO-TV, Raleigh (Ch. 28) submitted an alternate method of deintermixing—shifting Ch. 5 to Rocky Mount, adding a uhf channel to Raleigh for educational use, making Ch. 22 commercial.

New low-power rules, permitting stations as small as 100 watts, became effective Aug. 1 but no applications were filed this week. E. B. Craney, operator of KXLF-TV, Butte, Mont. (Ch. 6) announced he plans to file for satellites in Helena, Bozeman & Anaconda, but otherwise there are few such applications in the mill (Vol. 11:29).



Pentagon's tall-tower ban was overruled again this week in second initial decision by FCC examiner Hugh B. Hutchinson, who recommended that KGEO-TV, Enid, Okla. be permitted to move to 1356-ft. tower at new site despite opposition by 3 military members of Airspace Subcommittee (Vol. 11:11). Cunningham said evidence shows existing 816-ft. tower at present location presents greater air hazard than proposed higher one at new site. In a second issue, he found no evidence of an attempt to "straddle 2 communities" by moving tower closer to Oklahoma City. First case in which Hutchinson turned thumbs down on military opposition to high tower—that of KSWs-TV, Roswell, N. M. (Vol. 11:27,31)—is awaiting ratification by Commission, Pentagon having dropped its opposition.



**V**ERY OFF-THE-RECORD meeting of FCC and top RETMA engineering officials, called by FCC Chairman McConnaughey July 21, day before he left for Europe, is only one of the many vhf-uhf allocations explorations going on—by FCC, by Senate Commerce Committee's ad hoc group of engineers, by private parties.

FCC-RETMA meeting is described as "extremely informal, exploratory," and it's understood that among ideas RETMA was asked to ponder was concept of eventually moving all TV to uhf. Sitting in for FCC with McConnaughey were Comrs. Webster, Bartley & Mack, chief engineer Edward Allen, technical research chief Wm. Boese. Representing RETMA were engineering director Dr. W. R. G. Baker, GE; Donald G. Fink, Philco research co-director (also secy. of Senate ad hoc committee); James Secrest, RETMA exec. v.p.

Another effort to produce vhf "drop-ins", via the reduced-mileage and low-power route, was made this week. Law firm of Welch, Mott & Morgan and consulting engineer John Mullaney submitted to FCC a "Supplemental VHF Allocation Report."

Essence of report is similar to proposals submitted previously by uhf grantees & applicants in Canton, O.; Bridgeport, Conn. & Asbury Park, N. J. and by UHF Industry Committee: (1) FCC rules provide for certain minimum co-channel spacings—170-mi. in Zone I, 190-mi. Zone II, 220-mi. Zone III. (2) Specific allocations are actually spaced much greater than those minima—about 250-mi. in Zone I, for example. (3) Therefore, why not put in new low-power stations with less than present spacings—provided they cause no more interference to existing stations than would full-power stations at 170, 190 or 220-mi.?

Mullaney notes that proposal follows ex-Comr. Robert Jones' thinking at time he dissented from final allocation plan in 1952—the "full triangular lattice" theory. Mullaney says Jones' predictions were "absolutely right."

Negotiating to buy WFBG-TV, Altoona (Ch. 10), and radio WFBG, Triangle Publications Inc. (WFIL-TV & WFIL, Philadelphia, *Philadelphia Inquirer* and *TV Guide*) is aiming at ownership of maximum number of TV stations. "It's far from a closed deal," says WFBG-TV v.p. W. Stanley Truby, indicating some negotiations have been held with other interests and that an impending tax ruling from Internal Revenue Bureau may be the deciding factor on whether station is sold. He didn't disclose proposed price. Already this year, Triangle has bought WNBK-TV, Binghamton (Ch. 12) with radio WNBK for \$3,000,000 (Vol. 11:11, 19), and off-air WLBR-TV, Lebanon, Pa. (Ch. 15) for \$115,000 plus \$125,000 in equipment obligations (Vol. 11:27). Triangle intends to put latter back on air after FCC approves purchase.

T. B. Lanford buys W. H. Allen's 52% of KALB-TV, Alexandria, La. (Ch. 5) & KALB, bringing his holdings to 97.2%. Allen gets \$150,000 clear, Lanford paying taxes incurred by sale; Allen is also retained as adviser at \$1000 monthly for 30 months. Lanford owns 1/3 of KPLC-TV & KPLC, Lake Charles, La.; 13.8% of WJTV, Jackson, Miss.; controls radio KRRV, Sherman, Tex. & KRMD, Shreveport, La.; has 23% of WSLI, Jackson, Miss. KALB-TV & KALB balance sheet for June 30 shows surplus of \$114,112 as of Jan. 1, \$29,246 profit up to June 30.

FCC members will have to wait until next session of Congress for that pay raise (Vol. 11:31). Various bills boosting salaries of top govt. officials were bypassed in rush to adjourn.

Important aspect of plan is assertion that it can be put into effect immediately, doesn't require rule-making. It's proposed that applicants simply apply wherever they choose—provided they tailor powers and heights to protect existing stations as much as they would be if full-power, full-height station were built 170, 190 or 220-mi. away. In brief, AM protected-contour principles would apply.

It's claimed that more than 200 additional vhf's could be dropped in this way, providing, among other things, a vhf channel for every uhf station that wants one. Uhf would be forgotten. Proponents say Comr. Lee is interested in plan; that Lee's engineering asst. Wm. Campbell has given them considerable help; that Congressional "sympathy" has been shown.

It's proposed that powers as low as 100 watts be permitted as close as 85.5-mi. from co-channel stations, though average Zone I Ch. 2-6 station would probably be about 125-mi. away. Typical adjacent-channel separation would be 31-33.5-mi. Also proposed is use of directional antennas, with suppressions up to 20 db. Mullaney says less than 30% of all new stations would need DA's.

\* \* \* \*

Senate Commerce Committee chairman Magnuson (D-Wash.), meanwhile, again needled FCC about action on deintermixture, stating: "The Commission has a real and moral responsibility to inform the public as quickly as possible as to what it expects to do on the question of selective deintermixture. Every day the Commission delays such a pronouncement, large sums of money continue to be invested by the public in converting or purchasing sets so that uhf signals may be received. Yet, if the experience of the past 2 years is any guide, many of these people may be making a futile expenditure." Clearly, the Senator likes deintermixture.

Magnuson also set specific date for start of hearings on his all-embracing study of TV—Jan. 17. With resignation of Sidney Davis (Vol. 11:31), Committee is looking for another counsel; ex-Sen. Clarence Dill, now a committee consultant, won't take the job.

FCC's equal-time rules on political broadcasts don't apply to foreign stations, Commission told Detroit lawyer Gregory M. Pillon who says he plans to be Congressional candidate next year. Pillon noted that UAW had shifted its *Meet the UAW-CIO* program from WJBK-TV to CKLW-TV, Windsor, Ont., and asked whether he'll be entitled to equal time if an opponent appears on the program. FCC said it has no jurisdiction and no international agreement covers the situation.

Radio station sale: WTRX, Bellaire, O. (1270-ke 1-kw, daytime) with WTRX-FM sold this week by Washington, D. C. businessman John Kluge, who also owns several other AMs, for \$85,500 to public relations counsel Robert K. Richards (former NARTB admin. v.p.) and Walter Patterson, both of Washington, owners of 2 W. Va. AMs. Sale was handled by Blackburn-Hamilton.

Kansas City Star was fined \$5000 and its advertising director, Emil A. Sees, was fined \$2500 this week for monopolizing and attempting to monopolize advertising & news in violation of Sherman anti-trust act. They were convicted of criminal charge Feb. 22 (Vol. 11:9), but companion civil anti-trust suit still pends. Pres. Roy A. Roberts stated appeal would be filed.

John Battison, the consulting engineer and onetime gen. mgr. of CHCT-TV, Calgary, has purchased KAVE, Carlsbad, N. M. (1240 ke, 250 watts, ABC), which holds CP for Ch. 6, and expects to move there from Washington this fall. Sellers are group headed by Val. Lawrence, gen. mgr. of KROD-TV, El Paso; purchase price was \$150,000.

**Station Accounts:** Spot TV pulling power will be subjected to 2 separate tests in coming weeks. Stations represented by CBS-TV Spot Sales are offering to advertisers a "Spot-Check Plan" in which a series of "before-&-after" interviews are conducted by independent research organization in large panel of test market homes to determine effectiveness of TV spots. First advertiser to use service is duPont, which on Aug. 29 starts 13-week campaigns on Jacksonville's WMBR-TV, Charlotte's WBTV, Galveston's KGUL-TV. Also, WRCA-TV will team up with Macy's and the Abraham & Straus dept. store "to test the selling muscles of TV" in 10-week spot campaign starting Aug. 15. Their schedules will cover 10 & 20-sec. station breaks & one-min. spots; station has assigned task force headed by Max E. Buck, director of adv., promotion & merchandising, to advise stores on getting maximum use out of TV, and stores will make public sales results of campaign as guide to other dept. stores contemplating use of TV. (For story of Revlon's big sales boost resulting from \$64,000 *Question* on CBS-TV, see adjoining column) . . . Top 25 spot advertisers in second 1955 quarter, with number of spot schedules and stations they used, as reported in July 25 *Rorabaugh Report on Spot TV Advertising*: Procter & Gamble, 32 schedules & 955 stations; Brown & Williamson, 5 & 422; General Foods, 24 & 334; Colgate-Palmolive, 18 & 277; Sterling Drug, 11 & 276; Block Drug, 17 & 234; Standard Brands, 7 & 216; U. S. Rubber, 19 & 201; National Biscuit, 14 & 187; Alka-Seltzer, 5 & 181; Bulova Watch, 1 & 180; Carter Products, 17 & 165; American Chicle, 9 & 163; Toni, 8 & 162; General Motors, 13 & 148; Purex Corp. Ltd., 7 & 142; Ford Motor, 6 & 141; Kellogg Co., 10 & 120; Chesebrough Mfg. Co., 2 & 116; M&M Candy, 1 & 116; S. C. Johnson & Son, 5 & 109; Nehi Corp., 6 & 105; Coca-Cola, 1 & 102; Welch Grape Juice, 8 & 102; General Mills, 16 & 101. New to the second-quarter list were U. S. Rubber, American Chicle, Purex, M&M, S. C. Johnson, Nehi, Coca-Cola, Welch . . . Falstaff Beer, in deal described as biggest local live purchase on West Coast, buys *San Francisco Tonight* variety show on KGO-TV for 52 weeks, Mon.-thru-Fri. 10:30-11 p.m., thru Dancer-Fitzgerald-Sample . . . Listerine to sponsor Instructo Corp.'s new Les Paul & Mary Ford show on 150 stations starting about Oct. 1, thru Lambert & Feasley, N. Y.; it will be filmed by DuMont's Electronicam . . . Ziv's upcoming 30-min. *Highway Patrol* has been bought in 75 markets, with 30-market purchase this week by Ballantine Beer, which also sponsors Ziv's *Eddie Cantor Comedy Theatre* in 28 markets; other regional sponsors of *Highway Patrol* are Kroger Stores, Pfeiffer Brewing, Carnation Milk . . . Among advertisers currently reported using or preparing to use TV station time: Colonial Stores Inc., Norfolk (Our Pride bread), thru Liller, Neal & Battle Adv., Atlanta; Jacobsen Mfg. Co., Racine, Wis. (power mowers), thru Klau-Von Pietersom-Dunlop, Milwaukee; Gaines Dog Food, N. Y., thru Benton & Bowles; Purex Corp. Ltd., South Gate, Cal. (clothing bleach), thru McCann-Erickson, Los Angeles; Church & Dwight Inc., N. Y. (Sal baking soda), thru Brooke, Smith, French & Dorrance, N. Y.; Power Products Inc., Grafton, Wis. (Super Jet paint sprayer), thru Seitz Assoc., Milwaukee; Charles Pfizer Co. Inc., Brooklyn (drugs), thru Wm. Douglas McAdams, N. Y.; Fisher Flour Mills, Seattle, thru Pacific National Adv., Seattle; Rosita Products Inc., Phoenix (Rosarita Mexican food), thru Curry Adv., Phoenix; Lay's Potato Chips, Atlanta, thru Liller, Neal & Battle, Atlanta; Coast Fisheries div., Quaker Oats Co. (Puss 'n Boots Cat Food), thru Lynn Baker Inc., N. Y.; Olin Mathieson Chemical Corp. (Winchester men's toiletries), thru Cunningham & Walsh, N. Y.; American Hardware Mutual Insurance Co., Minneapolis, thru Campbell-Mithun Inc., Minneapolis.

**Network Accounts:** Revlon's sales of cosmetics have increased as much as 500% on some items since it started sponsorship of highly-popular \$64,000 *Question* on CBS-TV 8 weeks ago, according to Norman B. Norman, exec. v.p. of Norman, Craig & Kummel, Revlon agency. He said Revlon's Pink Shade Lipstick "sold out in 10 days after start of the show," and company recently received largest number of orders in its history for a single day. Show has been particularly beneficial in smaller markets, he said. Show skyrocketed to No. 1 position in ARB ratings for July; Nielsen placed it No. 3 in TV homes reached, No. 4 in percent of homes reached for 2 weeks ended July 9 . . . Alcoa drops option on Tue. 10:30-11 p.m. time period on CBS-TV (where it sponsored Ed Murrow's *See It Now*); it will sponsor unusual "vertical saturation plan" on NBC-TV for one day only, Dec. 6, in which it will buy into 8 shows on behalf of "Christmas Creations of Aluminum"—2 partic. each on *Today, Home & Tonight; Matinee, Ding Dong School, Tennessee Ernie Ford Show, Feather Your Nest & World of Mr. Sweeney*, thru Fuller & Smith & Ross . . . GE Lamp Div. to be alt. sponsor (with Dow Chemical) of *Medic* on NBC-TV starting Sept. 5, Mon. 9-9:30 p.m., thru BBDO, Cleveland . . . Pond's to be alt. sponsor (with Campbell Soups) of new dramatic anthology series, *Star Stage*, on NBC-TV starting Sept. 30, Fri. 9:30-10 p.m., thru J. Walter Thompson . . . Chunky Chocolate Crop. to be alt. sponsor (with Kellogg's) of *Super Circus* on ABC-TV starting Sept. 25, Sun. 5-6 p.m., thru Hilton & Riggio . . . Toni & Viceroy to be alt. sponsors of Louella Parsons film show on NBC-TV starting Oct. 2, Sun. 10:30-11 p.m. . . . Carter Products & Geritol to be alt. sponsors of *Joe and Mabel* on CBS-TV starting Sept. 20, Tue. 9-9:30 p.m., thru Sullivan, Stauffer, Colwell & Bayles and Edward Kletter Assoc. . . . Kraft Foods buys 7 partic. in *Color Spread* on NBC-TV this fall, Sun. 7:30-9 p.m., thru J. Walter Thompson; Corning Glass takes option on 6 partic. . . . Whitehall Pharmacal buys alt. sponsorship of *Wanted* this fall on CBS-TV, Thu. 8-8:30 p.m. . . . Vick Chemical Co. (Sofskin cream) buys 13 partic. on NBC-TV's *Home* starting Sept. 19, Mon.-thru-Fri. 11-noon, thru BBDO . . . CBS-TV to shift reruns of *I Love Lucy* (under Lehn & Fink sponsorship) to Sun. 6 or 6:30 p.m. this fall . . . Charles Antell (liquid makeup) to sponsor *Hollywood Backstage* on ABC-TV starting Aug. 7, Sun. 7:30-8 p.m., thru Product Services Inc., N. Y.

Signs of the TV times: Rev. S. H. Patterson, owner-founder of San Francisco's uhf KSAN-TV (Ch. 32, base rate \$225) tells *Variety* interviewer his station was \$5000 in the black in July, earned profit also in May & June; it specializes in sports, programs 5 hours daily for Negro audience . . . KEY-T, Santa Barbara, Cal. (Ch. 3) reports first-half sales up 35%, pres. Colin Selph stating local sales (within 100-mi. radius) will be up 50% this fall.

New network affiliations: WKNB-TV, New Britain-Hartford (sale pending to NBC; Vol. 11:2, 26) switches from CBS to NBC Oct. 1, replacing WNHC-TV, New Haven-Hartford, which retains ABC. Other area outlet, WGTH-TV, is being sold to CBS (Vol. 11:28).

New rep: WBNF-TV, Binghamton, N. Y. to Blair (from Bolling); WKBT, La Crosse, Wis. to H-R Television (from Raymer); KARD-TV, Wichita (CP), to Petry.

Assn. of National Advertisers next annual meeting has been scheduled for Oct. 31 & Nov. 1-2 in New York's Hotel Plaza; Bristol-Myers adv. v.p. Donald S. Frost is program chairman.

William A. Hart, retired duPont adv. director, named pres. of Advertising Research Foundation, succeeding Edgar Kobak Nov. 1.

**Telecasting Notes:** Intense network competition this fall will be accompanied by intense promotion. For example, CBS-TV is setting up first station co-op deal—paying for 50% of newspaper space and supplying art; it will be 10-day campaign late Oct. or early Nov., plugging entire program line-up. NBC-TV is planning sponsor co-op series in its 5 owned-&-managed cities, may extend it to 10-15 other Trendex areas; plan is already complete for 5 sponsors of *Perry Como Show*. ABC-TV will have own newspaper program in key markets . . . Abel Green-Joe Laurie Jr. best seller, *Show Biz*, published in 1951, tracing history of show business from vaudeville to video, will be adapted for Sun. Oct. 9 NBC color spectacular, 7:30-9 p.m., in spot originally scheduled for Alexander Korda first-U. S.-run film, *The Constant Husband*, which has been moved up to Nov. 6 . . . "New stars, shows zoom to top in 3rd TV film poll" headlines Aug. 6 *Billboard*, which also includes fact-packed "Spotlight on Fall TV Program & Time Buying" section. Over-all winners of *Billboard's* 3rd annual TV film program and talent awards: *Disneyland* (ABC), selected as best TV film series, best new TV film series, and TV film series contributing most toward raising cultural standards; Jack Webb of *Dragnet* (NBC), best actor; Loretta Young (NBC), best actress; Bob Cummings of *Bob Cummings Show* (NBC), best performer in new series; *Medic* (NBC), series performing greatest public service. Runners-up in "best series" category: *Medic*, *I Love Lucy* (CBS), *I Led 3 Lives* (Ziv) . . . Free plugs for movies in upcoming TV shows (Vol. 11:26) get the full treatment in Aug. 8 *Sponsor*, which figured out that non-TV movies will get total of 70,000,000 "commercial home impressions" each week this fall—40,000,000 of these on regular shows such as *Disneyland* & *Warner Bros. Presents*, 30,000,000 through tieups with existing programs such as special "salutes" and hour-long "previews." Presenting both sides of question, *Sponsor* says some ad executives feel

public enjoys the trailers and Hollywood news, others are wondering whether trailers will be kept in the realm of entertainment and out of category of straight commercials . . . **Mathematicians** at ABC-TV, according to Aug. 10 *Variety*, figure profit of \$1,500,000 in first year of Sun. evening network showings of 20 new-to-TV J. Arthur Rank features (Vol. 11:31)—if all sponsorships are sold . . . MCA-TV's Frank Mincolla, through his new merchandising-licensing dept., exploiting toy *Dragnet* guns & badges, Jack Webb kiddie clothes; *This Is Your Life* and *Truth or Consequences* parlor games; toy tugboat replica of the one in *Waterfront* . . . **Barbers** talk a lot—so live-wire Tom Bostic, gen. mgr. of KIMA-TV, Yakima, Wash., got idea of inviting 30 of them who had Mon. off to come by chartered bus for tour of station; they even got 15 min. on air to talk about their profession and demonstrate haircutting (on continuity chief Joe Ryan) with plenty of publicity and goodwill resulting . . . WMCT cameras were ordered out of Memphis city hall hearing on corruption in municipal parks this week, leading gen. mgr. Hank Slavick to charge mayor and attorneys with imposing restrictions on freedom of the press; radio was permitted to stay . . . **Betty Hutton** signed by NBC-TV for color spectacular on Oct. 4; Ethel Merman & NBC still negotiating . . . **Mrs. Dione Lucas**, the cookery expert, signed for 6 half-hour films to be shown on new British commercial TV . . . **Another TV play** for stage: *My Kewpie Doll*, by Greer Johnson, seen on ABC-TV July 21, which Eva Marie Saint and director-husband Jeffrey Hayden plan to produce . . . **Hit show**, *Children's Corner*, from KQED, Pittsburgh educational, gets NBC-TV airing for 4 Sats., 10:30-11 a.m., Aug. 20-Sept. 10.

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NBC Spot Sales becomes U. S. rep for Associated Broadcasting Co. Ltd., British ITA commercial program contractor, under arrangements this week by Harry A. Towers & Richard L. Meyer with v.p. Tom McFadden.

**ONLY NEW STARTER** this week was Canada's 28th—CJON-TV, St. John's, Newfoundland (Ch. 6) which put on first test patterns Aug. 3, goes commercial Sept. 4. It has 2-kw RCA transmitter with 12-slot Wavestack antenna. Geoffrey Stirling is pres.-gen. mgr.; Don Jamieson, v.p.-program mgr.; Art Hartnett, production director; Oscar Hierlihy, chief engineer. It starts with \$160 base hourly rate, going to \$200 Oct. 1. Reps are Weed & All-Canada.

Due to start momentarily, probably during week of Aug. 7, are WXEX-TV, Petersburg-Richmond, Va. (Ch. 8), due to become NBC basic, and KTRE-TV, Lufkin, Tex. (Ch. 9), to operate as satellite of KPRC-TV, Houston.

No equipment shipments were reported this week, and in our continuing survey of upcoming stations the only report received was from KARD-TV, Wichita, Kan. (Ch. 3). Its v.p.-gen. mgr. Wm. J. Moyer states it now plans commercial debut Sept. 1 as an independent outlet, with test patterns probably by Aug. 25. Transmitter house is half completed and work is under way on 1000-ft. Stainless tower. RCA 25-kw transmitter is due Aug. 10, with 6-bay antenna due to be installed Aug. 15. It will be area's 4th outlet, others being a uhf and 2 vhf. Base hour will be \$350, rep Petry (shifting from uhf KEDD).

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**Hazards of the business:** Toots Shor, the restaurant man, sues Stork Club's Sherman Billingsley for \$1,100,000, alleging latter libeled him on his ABC-TV *Stork Club* program by saying he was "financially insolvent" and "reckless or dishonest in his business dealings"—and AB-PT as well as producer Mayfair Productions Inc. are named co-defendants.

**Reorganization of RKO Radio Pictures** under General Teleradio (Vol. 11:30-31) was well under way this week, with the appointment of CBS Inc. senior v.p. Daniel T. O'Shea as pres. of RKO, succeeding James R. Grainger. Highly regarded in film industry, O'Shea was pres. of David O. Selznick's Vanguard Films Inc. & exec. v.p. of Selznick International Pictures Inc. before joining CBS in 1950. Another former CBS v.p., Charles Glett, heads RKO production organization. Also announced this week was elevation of C. R. (Bob) Manby to General Teleradio v.p., headquartering in New York and serving as liaison between RKO and parent company. Manby has been responsible for development and expansion for Phillips H. Lord properties acquired by Teleradio—notably the *Gangbusters* syndicated TV film and the theatrical motion picture by same name. Latter has been released to theatres in a few cities under novel arrangement whereby, in exchange for on-the-air promotion, one TV station in area gets cut of the theatre's gross.

**TV breaks bank at Monte Carlo:** One of biggest financial scandals in history of small principality of Monaco has been precipitated by failure of commercial TV station at Monte Carlo. It resulted in a run on Monaco's biggest bank, which closed its doors Aug. 1 with deficit estimated at \$8,625,000, and resignation of 4 of Prince Rainier III's cabinet members. Both the bank and the govt. officials were involved in the TV operation.

**Houston area's 3 commercial stations**—KGUL-TV, KPRC-TV, KTRK-TV—have agreed to contribute \$10,000 each toward support of U of Houston's educational KUHT (Ch. 8) during upcoming academic year.

**NEW "SCATTER" method of point-to-point communication** (see p. 1) uses new techniques and equipment to harness a phenomenon which has long been familiar to propagation experts—but which was considered an impediment to efficient radio communications. As long ago as 1913, A. E. Kennelly of Harvard ("Kennelly-Heaviside Layer"), writing in *Proceedings of the IRE*, noted the loss of radio signals in the upper and lower levels of atmosphere through "scatter."

Recent development of high-powered transmitters, high-gain antennas, sensitive receivers—and application of new knowledge, including information theory—has made it possible to utilize this "loss" to develop a radically new system of long-distance point-to-point communication, in which the signal is always unfailingly present so long as the equipment is working.

A visual analogy to scatter transmission principle is the glow which can be observed at night in the clouds from the lights of a distant city over the horizon. While vhf and uhf have been considered "line of sight" services, their "glow" can be picked up far beyond the horizon.

Because the "glow" is so faint, brute force techniques must be used. A thin, tremendously powerful beam is transmitted, but most of it shoots through the atmosphere and is wasted. Using newly developed techniques, high-gain antennas are focused upon the small percentage of the signal which is "scattered." This faint signal is fed into ultra-sensitive receivers and amplified.

Two types of "scatter" have been harnessed. The vhf system employs signals scattered in the E layer of the ionosphere (40-70 mi. up), and is currently used as a super-long-range system, with medium channel-carrying capacity, bandwidths up to 20 kc now being used.

Uhf system picks up signals which scatter in the troposphere or lower atmosphere (up to about 5 mi.); its principal advantage is that wide bands of frequencies can be transmitted—up to and greater than TV channel width—though systems now in use are limited to ½ mc.

Vhf systems are currently attaining distance of 600-1300 mi. in one hop, using frequencies of 30-50 mc (TV broadcast band starts at 54 mc). Uhf systems are useful for 50-400 mi., currently are in 300-1000 mc range, though it's believed frequencies up to 3000 mc could be used.

Powers used by the systems are tremendous. Vhf systems have used transmitters rated at 50-kw, antennas with 23 db gain, ERP up to 10 megawatts—most powerful ever attained in radio communications. Uhf systems use transmitters with power as high as 20-kw fed through antennas with 45 db gain, for ERP of 6 megawatts.

Ultra-reliability of the signal in scatter transmission has created demand for equipment with reliability never before attained. Obviously an ever-present signal is of little advantage without ever-operative equipment.

\* \* \* \*

Basic research for vhf-scatter principle was conducted almost solely by the National Bureau of Standards. Uhf scatter is based on research by NBS, Bell Labs and MIT's Lincoln Labs. Air Force has been prime mover in harnessing both types of scatter transmission, with much of the pioneering military work handled by Page Communications Engineers, headed by Washington consulting engineer E. C. Page. Most of the equipment to date has been built by Collins Radio, National Co., Radio Engineering Labs (Long Island City), Rixon Electronics (Silver Spring, Md.), D. S. Kennedy & Co. (Cohasset, Mass.).

Applications of scattered principle will be the subject of heavy splurges in electronics technical journals this fall. IRE considers this development so important that it plans to devote entire issue of its *Proceedings* to it.

**D**IFFERENCES in terrain, population distribution and station powers show up sharply in farm TV set counts for 2 more western states, tabulated this week by U. S. Census Bureau as part of its 1954 Census of Agriculture. Based on 20% sample measured in Oct.-Nov. 1954, South Dakota is shown to have farm TV set penetration of 17% (10,600 sets on 62,520 farms), despite fact that at the time of the census only one area could receive TV. Montana, with stations in 4 different cities, had penetration of only 9% (2,970 sets on 33,059 farms).

South Dakota's TV sets are clustered in southeastern part of state, around powerful stations in Sioux Falls, S. D. and Sioux City, Ia., with no appreciable farm TV ownership elsewhere in state (KOTA-TV in Rapid City had not yet come on air when set count was made). Rugged Montana with its wide open spaces and low-power stations in Billings, Butte, Great Falls & Missoula, reflected TV inroads only in counties immediately adjacent to stations, with very little long-distance viewing.

In our continuing coverage of the first farm TV census ever conducted, here are the official county-by-county figures:

MONTANA					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Beaverhead	339	32	Meagher	155	—
Big Horn	815	84	Mineral	85	—
Blaine	734	16	Missoula	642	33
Broadwater	215	6	Musselshell	259	23
Carbon	896	188	Park	550	19
Carter	432	1	Petroleum	140	3
Cascade	1,133	290	Phillips	711	7
Chouteau	1,064	337	Pondera	696	80
Custer	453	—	Powder River	424	—
Daniels	609	6	Powell	222	1
Dawson	687	6	Prairie	257	—
Deer Lodge	117	13	Ravall	1,396	69
Fallon	384	7	Richland	1,004	3
Fergus	1,070	63	Roosevelt	860	18
Flathead	1,434	88	Rosebud	481	18
Gallatin	1,041	13	Sanders	591	34
Garfield	366	6	Sheridan	965	25
Glacier	385	4	Silver Bow	142	28
Golden Valley	197	25	Stillwater	643	117
Granite	181	9	Sweet Grass	366	16
Hill	899	61	Teton	952	204
Jefferson	274	2	Toole	446	50
Judith Basin	489	71	Treasure	148	14
Lake	1,490	98	Valley	1,097	5
Lewis & Clark	382	50	Wheatland	201	3
Liberty	337	107	Wibaux	290	2
Lincoln	387	25	Yellowstone	1,401	555
McCone	610	5			
Madison	508	30			
			State Total	33,059	2,970

SOUTH DAKOTA					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Armstrong	10	—	Jackson	219	3
Aurora	817	34	Jerauld	633	57
Beadle	1,518	78	Jones	289	—
Bennett	386	7	Kingsbury	1,392	235
Bon Homme	1,368	457	Lake	1,252	574
Brookings	1,841	512	Lawrence	339	—
Brown	1,846	193	Lincoln	1,734	750
Brule	711	19	Lyman	636	18
Buffalo	154	2	McCook	1,324	371
Butte	651	7	McPherson	1,104	32
Campbell	636	23	Marshall	1,024	239
Charles Mix	1,567	163	Meade	1,049	9
Clark	1,298	64	Mellette	350	15
Clay	1,153	703	Miner	1,007	251
Codington	1,078	82	Minnehaha	2,320	1,242
Corson	777	51	Moody	1,295	556
Custer	380	1	Pennington	795	11
Davison	892	85	Perkins	855	24
Day	1,600	46	Potter	544	10
Deuel	1,208	132	Roberts	1,911	289
Dewey	484	40	Sanborn	819	50
Douglas	883	40	Shannon	240	2
Edmunds	978	22	Spink	1,557	102
Fall River	415	7	Stanley	216	2
Faulk	711	41	Sully	419	8
Grant	1,264	67	Todd	412	1
Gregory	1,086	44	Tripp	1,194	21
Haakon	431	2	Turner	1,866	656
Hamlin	1,023	87	Union	1,366	856
Hand	1,093	44	Walworth	579	12
Hanson	830	149	Washabaugh	173	—
Harding	408	2	Yankton	1,360	622
Hughes	327	6	Ziebach	344	7
Hutchinson	1,683	357			
Hyde	395	8			
			State Total	62,520	10,600

Note: Previously published tabulations—Nev., N.H., Vt. (Vol. 11:28); Wyo. (Vol. 11:29); N. D. (Vol. 11:30); Ida., Utah (Vol. 11:31).

**REPEAT SALES—HOW AUTO INDUSTRY DOES IT:** A TV industry seeking ways to stimulate second-set & replacement sales this year might profitably look to the automobile industry for lessons in how to keep the customers coming back every 2 or 3 years, in opinion of several manufacturers familiar with both industries. Though they stress that TV industry obviously can't go as far as auto people in merchandising controls, here are some of the auto features which they say might well be copied:

(1) More liberal trade-ins. The auto industry uses high trade-ins as entering wedges both for new car sales and for making used cars available at just about any price customer wants to pay. TV trade-ins, by contrast, are too often hit-or-miss. In many instances, potential second-set and replacement customers have turned away from stores after dealers may have offered as low as \$10 for a working TV set for which he once paid \$300 or so. Great need in TV, it's said, is for more liberal trade-in and/or rational explanations to customers why more cannot be offered. Thus they would be encouraged to turn in sets or buy an additional receiver.

(2) Increase value of franchises. With lessons gained from 40 years of experience, auto industry has made a dealer franchise highly coveted. While nobody suggests a TV manufacturer could exercise such rigid control over his non-exclusive dealers, there's room for a manufacturer, in NARDA's words, "to give meaning to a franchise." Best ways to do it, it's suggested, are to be more discriminating in selection of dealers, choosing only those who are adequately financed, who can sell aggressively and who can render necessary servicing to satisfy customers.

(3) Greater use of accessories. Auto industry is quick to promote product obsolescence by adding something new to each year's models; for example, new body designs, new color motifs, turn signals, various gadgets, etc. etc. TV is making first moves in this direction with its remote control units, tuning gimmicks, color cabinets, clock timers, etc. -- but there's room for many other accessories.

\* \* \* \*

Admiral raised prices by \$10-\$20 on 17 of its 41-model line this week, attributing increase to recent hikes in steel and copper, together with other "substantial material and labor boosts." The 21-in. console leader was increased from \$200 to \$220 and another 21-in. console was hiked from \$230 to \$250. Remaining 15 models, all 21 & 24-in., were each raised \$10. It was Admiral's second price hike in 3 weeks, having previously raised 7 models by \$10 in vhf, \$15 in uhf (Vol.11:30).

Admiral's action is concrete evidence of general disposition to raise prices in near future (Vol.11:30-31). Shortage of selenium rectifiers, result of strike of copper miners in west, is starting to pinch many TV manufacturers -- and any settlement which causes copper prices to go up even further is likely to add impetus to the price-raising movement. Production of selenium rectifiers has reportedly dwindled sharply at Federal & Sarkes Tarzian, 2 of biggest producers. Economically, it's impractical to use silicon as substitute for selenium in rectifiers, an official of Sarkes Tarzian says. He said it costs \$16 for a silicon rectifier, compared to 60¢ for a comparable selenium rectifier. Moreover, he says, there isn't enough silicon available to make it commercially expedient to use it.

Other components are also due for price boosts, according to trade reports. A 6% increase in steel tubing is anticipated shortly, along with new increases in brass, aluminum strip & lead-ins.

Set makers themselves continue to talk of price hikes, though only Admiral has raised them so far. Arthur L. Chapman, Sylvania v.p., told distributors convention he foresaw an average retail price increase of "a \$20 bill." A purchasing agent for a major TV maker told us he foresaw "no alternative" to price hike.

Brief highlights of other major trade developments this week:

**Consumer Buying Plans:** A new survey of consumer finances, conducted in June by U of Michigan Survey Research Center as part of continuing series for Federal Reserve Board reveals: (1) Consumers are generally more optimistic this summer than year ago about their personal financial situations and general business outlook. (2) Greater number than a year ago plan to buy houses; about same number to buy autos & major household appliances, though TV buying plans "appear to be lower" than last June. About 34% of the 2000-family sample said they are better off financially than year ago, compared to 30% in both June & Oct. 1954. Number reporting "worse off" fell to 20%, from 25% in June 1954 & 27% in Oct. Good business conditions are expected by 72% of all families -- and by 82% of those with over-\$5000 income. The report, available from FRB, thus summarizes findings: "Practically all indicators of consumer attitudes have a more favorable position now than a year ago. Consumers as a whole are aware of the great improvement in American business conditions which took place during these 12 months and have revised their expectations upward."

**Consumer Credit:** Federal Reserve Board reports consumer installment debt hit record \$24.914 billion at end of June, following rise of \$765,000,000 in June alone. The June total was 75% over June 1954 & 300% over June 1953. Autos reportedly accounted for \$12.5 billion as of June 30, or nearly 50% of all outstanding credit. To counteract increase in installment credit, FRB this week approved boost in discount rate for member banks, permitting rate up to 2½%. FRB officials have predicted that less favorable credit risks among manufacturers and retailers would have harder time of it in dealing with their banks for advances.

**Production:** TV output totaled 113,864 week ended July 29, compared to 90,072 preceding week & 78,968 week ended July 15. It was year's 30th week (7 full months by RETMA calculations) and brought production for the period to about 4,250,000 vs. 3,200,000 in same 1954 period. RETMA this week officially set 6-month TV production at 3,828,793 vs. 2,845,147 in first half of 1954. Radio output totaled 203,343 in week ended July 29, bringing 7-month output to 7,800,000 vs. 5,800,000 in same 1954 period. Here's RETMA's 6-month TV-radio production table:

	PRODUCTION		RADIO PRODUCTION BY TYPES			
	Total TV	Total Radio	Home Sets	Portables	Clock	Auto
January.....	654,582	1,068,146	280,121	47,303	166,885	573,837
February.....	702,514	1,089,724	232,831	109,120	150,031	597,742
March (5 wks)	831,156	1,482,274	300,840	233,465	173,944	774,025
April.....	583,174	1,099,775	193,431	265,866	72,602	567,876
May.....	467,394	1,114,035	161,357	258,701	130,608	563,369
June (5 wks).	589,973	1,204,935	181,930	255,833	182,605	584,567
TOTAL.....	3,828,793	7,058,889	1,350,510	1,170,288	876,675	3,661,416

**DISTRIBUTOR NOTES:** Shifting pattern of appliance distribution to be touched off by RCA-Whirlpool-Seeger consolidation, though certain to be gradual, was evidenced this week in Atlanta, where RCA distributor Yancey Co. Inc. took over Whirlpool line from Charles S. Martin Distributing Co., which in turn assumed Easy washing machines from Yancey. Pres. Charles Martin was quoted as saying he voluntarily relinquished Whirlpool line because of its tie-up with RCA . . . Interstate Electric Co., New Orleans (RCA) elects George C. Howell Jr. as pres.; he's onetime Whirlpool adv. mgr. . . . Admiral appoints newly-formed Onthank-Harrison Co., 800 S. 72nd St., Omaha (George W. Onthank, pres.), replacing Bi-State Distributing Corp.; it also appoints Lewis Bear Co. Inc., 404 S. Palafox St., Pensacola (Lewis Bear, pres.) . . . Motorola appoints Boyd Corp., 84 W. Cove St., Portland, Me. (James W. Boyd, pres.) . . . Philco appoints Heath Furniture Co., Amarillo, as associate distributor . . . Stromberg-Carlson appoints Electronics Laboratories & Supply Co., 1414 Oriskany St. West, Utica, and Rome Electronics, 102 Erie Blvd. East, Rome, N. Y. . . . Bendix Radio appoints Cerullo Electric Supply Co. Inc., Hazelton . . . Major Appliance Distributors Inc., Charlotte, relin-

quishes Admiral line . . . Allison-Erwin Co., Charlotte (Zenith) promotes exec. v.p. John C. Erwin to pres., succeeding Henry J. Allison, who moves up to chairman; Jack Johnston named v.p.-gen. sales mgr. . . . Krich-New Jersey Inc., Newark (RCA) appoints Lawrence M. Braun, ex-Zenith N. Y., as mgr. of electronic parts dept. . . . RCA Victor Distributing Corp., Detroit, appoints Victor Parker as adv. & sales promotion mgr. . . . Graybar, N. Y. appoints Irwin Schutzer as manager of all electronics sales . . . CBS-Columbia of Philadelphia appoints Samuel Cohen, ex-Emerson Radio of Pennsylvania, as district sales rep. . . . Industrial Sales Co., New Orleans (Motorola) names James Coleman as district mgr. for Jackson, Miss. . . . GE Supply Co., N. Y., appoints George B. Colesworthy Jr. consumer goods sales mgr. . . . American Elite Inc., N. Y. (Telefunken radios) organizes American Elite (Canada) Ltd., 1214 Bishop St., Montreal (Frank J. McNichol, sales mgr.) . . . Sylvania appoints Cladco Distributors Inc., Buffalo (R. W. Cook, gen. mgr.) . . . Capehart-Farnsworth appoints Edgar A. Brown Inc., 4109 Carnegie Ave., Cleveland, and Radio Trade Supply, 1224 Grand Ave., Des Moines . . . Olympic Radio opens factory branch, Buffalo Ortec Inc., 84 Pearl St., Buffalo (Paul B. Hunter).

**Topics & Trends of TV Trade:** The 6,100,000 radios sold at retail in first half of 1955, compared to 4,500,000 in first half of 1954, have many in trade predicting nearly 13,000,000 year for radios—a fine comeback story overshadowed in publicity by TV's strong year. Nearly 13,000,000 radios were sold in 1953, but last year sales slumped to 10,000,000.

Transistorized radios are expected to hypo sales considerably this fall, brightening chances of reaching the 13,000,000 goal. Selling at \$45-\$55, they haven't exerted too much influence on the market so far, but the price is expected to come down by fall. Average retail price of radio currently is about \$21.

The 3,661,000 auto sets paced the first-half sales rise, comparing to 2,081,000 in first half of 1954. Of the 2,429,000 home radios sold in first 6 months this year, 1,071,000 were table models, 637,000 clock, 721,000 portables. In first 6 months year ago, 2,411,000 home radios were sold—1,182,000 table, 559,000 clock, 668,000 portables.

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Factory production of uhf-equipped sets totaled 558,802 during first 6 months of 1955, or 14.6% of total TV set production of 3,828,793, according to RETMA. This compares with 22.5% in first 6 months of 1954. However, the figures are not considered entirely compatible, since several companies—notably Philco—are now following practice of installing all uhf tuners in field, none in factory, to simplify dealer-distributor inventory problems.

Emerson pushes air conditioners year-round by cutting unit price to dealer for purchases between Aug.-Dec. New price schedule will be issued monthly, with national advertising on air conditioners starting in Sept. Pres. Benjamin Abrams said he expects other manufacturers to come up with similar plans to put production on year-round basis.

Dr. Allen B. DuMont added another powerboat racing laurel last week when his 54-ft. Hurricane III won 31-mi. Westchester power squadron's predicted-log cruiser race on Long Island Sound.

**Trade Personals:** J. H. Craft Jr., Stromberg-Carlson, named chairman of RETMA service committee, succeeding H. J. Schulman, CBS-Columbia; W. L. Parkinson, GE, named chairman of vocational training subcommittee; J. A. Hatchwell, DuMont, appointed chairman of advisory committee to N. Y. Trade School, which conducts RETMA's training courses . . . Ralston H. Coffin, RCA director of adv. & sales promotion, elected a v.p. . . Thomas P. Ryan, Sylvania TV-radio midwest sales mgr., promoted to TV-radio sales mgr. of TV-radio div., replacing Arthur A. Currie, now v.p.-mgr. of Adams Distributors Co., Sylvania Boston distributor; Ryan reports to gen. sales mgr. Bernard O. Holsinger . . . Herman S. Sacks, ex-Bendix Radio, joins Allied Radio Corp., Chicago, as marketing mgr. of sound & technical products; Wm. Senescu promoted to marketing mgr. of components . . . Dan D. Halpin, Westinghouse TV-radio gen. sales mgr., and Charles Golenpaul, Aerovox v.p., to address Texas Radio & TV Service Clinic & Electronics Fair at San Antonio's Gunter Hotel, Aug. 26-28 . . . Franklin Greene Jr. promoted to manufacturing mgr. of GE's TV-radio dept., Syracuse, succeeded as mgr. of Utica radio plant by Wm. N. Maddox, mgr. of Auburn, N. Y. plant . . . Wm. H. Eutzy promoted to new post of mgr. of sales administration, Westinghouse TV-radio div. . . John W. Fenton appointed mgr. of new RCA Victor TV-radio components plant now under construction at Renfrew, Ont.; F. R. Deakins, pres. of Canadian RCA subsidiary was guest of honor at parade and celebration July 21 when ground was broken for new 52,704-sq. ft. plant, due to employ 450 at outset . . . Luther M. Sandwick,

Crosley's new line, introduced at distributors convention this week in Chicago, comprises 15 TVs & 22 radios—including a transistorized, printed-circuit portable radio designed like a book. Prices are being withheld until Aug. 10. TV line is divided into Custom V, Advanced V & Super V series. The Custom V series comprises 9 models, all with "Zoom-A-Tenna," a multi-directional antenna which slides into chassis when not in use, and illuminated channel indicator with ½-in. numerals. The Advanced V series consists of 17 & 21-in. table models in mahogany or blonde & featuring "leathergleam" enamel finish. Super V series is continued from old line in 17 & 21-in. walnut models. Eight tables & 2 clocks round out the radio line.

TV set sales by Canadian factories in first 6 months totaled 245,917, production 337,369, reports RETMA of Canada. This compares with 181,233 & 211,480 in first half of 1954. Projected production estimate for July-Sept. period is 226,283 more sets. June sales totaled 27,567 at average price of \$304, production 36,060. Inventory at end of June was 139,336 compared to 130,843 at start of month. Montreal led in 6-month sales, with 44,428; Toronto, 40,116; British Columbia, 24,911; Manitoba, 20,882; other Ontario, 20,817; Nova Scotia, 16,458; Alberta, 15,660; Ottawa & eastern Ontario, 12,931; Quebec City, 11,886; Hamilton-Niagara, 11,445; New Brunswick & Prince Edward Island, 9522; Saskatchewan, 6926; Windsor, 6639; Newfoundland, 1891; other Quebec areas, 1405.

Capehart-Farnsworth makes regional bid for big Los Angeles market with specially-designed "California-styled" series of TV & high-fidelity models, to be marketed only on west coast. Designed by Lowell Wood, of Rogers & Wood Co., Capehart's Los Angeles distributors, new series has 5 different designs in 21 & 24-in. High-fidelity offerings are a \$395 console & \$695 tape recorder.

Excise tax repeal on non-entertainment TV-radio and components used in "further manufacture of TV-radio" was finally passed by House, which last week end accepted Senate version of bill (Vol. 11:27-28,31). It awaits President's signature.

ex-Wilcox-Gay & Scott Radio, named sales mgr., Pilot Radio . . . Wm. R. Thurston named to head TV equipment sales at General Radio Co., Cambridge, Mass., C. Wm. Harrison being transferred to N. Y. office . . . Herbert A. Bell, founder-pres. of Packard-Bell, presented plaque by Variety Club of So. Calif. for his service to entertainment field at luncheon marking firm's 30th anniversary . . . Kenneth B. Bryden, mgr. of research & financial controls, RCA tube div., named mgr. of govt. coordination & services, Harrison plant . . . Donald M. Strathearn, engineering director of Crosley laundry equipment, named engineering director of all products; Albert Emanuel II, laundry product mgr., named gen. product mgr. . . Harry M. Rich, ex-GE tube dept., appointed asst. to Leonard Ashbach, pres. of Majestic International, in charge of setting up parts & service facilities for German Grundig-Majestic radios & phonos . . . George M. Hakim, ex-Hoffman Electronics & Raytheon, named west coast regional mgr., DuMont TV receiver sales div., where he was adv. mgr. from 1950-52 . . . Andrew M. Wiswell, ex-Muzak v.p., named head of Capitol Records Inc. repertoire div. . . Richard C. Rowley promoted to Motorola Texas regional mgr., Dallas . . . Oliver S. Hulley promoted to consultant of GE's manufacturing training & education service, Schenectady . . . Wm. M. Sevy, ex-Arvin & Capehart-Farnsworth, named Olympic Radio regional mgr. for Ind., Ky., western Mich.

James H. Simon, 50, pres. of Simon Distributing Co., Washington area Zenith distributor, died Aug. 3 of heart attack. He is survived by his wife and 3 sons.

**M**ERGERS of electronics companies are daily news now—particularly small firms being taken over by larger non-electronic entities—and you'll be hearing of more such "get-togethers" in ensuing months. The mergers of larger companies—whether they involve consumer lines (TVs, radios, appliances), as in the case of RCA-Whirlpool-Seeger (Vol. 11:29-31), or industrial and defense electronics, as in the cases of Sperry-Rand and General Dynamics-Stromberg—are symptomatic of the desire of big industrial entities to stake a claim in the burgeoning electronics fields.

One financial journal had Raytheon "ready" for merger recently, but there were no details and there is no verification. The amusement trade press continues to hammer away at rumors of Avco's disposal (possibly to Storer) of its 4 Crosley TV and one radio station, again stoutly denied by chairman James Shouse of Crosley Broadcasting Corp. There's still talk of "something happening" at DuMont, now apparently more likely to be a spinoff of its 2 telecasting stations into new corporation rather than their outright sale.

Checking the Crosley story, we did run into the information that ex-Crosley sales div. v.p. W. A. Bles last year tried to engineer a deal whereby what is now the Crosley & Bendix home appliance div. (TVs, radios, white goods) would be bought out by Ford Motor Co. in order to give it a better diversified competitive position with General Motors, which of course owns Frigidaire and Delco Radio. That came to naught, but it's a good guess that Avco's Victor Emanuel would not be averse to selling out or merging his Crosley-Bendix operations.

General Dynamics, it's learned, likes the Stromberg-Carlson properties it acquired recently, most particularly for defense electronics facilities, but it wouldn't be surprising to see it either (a) sell out WHAM-TV & WHAM, Rochester, or (b) acquire more telecasting properties

and operate in a bigger way in that field a la Westinghouse, Storer, et al.

While the mergers of industrial giants make the big news, the merger mill is kept going by the nearly one-a-day rate of absorption of smaller electronics companies by larger companies and by weddings-of-convenience of 2 or more small companies into more diversified combines.

The what's-my-line of American industry is becoming a difficult guessing game. For example, Reynolds Spring Co., recently sold out its spring business, changed name to Consolidated Electronics Industries Corp., purchased a number of electronic properties including Alliance Mfg. Co. (antenna rotors, small motors, etc.). At the same time its control passed into the hands of North American Philips, affiliated with the fabulous Philips of Holland electronics and lamp combine.

Metamorphosis of a company in throes of diversification is demonstrated by recent changes in Daystrom Inc., Elizabeth, N. J., which started out as a manufacturer of printing equipment (American Type Founders), then branched out into kitchen furniture, then into electronics (Crestwood tape recorders). This year it purchased Weston Electrical Instrument Co. and Heath Co., maker of do-it-yourself electronic kits. Daystrom will soon announce that it has sold off its printing equipment subsidiary—its original business—for price in the neighborhood of \$8,000,000. Even before sale of ATF, pres. Thomas Roy Jones had predicted that 70% of Daystrom's business in 1955 would be in electronics, electrical and related fields.

\* \* \* \*

Latest mergers involving electronics firms: Link-Belt Co., Chicago materials-handling equipment maker, this week announced plan to acquire electronics maker Syntron Co., Homer City, Pa., through exchange of stock. Curtiss-Wright Corp., Woodridge, N. J., purchased Elly Electronics Corp., Fair Lawn, N. J., Elly pres. J. George Sauer becoming mgr. of thermal devices sales for Curtiss. Lavoie Laboratories, Morganville, N. J., acquired Matawan Electronics & Bayshore Electronics, Keansburg, N. J.

**Electronics Reports:** Transistors are rapidly replacing tubes in aviation electronic equipment, according to *Aviation Week* survey reported in July 25 & Aug. 1 issues by avionics editor Philip Klass. Nineteen leading manufacturers reported that 22% of all sockets in equipment now under development are intended to hold transistors, and 11% magnetic amplifiers, also a vacuum tube substitute. By 1957 these percentages are expected to jump to 50% & 15%. Use of these two replacements varies widely in branches of the avionic equipment field, from a low of 11% in radar equipment, to a high of 61% in digital computers.

Communications equipment now under development uses 14% transistors & 4% magnetic amplifiers, is expected to use 28% & 7% in 1956, 37% & 9% in 1957. Totals in all categories will rise, according to the survey: radar, from 11% to 27% to 43% in 1955, 1956 & 1957; navigational aids, 28%, 50%, 58%; automatic controls, 49%, 74%, 88%; instrumentation, 43%, 55%, 72%; digital computers, 61%, 78%, 94%.

Main advantage of transistors is saving in weight, size & power requirements. Disadvantages are reliability & cost, but reliability is increasing & cost decreasing as production rises. For aviation use, current increased cost is made up by reduction of weight needed to dissipate heat. Douglas Aircraft estimates that transistorizing a jet fighter as fully as possible will save \$48-54,000 per plane vs. an extra \$2-3000 for transistors.

Cost of transistors is dropping rapidly. GE estimates prices will be competitive with tubes by 1957, cheaper by

1960-63. Current ratio of production is 200 vacuum tubes for each transistor, but Bell Labs expert Dr. Wm. Shockley, one of developers of transistor, states that growth curves show that transistors will pass tubes before too long.

\* \* \* \*

Maj. Irving Koss, recently Signal Corps, named administrative asst. to Daniel E. Noble, v.p. in charge of Motorola communications & electronics div., succeeding Robert Barton, now asst. mgr. for contract technical administration at Phoenix military research & development facility; Paul Jones named asst. mgr. for contract business administration at Phoenix.

Wm. G. Laffer, pres. of Cleveland Graphite Bronze Co. elevated to pres. of parent Clevite Corp., Cleveland, succeeding James L. Myers who continues as Clevite chairman. Among Clevite divisions are Brush Electronics and Transistor Products Inc.

Dr. Benjamin H. Alexander, former Sylvania semiconductor engineering mgr., named mgr., CBS-Hytron semiconductor operations; Leo E. Dwork appointed chief engineer of CBS-Hytron's Lowell, Mass. semiconductor plant.

Herbert A. Haworth, ex-Sprague Electric, named chief engineer, Condenser Products Co. div., New Haven Clock & Watch Co.

Frederick D. Herbert, 81, who retired this year as pres. of Kearfott Co., died Aug. 4 at his home in Upper Montclair, N. J.



**Financial & Trade Notes:** Philco sales in first 6 months of 1955 totaled \$178,041,000 as against \$174,676,000 in same 1954 period. Net income was \$3,387,500 (90¢ a share) after preferred dividends vs. \$1,547,500 (41¢). Second quarter sales totaled \$81,216,000, net income \$1,128,000 (28¢) vs. \$60,899,000 & \$703,000 loss year ago due to 45-day strike. Federal and state income taxes for first half of 1955 went up to \$4,160,000 from \$3,115,000. Additional 1954 income taxes payable by reason of retroactive repeal of Sec. 462 of Revenue Act, amounted to \$2,217,068; beginning in 1955, company changed accounting policy to charge prepaid taxes directly to applicable reserves, and as result has transferred \$1,090,549 directly to surplus. If this net adjustment had been included in the income statement, the additional income would amount to 29¢ per share on the 3,771,850 shares outstanding as of June 30.

Motorola expects to achieve \$225,000,000 sales year, said pres. Paul V. Galvin in Aug. 3 report to stockholders, disclosing first half sales of \$93,293,119 compared with \$92,465,210 in same 1954 period, and second quarter sales of \$41,414,940 vs. \$44,458,410. First half earnings were \$2,945,001 (\$1.52) vs. \$2,858,301 (\$1.48); second quarter earnings were \$791,963 (41¢) vs. \$1,214,217 (63¢). In connection with second quarter decreases, Mr. Galvin stated that "about 40% of second quarter TV sales last year was new merchandise, whereas this year there was only a nominal amount of the new TV lines recorded as sales in the second quarter. This will correct itself in the third quarter." Also, Motorola's military sales for first 6 months were disproportionately low compared with the total anticipated for the year. Sales of 2-way radio communications and auto radios for second quarter were substantially up, while home, portable & clock radio sales were up 54%. In 1954, Motorola's gross was \$217,000,000.

Zenith earnings for first half of 1955 were \$3,126,061 (\$6.35 a share) on sales of \$71,455,702 vs. \$1,288,246 (\$2.62) & \$56,681,409 for the same 1954 period. For the second quarter, profits were \$1,051,101 (\$2.14) in 1955 & \$460,725 (94¢) in 1954 on sales of \$31,083,890 & \$27,346,219, respectively. First half TV set sales jumped 71% from 1954 to 1955, compared to an overall industry increase of about 20%, but "because of competitive conditions and increased proportion of table model receivers," pres. E. F. McDonald Jr. told stockholders, "average unit sales prices were substantially lower and the dollar volume increase in television sales was not commensurate with the record number of TV receivers sold."

Tung-Sol reports record first-half 1955 earnings of \$1,528,792 (\$2.20 a share on 643,412 shares) on sales of \$23,754,485 vs. \$1,001,537 (\$1.73 on 555,402 shares) & \$19,102,826 for same 1954 period. Chairman Harvey Harper says new aluminized CR tube will be pushed vigorously for renewal market.

International Resistance Co. reports Jan. 1-June 26 (25 weeks) profits of \$323,290 (24¢ a share on 1,342,598 shares) on sales of \$7,291,888 vs. \$123,080 (9¢ on 1,331,163 shares) & \$5,701,000 for first 25 weeks of 1954.

Whirlpool Corp. sales were \$91,965,427, net income \$5,910,567 (\$1.92 a share) in first 6 months of 1955 vs. \$85,204,210 & \$4,035,176 (\$1.31) year earlier.

Gross Telecasting Inc. earned net profit of \$374,673 (94¢ per share) during first half of 1955 vs. \$332,576 (83¢) in same 1954 period.

\* \* \* \*

**Dividends:** Magnavox, 37½¢ payable Sept. 15 to stockholders of record Aug. 25; Globe-Union, 30¢ Aug. 10 to holders Aug. 1; Tung-Sol, 25¢ Sept. 2 to holders Aug. 18; Whirlpool, 35¢ Sept. 10 to holders Aug. 31; Paramount Pictures, 50¢ Sept. 15 to holders Aug. 26.

**Color Trends & Briefs:** Still highly skeptical about color's prospects, GE's Dr. W. R. G. Baker, who also is RETMA director of engineering, feels set prices are still too high to get the medium rolling. "I don't think the situation this fall will be much different from last year," he said. "Oh, maybe a little better, but not much."

"The price ought to be around \$495 to open color up—maybe lower," he said. "The whole merchandising job is entirely different from that of black-&-white when it started. There was nothing like TV before. The old man saw it in a barroom and wanted it in his own home."

"But how do you merchandise color? Is it a specialty job? Do you put one in the customer's home and leave it there for him to try out? I don't know."

GE is continuing work on tri-color tubes, meanwhile, Dr. Baker said, aiming for unit cheap enough to permit production of receiver priced within average customer's means. He said he hopes to have something to report before long.

\* \* \* \*

Another big set maker, who preferred to remain anonymous, told us: "We believe the RCA-NBC program expansion is the first real step needed to take color off the ground. We feel this will stimulate fall sales of color receivers and will hasten the development of the rectangular color tube so badly needed."

Attitude of RCA-NBC, prime movers in the color crusade, is one of determination, backed by millions being poured into color programming and promotion. "We mean business," said a spokesman, "and if some of the others won't come along, we will go it alone or with those that believe in color, as we do." It was intimated, but not disclosed, that others besides Hallicrafters & Magnavox have also arranged to have RCA make their initial color receivers (Vol. 11:31).

Hypo to color sales is seen in sizable discounts on the \$795 & \$895 being allowed. Reported discount to distributor is 40%, distributor discounts to dealer run 30-32%.

\* \* \* \*

Milton Berle color series next season is getting a lot of promotional push from NBC. This week's *Variety* carries full-page ad in form of letter to Berle from NBC pres. Pat Weaver, with caption "Colorfornia Here He Comes!!" Letter recalls how Berle became known as "Mr. Television"—"with the sales of black-&-white TV sets racing to keep up with your ratings" and goes on: "Within the next months we are bound to see you carve out a new and colorful career for yourself, giving a tremendous push to color set sales."

Network color schedules for next 2 weeks: NBC-TV—Aug. 8, 10, 12, 17 & 19, *Matt Dennis*, 7:30-7:45 p.m.; Aug. 9, 11, 16 & 18, *Vaughn Monroe*, 7:30-7:45 p.m.; Aug. 8-12 & 15-19, segments of *Home*, 11:45-noon; Aug. 22, *Producers' Showcase*, "The King & Mrs. Candle," starring Cyril Ritchard, Joan Greenwood, Richard Haydn & Irene Manning, 8-9:30 p.m.

Set makers who have announced color receivers for the fall market thus far, according to NBC, prices ranging from \$695 (Motorola) to \$950 (Magnavox): Andrea, Capehart-Farnsworth, DuMont, Hallicrafters, Magnavox, Motorola, Philco, RCA, Sentinel, Sylvania, Stromberg-Carlson.

One index to color tube production is output of masks, and Aug. *Electronics Magazine* estimates 80,000 have been produced to date—about 50,000 of them 19 & 21-in., 2000 of them 22-in., remainder 15-in.

"Flat" color tube: Engineers at Willys West Coast Electronic Lab, Palo Alto, are working on color version of Dr. Wm. Ross Aiken's still-secret "flat" TV picture tube (Vol. 11:3).

## Network TV-Radio Billings

June 1955 and January-June 1955

(For May report see *Television Digest*, Vol. 11:27)

**H**ALFWAY through the year, network TV billings came very close to \$200,000,000 mark as against \$150,013,054 at same point last year—and, on basis of record fall-winter bookings, there's every likelihood they will be nearer \$500,000,000 than \$400,000,000 when year ends. Fact that NBC-TV now claims to be 50% sold out daytime, in which classification CBS has been sold out consistently, enabling it to take top position in over-all TV billings, also leads to expectation that 1955 will far surpass 1954's \$320,154,274 (for 1949-54 monthly PIB figures, see p. 32, *TV Factbook No. 21*).

Network radio's \$9,321,858 in June compares with \$10,764,481 in same 1954 month, brought Jan.-June total to \$61,591,309 vs. \$74,529,314 for same 1954 period. Only radio network to show gain in June was NBC, second runner to CBS, but it was a miniscule gain. Here's latest Publishers Information Bureau report:

### NETWORK TELEVISION

	June 1955	June 1954	Jan.-June 1955	Jan.-June 1954
CBS .....	\$15,787,009	\$11,448,180	\$ 93,841,931	\$ 65,916,429
NBC .....	12,222,554	9,990,729	78,794,603	62,294,026
ABC .....	3,542,304	2,317,879	21,768,605	15,207,664
DuMont .....	218,845	778,920	2,904,680	6,594,935
<b>Total .....</b>	<b>\$31,770,712</b>	<b>\$24,535,708</b>	<b>\$197,309,819</b>	<b>\$150,013,054</b>

### NETWORK RADIO

CBS .....	\$3,603,602	\$ 4,181,677	\$23,888,528	\$29,714,809
NBC .....	2,652,765	2,618,614	16,212,306	18,570,178
ABC* .....	1,816,367	2,405,994	13,313,799	15,170,597
MBS .....	1,249,124	1,558,196	8,176,676	11,073,730
<b>Total .....</b>	<b>\$9,321,858</b>	<b>\$10,764,481</b>	<b>\$61,591,309</b>	<b>\$74,529,314</b>

### NETWORK TELEVISION—January-June 1955

	ABC	CBS	DuMont	NBC	Total
Jan. \$	3,718,195	\$15,831,141	\$ 723,960	\$13,172,695	\$ 33,445,991
Feb.	3,567,696	14,694,726	597,275	12,419,641	31,279,338
Mar.	3,806,425	16,036,896	628,625	14,102,093	34,574,039
Apr.	3,527,558	15,463,359	462,335	13,285,933	32,739,185
May	3,606,427	16,028,800	273,640	13,591,687	33,500,554
June	3,542,304	15,787,009	218,845	12,222,554	31,770,712
<b>Tot. \$</b>	<b>\$21,768,605</b>	<b>\$93,841,931</b>	<b>\$2,904,680</b>	<b>\$78,794,603</b>	<b>\$197,309,819</b>

### NETWORK RADIO—January-June 1955

	ABC	CBS	MBS	NBC	Total
Jan. \$	2,487,140	\$ 4,181,787	\$1,372,532	\$ 2,744,204	\$10,785,663
Feb.	2,387,900	3,950,767	1,291,938	2,584,620	10,215,225
Mar.	2,445,765	4,393,441	1,446,535	2,953,486	11,239,227
Apr.	2,096,355	3,837,124	1,365,658	2,624,671	9,923,808
May	2,080,272	\$3,921,807†	1,450,889	2,652,560	10,105,528†
June	1,816,367	3,603,602	1,249,124	2,652,765	9,321,858
<b>Tot. \$</b>	<b>\$13,313,799</b>	<b>\$23,888,528</b>	<b>\$8,176,676</b>	<b>\$16,212,306</b>	<b>\$61,591,309</b>

\* In order to maintain continuity and comparability with previously published data, an adjustment factor of 1.817 has been used by PIB in calculating gross network radio time charges for those nighttime network radio programs where ABC Rate Card No. 6 was in effect.

† Revised as of Aug. 3, 1955.

Note: These figures do not represent actual revenues to the networks, which do not divulge their actual net dollar incomes. They're compiled by Publishers' Information Bureau on basis of one-time network rates, or before frequency or cash discounts, so in terms of dollars actually paid may be inflated by as much as 40%. However, they're generally accepted in the trade as an index.

Major hotel TV lease operators (see p. 2), as far as can be learned, are the following (brand of receiver in parentheses): American Communications Corp., 280 Broadway, N. Y. (GE); The Ira Hirschmann Co., 654 Madison Ave. (CBS-Columbia); Hotel Radio Corp., 1040 W. Fort Ave., Detroit (private label); Master Video Systems, 37 W. 52nd St., N. Y. (CBS-Columbia); Telerent Corp., 870 Seventh Ave., N. Y. (Admiral); Tel-Hotel Corp., 50 Central Park So., N. Y. (Westinghouse); Tele-Sound Inc., 1505 Race St., Philadelphia (Capehart); Wells Television Inc., 52 Vanderbilt Ave., N. Y. (RCA).

East Germany has opened 2nd regular TV station, at Brocken Mt., close to West German border.

**S**TRIKE of TV film actors, which began Aug. 4, isn't expected to have much effect on fall programming unless it drags on for a month or more. Most new film series due for debut this season are reported to have many episodes already in the can, and old series can throw re-runs into the breach, if necessary. As for network filmed shows, there's always the possibility they can convert to live in a pinch.

At press time, prospects for quick settlement seemed slim, with no negotiations expected until "some time next week," according to a management group spokesman. Strike involves some 200 producers and 2-3000 Screen Actors Guild members as well as some 3000 craft workers in other unions. Principal issue is Guild's demand for re-run payments for 2nd runs; current re-run payments begin with 3rd run.

Management bargaining groups directly affected are Alliance of TV Film Producers and Assn. of Motion Picture Producers, but most non-affiliated TV film makers have followed the position adopted by the 2 groups. Seven independent TV film producers reportedly have settled with Guild—including Lewislor Enterprises Inc. and Lewman Ltd., owned respectively by Loretta Young and Jane Wyman, both members of SAG. Contracts also have been signed by Charles E. Skinner Productions (*Sgt. Preston of the Yukon*) and Quintet Productions (*Judge Roy Bean*) as well as Spectrum Film Productions (5 & 15-min. films) and 2 firms in Cleveland.

At least 43 major film series, produced at 23 Hollywood studios, and 4 or more made in New York area, have been interrupted by strike. Surveys by entertainment trade press found backlogs of unreleased TV film episodes varied from 3 to 18, with median being about 6. Since most of the series won't begin using the new material until Sept. or Oct., strike would have to last at least a month before it would cause any widespread shortage of TV film.

The 8% excise tax on installation of community antenna connections came close to elimination this week, when House passed HR-3414 with amendment submitted by Rep. Cole (R-N. Y.); Senate failed to act on it, however. Community operators would much prefer to get 8% excise lifted from monthly charge rather than from original installation, will try again next session.

Looking for personnel? Radio & Television Executives Society, 420 Lexington Ave., N. Y. publishes monthly applicant listing of persons seeking posts in networks, stations & agencies—including management, sales, production, direction, writing, promotion, public relations.

Rocket enthusiast Andrew G. Haley, Washington communications attorney, now attending Sixth International Astronautical Congress in Copenhagen, Denmark, has asked International Telecommunications Union to allocate frequencies for use with satellites.

TV cuts drinking, so pubs in Norfolk, England have petitioned for later closing hours. They say customers used to show up at 7 p.m., but since TV reached area don't venture out until 9. Authorities sympathized, now permit beer to flow half hour longer to 10:30.

How TV newscasting is handled on 11 stations is subject of U of Missouri bulletin (*Journalism Series No. 135*) by Samuel Brownstein, titled *Television News Practices in Missouri*, available on request.

TV network service now reaches 364 stations in 241 U. S. cities, AT&T Long Lines announced this week. KRNT-TV, Des Moines, hooked up last week end, was latest to join Bell System facilities.

Fire virtually demolished plant of WCOV-TV, Montgomery, Ala. (Ch. 20) on Aug. 5, forcing it off air indefinitely. Radio WCOV was also badly damaged.

## MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE  
FOR MANAGEMENT  
OF THE  
VISUAL BROADCASTING  
AND ALLIED ELECTRONICS  
ARTS AND INDUSTRY

# Television Digest

with **ELECTRONICS REPORTS**

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## SUMMARY - INDEX OF THE WEEK'S NEWS — August 13, 1955

**EXPANSION INTO ELECTRONICS** eyed by many big companies in nearly every industry. Survey shows mergers and diversification in last 12 months (pp. 1 & 14).

**DuMONT SPINS OFF** stations, plans separate corporation, seeks new president (possibly via merger) for manufacturing operations, Dr. DuMont to be chairman (p. 1).

**COLOR SET SALES** in 1956 will run 600,000-1,000,000 if properly handled, RETMA pres. H. L. Hoffman believes; sees price dropping only with mass sales (p. 3).

**NEWEST STOCK OFFERING** involving TV-radio stations due from Dolph-Petty Broadcasting Co., which proposes initially to buy into Honolulu, Denver stations (p. 6).

**NEW STATIONS** in Ft. Worth (Ch. 11), Richmond area (Ch. 8), Scottsbluff, Neb. (Ch. 10, satellite). Texas outlet starting with \$1,000,000 local business (p. 8).

**HIGH JULY-AUGUST TV SALES** indicate fall buying by consumers has begun in earnest; price hikes by Emerson & Trav-Ler; labor signs with GE (pp. 9-10).

**WESTINGHOUSE SELLS 1000 TVs** to new Hilton-Statler Hotel in Dallas; shipment comprises specially-designed 17 & 21-in. receivers (p. 11).

**CBS INC. GROSSES \$202,173,713** for first half, profit up 22% to \$6,327,672. Financial reports on Raytheon, et al; officer-director stock transactions (p. 12).

**DuMONT'S VITASCAN** live color equipment to get first public showing as Gimbels N. Y. invites customers to "see yourself on color TV" (p. 13).

**MOVIEMAKERS' ENTRY INTO TV** assailed by Ziv as "by-product activity" using second-class talent and "loaded with free ads at expense of sponsors & stations" (p. 5).

**'ELECTRONICS' IS STILL THE MAGIC WORD:** If further proof were needed that the future of virtually all industry is tied up with the ever-expanding applications of electronics, it's contained in the growing list of old-line companies expanding into the fields of electronics -- through mergers or establishment of electronics divisions.

While considered an industry in itself, electronics actually is also a part of every other industry -- either through electronic production techniques or the integration of electronics into the end product. The most exciting scientific and industrial frontiers now before us are the harnessing of the atom and the conquest of outer space -- both of which will be made possible through extensive application of new advanced electronic techniques and systems.

It's only natural, then, that companies in nearly every field have plans for expansion into electronics, either to supplement their principal product, or in search of a new "principal product" to replace one which is becoming "outdated."

Principal electronics mergers and expansions of last 12 months are detailed in story on p. 14, which brings up-to-date the analysis of industrial diversification into electronics which appeared in our May 15, 1954 issue (Vol. 10:20).

**THE DuMONT SPINOFF—PLANS AND PURPOSES:** Changes in the DuMont capital and operating structures, both manufacturing and telecasting, will be wrought before year's end pretty much along lines predicted (Vol. 11:19-20,32) -- with these plans and purposes agreed upon at board meeting this week, subject to approval of stockholders in Oct.:

(1) Dr. Allen B. DuMont will relinquish presidency of Allen B. DuMont Laboratories Inc. in favor of a new operating head, yet to be chosen, possibly coming into the firm by way of a merger with or acquisition of another electronics company. Dr. DuMont will become chairman of board under long-term contract, with stock options.

(2) DuMont Broadcasting Corp. will be set up to own and operate TV stations WABD, New York and WITG, Washington (both Ch. 5), along with big 67th St. Tele-Centre in N.Y. In spinoff of telecasting operations, stock in new corporation will be distributed to DuMont stockholders on basis of one share for each 2½ now held, and some new stock will be sold in order to raise working capital.

(3) There will be no network operation, and Electronicam system of filming TV shows will be retained by the manufacturing concern and be made available to all

comers on lease basis. New DuMont Broadcasting Corp. may acquire more stations, possibly including KTLA (also Ch. 5), owned by major stockholder Paramount Pictures.

(4) One class of stock will replace present DuMont A & B, and stockholders will be asked to authorize 5,000,000 shares of \$1 par. Of these, 1,801,054 will be issued to replace the A, 560,000 to replace the B. Besides 124,343 shares of \$20 par 5% cumulative preferred stock, there are presently authorized 2,440,000 shares of A, with some 12,000 stockholders holding the 1,801,054 outstanding, and 560,000 of B all held by Paramount Pictures Corp. There are 494,169 shares of A unissued and unreserved; 136,777 A reserved for conversion of the preferred; 8000 A optioned (at \$10.22) to Wm. H. Kelley, v.p. & gen. mgr., when he joined company in 1953.

(5) New broadcasting corporation will have 2,500,000 shares of common, of which approximately 1,000,000 will be distributed to present stockholders and additional shares offered by underwriters to provide additional capital. Officerships & directorships remain to be worked out, with presumably some overlap planned.

(6) Directors of the manufacturing concern will be increased to 10, with all officers elected by board. One of the 2 new directors will be the new president of Allen B. DuMont Laboratories Inc., the other possibly a banker. Dr. DuMont, as the chairman, would secure options to buy 35,000 shares of common stock; 90,000 more will be reserved for purchase options by other company executives.

\* \* \* \*

That's the basic plan, as worked out largely by Armand G. Erpf, partner of Carl M. Loeb, Rhoades & Co., who displaced Dr. DuMont's brother Bruce T. last May as member of DuMont board. Other banker member of present board is Percy M. Stewart, partner of Kuhn-Loeb & Co. Plan presumably also had collaboration of "Gov. Dewey" law firm of Dewey, Ballantine, Busby, Palmer & Wood, who have represented Erpf.

Reorganization was entirely amicable, it's understood, despite long-prevailing friction between DuMont majority directors (Dr. DuMont, T.T. Goldsmith Jr., Stanley F. Patten, Mr. Stewart) and Paramount minority (Barney Balaban, Paul Raibourn, Edwin L. Weisl). Respective classes of stocks were different only in voting power.

Paramount got into DuMont through advances amounting to some \$164,000 in mid-30s, has since bought more A shares in the open market to bring its cumulative A & B total to 628,000 shares. Loeb, Rhoades owns or controls some 400,000, so that the 2 could vote well over 1,000,000 shares -- reason for the Erpf influence.

\* \* \* \*

Dr. DuMont was shown in last proxy statement (March 24, 1955) to own 39,800 shares of common, 200 preferred, and to hold 8000 common and 2000 preferred in trust for his son. He has sold off some of his holdings since, was shown in a recent SEC report to hold 37,600 common. His 1954 salary was \$68,339. Directors Goldsmith, Patten & Stewart hold 1900, 400 & 1000 shares, respectively.

Firm's 1954 annual report showed assets of \$32,954,000, common stock's book value \$12.28. Gross sales last year were \$99,570,000, net earnings \$7,597,000, but profit figure included \$6,727,000 realized after capital gains from sale of Pittsburgh station to Westinghouse (now KDKA-TV) for record \$9,750,000 (Vol. 10:49). In 1953, sales were \$91,829,000, profit \$1,544,000; 1952, \$76,367,000 & \$1,425,000; 1951, \$50,742,000 & \$583,000 loss; 1950, \$76,096,000 & \$6,901,000.

Last year's report blamed telecasting network operations for low net earning power, and it was estimated DuMont Network operation losses from inception amounted to \$16,000,000. Last year it ran \$5,000,000, forcing curtailment of network to mere skeleton hookups (Vol. 11:1, 13). Today it's a network in name only.

TV set, tube and electronics manufacture have been reasonably profitable, the telecasting business dragging down earnings consistently. Dr. DuMont noted that in 1954 manufacturing earned 3% on sales after taxes whereas average of 7 major competitors was 3.3%; in 1953, manufacturing earned 3%; in 1952, 3.2%.

So far this year, two 12-week reports have been issued. First, to March 25, showed \$27,000 loss on sales of \$15,989,000; second, for 24 weeks to June 19, showed \$1,249,000 loss on \$29,741,000 sales. The 24-week report compared with profit of \$479,000 on sales of \$41,590,000 in corresponding 1954 period.

The TV stations are said to be building up gradually, apace with the upsurge of telecasting; Washington outlet is "about breaking even." At all events, they're definitely not for sale, now that the spinoff has been decided upon. Paramount's KTLA, which may be brought into the fold, is reputedly a money maker. There's no disposition whatsoever to get back into networking, we're told; in fact, main reason for spinoff is "to take us out of showmanship into electronics."

**UP TO 1,000,000 COLOR SALES IN 1956—HOFFMAN:** Big color programming push begins just about a month from now (Vol. 11:31), sooner than most people realize, and virtually everyone is willing to take a crack at predicting what will happen to demand.

One of the most thoughtful analyses we've seen comes from RETMA president H. Leslie Hoffman, the energetic west coast manufacturer. He states flatly, in response to our inquiry: "I believe that if we can handle the industry publicity properly there should be a minimum of 600,000 and a maximum of 1,000,000 sets sold next year." He arrives at that conclusion via the following reasoning:

"Technically, NBC and CBS are now properly equipped facility-wise, manpower-wise & know-how-wise to do a good job of color broadcasting and do it on a national network basis. Based on our own experience, receivers are still complicated to build but once they are properly checked out they are simple to operate by the consumer and require no abnormal service.

"Sponsors have indicated their willingness to support color programming. As a matter of fact, so far they are ahead of the manufacturers, dealers and public.

"What then is making the distributor and dealer hesitant to push color, and the consumer hesitant to buy and ask for it? From the distributor and dealer viewpoint, he is worried about the potential drop in the price of the sets and has been exposed to the propaganda that the present price structure is too high. He is also afraid that if he pushes color it will hurt his healthy black-&-white sales. He also is out of the habit of home demonstrations, TV parties etc., that prevailed in the early days of black-&-white, and these must be reactivated for color.

"The consumer feels that color is still some time off and that he will wait until the prices come down. The only answer to this is to expose him to the color broadcasts and romance sufficiently what he is missing. My own opinion is that the price is not too high if it is properly sold.

"There is a certain segment of the industry that feels that we can go no place with color until the price comes down. The only way to get the price down is to get the thing going so that we can effect mass production and thereby reduce the price.

"I think the key words in getting color launched are exposure and excitement -- and if the two are properly handled I believe the price will fall in line.

"Speaking for ourselves, we have kept our engineering know-how up-to-date and have gone beyond that. As a matter of fact, we were the first in the country to introduce the 21-in. simplified chassis in Jan. 1955. We have since produced approximately 300 units. We have them in the field, they are operating satisfactorily, and the people who own them are satisfied customers.

"We have a limited production schedule for this fall, and we are going to produce them ourselves because we want the experience and are willing to pay for it. We think that color is going to get started this fall and will continue to pick up momentum until color TV becomes the topic of conversation in the average home.

"I think there is one factor which needs to be taken into consideration in both the programming and the selling of color TV, and that is the fact that the women in the home have the greatest color sense and appreciation, and that they will be the key person on the color decision in the average American home."

NARTB's schedule of 8 regional conferences this fall, which replace the 17 district meetings held in past years: Region 1 (replacing Districts 1 & 2), Sept. 21-23, Saranac Inn, Saranac, N. Y.; Region 2 (Districts 3 & 4), Oct. 12-14, Roanoke Hotel, Roanoke, Va.; Region 3 (Districts 5 & 6), Sept. 28-30, Jung Hotel, New Orleans; Region 4 (Districts 7-9), Sept. 19-21, Edgewater Beach Hotel, Chicago; Region 5 (Districts 10 & 11), Nov. 7-9, Ft. Des Moines Hotel, Des Moines; Region 6 (Districts 12 & 13), Nov. 15-17, Baker

Hotel, Dallas; Region 7 (District 14), Nov. 1-3, Broadmoor Hotel, Colorado Springs; Region 8 (Districts 15-17), Oct. 24-26, St. Francis Hotel, San Francisco. Opening day of each conference will be devoted to radio, second to assn. business, final day to TV. The TV sessions will include talks by TV v.p. Thad Brown, code review affairs director Edward H. Bronson and Television Bureau of Advertising pres. Oliver Treyz. An FCC commissioner will address the banquet of each conference.

**Station Accounts:** Commercial success of General Tele-radio's *Million Dollar Movie*, which is repeated up to 16 times a week (Vol. 10:37), is assured on WOR-TV for coming season starting Sept. 19, reports v.p.-gen. mgr. Gordon Gray. He said show is virtually sold out for new season, with 7 sponsors already in line (4 renewals). New-comers are Philip Morris, thru Biow-Beirn-Toigo; Mueller Macaroni, thru Scheideler, Beck & Warner; Lee Ltd. (Soft-Set shampoo), thru Foote, Cone & Belding. Renewals came from Sterling Drug, Piel's Beer, N. Y. Telephone Co., Rival Dog Food. Of the 39 films scheduled for coming season, 10 are 1955 releases, 21 were released between 1950-54 . . . Carnation Milk buys alt. week sponsorship of *Annie Oakley* in 90 additional markets, bringing total to 130, thru Erwin, Wasey & Co., Los Angeles; Continental Baking Co. is alt. sponsor in 75 markets starting Jan. 1 . . . Sears, Roebuck, an infrequent TV sponsor, buys filmed drama series, *Dr. Hudson's Secret Journal*, on KTTV, Los Angeles, thru Roche, Williams & Cleary, Chicago . . . Wine Advisory Board to spend more than \$500,000 in campaign during National Wine Week Oct. 15-22, thru Roy S. Durstine Inc., San Francisco . . . Mennen Co., entering women's cosmetic field with Mennen Skin Magic, plans all-media campaign this fall, thru Grey Adv. . . Toy Guidance Council, on behalf of leading toy manufacturers, to sponsor series of 15-min. film programs featuring ventriloquist Paul Winchell in 75 markets starting Nov. 1, thru Friend-Reiss Adv. . . Buitoni Foods Corp. plans all-media campaign with theme "Close Your Eyes and You're Eating in Italy," thru J. Walter Thompson . . . duPont to conduct annual fall spot campaign on behalf of Zerone and Zerex anti-freeze, thru BBDO, N. Y. . . Among advertisers currently reported using or preparing to use TV station time: Boyle-Midway Inc., Chicago (Aerowax), thru Geyer Adv.; W. T. Young Foods Inc., Lexington, Ky. (Big Top peanut butter), thru Rutledge & Lilienfeld, St. Louis; Bostwick Lab Inc., Bridgeport, Conn. (Hep Aerosol insect killer), thru Ovesey, Berlow & Strauss, N. Y.; Continental Baking Co. (Daffodil Farm bread), thru Ted Bates; Endicott-Johnson Corp., Endicott, N. Y. (Johnsonian men's shoes), thru Charles L. Rumrill & Co., Rochester; Mangels, Herold Co., Baltimore (King syrup), thru Buddemeier Co., Baltimore; Dusorb Co., Shenandoah, Ia. (Dusorb cleaner), thru Ayres & Assoc., Lincoln, Neb.; Griffin Grocery Co., Muskegoe (Griffin's coffee & tea), thru R. J. Potts-Calkins & Holden, Kansas City; Sunnyvale Packing Co., Sunnyvale, Cal. (Aunt Penny's White Sauce), thru Young & Rubicam, San Francisco; L. Sonneborn Sons, N. Y. (Amalie oil), thru Humbert & Jones, N. Y.; Brown Shoe Co., Robin Hood div., St. Louis, thru Leo Burnett Co., Chicago; Maryland Pharmaceutical Co., Baltimore (Rem cough medicine), thru Joseph Katz Co., Baltimore; Peter Hand Brewing Co., Chicago, thru BBDO; Wyler & Co., Chicago (packaged soups), thru Schwimmer & Scott, Chicago; Fradelis Frozen Food Corp., Los Angeles, thru Mogge Privett Inc., Los Angeles.

CBS-TV's "Six Plan," announced this week, gives advertisers a 25% volume discount for each 6 announcements a week in time classifications other than AA or A on any of its 4 owned stations (WCBS-TV, WBBM-TV, WXIX, KNXT). First advertisers to use plan are Florida Citrus Commission, thru Benton & Bowles, and Toni Co., thru Weiss & Geller, Chicago.

Chicago's radio WMAQ (NBC-owned) to use special closed-circuit telecast at noon Aug. 17 for sales presentation to key agencies & prospective clients in Chicago & N. Y. on its round-the-clock program schedule. Kine will be made and will be available for subsequent use by agency & client representatives in other cities.

**Network Accounts:** NBC-TV will cancel one regularly-scheduled commercial program per month in prime evening time starting this fall in order to present series of hour-long filmed public affairs programs depicting outstanding events of recent history. Network says new series, to be presented monthly at irregular times, is open to commercial sponsorship, but will go on sustaining if necessary. Cost of each show is estimated at about \$125,000. First will be *Nightmare in Red*, depicting rise of Communism, tentatively scheduled Thu. Nov. 3, 8-9 p.m. Other films include *Rise and Fall of a Dictator*, story of Adolf Hitler; *The Jazz Age*, covering period from end of World War I to Wall St. crash in 1929; *Rebirth of Freedom*, story about Austria pegged to reopening of Vienna State Opera in Nov.; repeat of prize-winning *Three, Two, One—Zero*, documentary on atomic energy. Henry Salomon, who produced *Victory at Sea*, heads project . . . General Motors buys Tue. 10:30-11 p.m. time period on CBS-TV relinquished by Alcoa, for undisclosed program, thru Kudner . . . Procter & Gamble to sponsor *It's Always Jan* on CBS-TV starting Sept. 10, Sat. 9:30-10 p.m., thru Compton Adv. . . General Foods (Post cereals) to sponsor *Fury*, new TPA film series derived from classic "Black Beauty," on NBC-TV starting Oct. 15, Sat. 11-11:30 a.m., thru Benton & Bowles . . . Chesterfields to sponsor TV version of its CBS Radio series, *Gunsmoke*, on CBS-TV starting Sept. 10, Sat. 10-10:30 p.m., thru Cunningham & Walsh . . . Revlon to sponsor its highly-popular *\$64,000 Question* on CBS Radio as well, simulcasts to start in fall . . . General Mills to sponsor *Tales of the Texas Rangers* on CBS-TV starting Sept. 3, Sat. 11:30-noon, thru Tatham-Laird, Chicago . . . Old Golds to sponsor *Truth or Consequences* on NBC-TV starting Aug. 16, Tue. 10-10:30 p.m., moving to Fri. 8-8:30 p.m. starting Sept. 30, thru Lennen & Newell . . . Swift & Co. to sponsor *White Mane* as replacement for *Horace Heidt Show* on NBC-TV starting in fall, Sat. 7:30-8 p.m., thru J. Walter Thompson . . . S.O.S. Cleanser & Mattel Inc. (toys) to share Wed. 5:30-5:45 p.m. segment weekly on *Mickey Mouse Club* on ABC-TV starting in fall, Mon.-thru-Fri. 5-6 p.m., thru McCann-Erickson . . . Chrysler buys half of Canadian football schedule on CBC-TV this fall, thru BBDO . . . Arlene Francis to conduct new interview program, *The World at Home*, on NBC-TV starting Aug. 22, Mon.-thru-Fri. 10:45-11 a.m., immediately preceding her *Home* show.

NBC-TV released results of survey, conducted for it by Psychological Corp., showing that housewives ranked Arlene Francis' *Home* (Mon.-thru-Fri. 11 a.m.-noon) second only to the magazine *Better Homes & Gardens* as a source of homemaking information. Nationwide study of 5000 women, titled "Home on the Brain," showed they ranked information sources in this order: *Better Homes & Gardens*, *Home*, *Good Housekeeping*, *Ladies' Home Journal*, *McCall's*, *Woman's Home Companion*, *American Home*, *Arthur Godfrey Time* (CBS-TV), *The Big Payoff* (NBC-TV), *Woman's Day*. NBC research & planning director Hugh M. Beville Jr. said results were especially gratifying as *Home* had been on air less than year when survey was conducted in Feb.

WDSM-TV, Duluth-Superior (Ch. 6), controlled by Ridder publishing interests, who also control WCCO-TV, Minneapolis (Ch. 4), will switch basic affiliation from CBS to NBC "in the near future," according to Harry Bannister, NBC station relations v.p. Present NBC affiliate, KDAL-TV (Ch. 3), will join CBS. WDSM-TV contract with CBS-TV runs to Jan. 31, 1956. Minneapolis station presumably remains with CBS, which once owned 47% interest that was purchased last year for \$3,950,000 by Cowles' Minneapolis Star & Tribune Co. (Vol. 10:45).

**Telecasting Notes:** Movie majors' entry into TV drew bitter blast this week from chairman Frederick W. Ziv of leading TV film producer-syndicator Ziv Television Programs Inc.—in marked contrast to the “sweetness & light” with which other TV film outfits have “welcomed” the movie moguls into TV. “The production of TV film,” said Ziv, “can only be a by-product activity of these great theatrical motion picture producers—by-product loaded with free advertising for their movies at the expense of sponsors and TV stations” . . . “Who are these men,” asked Ziv, “who now talk of embracing this exciting new medium which has already learned to make most effective use of their basic product—film—without their help? They are the men who a few short years ago were consumed with fear and confusion as they sought to meet the competitive challenge when TV’s home audience impact began to be felt at their theatre boxoffices. What new ideas emerged from their crisis? Meet the decreasing boxoffice grosses with lower and lower budgets. Depreciate quality to get costs down. Reduce staff” . . . Movie industry’s recovery, Ziv said, came only with the realization that top quality product was the answer, using “budgets running into the millions; with boxoffice star names, writers and directors. Yet these are not the stars, writers and directors they plan to use in their TV programs. These people must be reserved for feature picture production” . . . Ziv will spend \$650,000 this year for advertising, promotion, research & merchandising, 37% increase over last year . . . Network interest in feature films (Vol. 11:32) intensified by availability of General Teleradio’s RKO backlog; all 3 networks reported bidding for some of the oldies. Teleradio says its first RKO features will be released to TV “within the next few months” . . . Out to acquire still more films, General Teleradio is negotiating for huge library of J. Arthur Rank’s British short subjects, including 30-40 color cartoons . . . “Million Peso Movie”: Teleradio’s 26-film Bank of America package now in foreign syndication—Goar Mestre’s CMQ, Havana, acquiring rights for Cuba

Television Bureau of Advertising hit back this week at claims of Hearst Advertising Service that 174 advertisers have dropped out of network TV since 1953. Gordon A. Hellman, TvB station relations director, commented to us that as long as the grand total of network advertisers showed increase each year, TV industry would stand on its record. Quoting PIB figures, he said network TV had 52 advertisers in first quarter of 1949, 102 in first quarter of 1950, 169 in 1951, 177 in 1952, 168 in 1953, 214 in 1954 & 236 in first quarter of 1955. The Hearst compilation, as published with gleeful editorial comment in Aug. 6 *Editor & Publisher*, was accompanied by some biting comments from Hearst research director Frank LaRose, who said: “These advertisers tried TV to the tune of \$42,676,117 in time costs alone. A conservative estimate of 80% of time costs for talent and production would boost this investment to a whopping \$76,817,000—an investment which apparently was a faulty one, one without satisfactory return . . . We have shown in previous *TV Facts* bulletins [published by Hearst] that TV is not the perfect infallible medium; that it does not deliver a captive audience; and that many advertisers have tried TV and found it wanting . . . TV guarantees nothing per se. TV is possibly the most speculative medium in the advertising world.” Note: Hearst interests own WBAL-TV, Baltimore & WISN-TV, Milwaukee.

**Prodigious volume:** *Radio-Television Daily’s* 188-p. “Shows” edition Aug. 10, listing some 1800 TV-radio program ideas with guide to producers-distributors. There’s also symposium on TV programming by agency topkicks, a survey of telecasters ideas, with summaries of shows reported by various stations.

and Puerto Rico . . . First sale of ABC Film Syndication’s 15 J. Arthur Rank films (Vol. 11:31) was to New York’s WCBS-TV, which reportedly outbid WOR-TV & WPIX with offer of \$100,000 for unlimited runs over 3 years, beginning in Nov. . . . **Ambitious TV film project:** Independent movie producer Joseph Kaufman has acquired world TV rights to 104 top French plays of all time from Societe des Auteurs et Compositeurs Dramatiques, says he’ll produce at least 26 color film shows per year, 60 & 90-min. in length, shooting in Paris, New York & Hollywood, first group to be ready for distribution by winter. He plans to produce all 104 in 4 years . . . Eddie Cantor seeking release from his contract with Ziv which provides for 39 more half-hour films besides 39 already completed; though he owns 50% of his Ziv TV & radio shows, he says the activity is “just too much for me” . . . “The announcer, once thought of as the lowest of the low in broadcasting,” writes Leon Morse in Aug. 13 *Billboard*, “has risen to a position of eminence and financial security in TV second only to the top stars. In most cases, top video announcers make more money than most of the men who employ them”; “the class group” among announcers grosses \$150,000-\$200,000 a year, and “the day is not far away when they will be earning \$250,000 each year.” In top category are Rex Marshall, Nelson Case, Bob Dixon, Ed Herlihy, Dick Stark. Betty Furness’ income from her Westinghouse shows is estimated at \$100,000 yearly . . . First spectacular to spawn a hit song may be NBC-TV’s upcoming *The King & Mrs. Candle* Aug. 22; RCA released recordings considerably in advance of the show, and one song, *Young Ideas*, is getting heavy play by disc jockeys . . . Irving Mansfield, producer of *This Is Show Business* and *Jane Froman Show*, among others, has returned to CBS-TV as a producer . . . NBC Hollywood staff orchestra increased from 25 to 45, will be used on transcontinental shows for first time; new salary scale hikes musicians from \$145.48 to \$200.76 per 4-hour, 5-day work week, from \$145.48 to \$242 for 5-hour, 5-day week.

**Network radio in transition:** NBC topkicks are considering plan to adapt format of commercially successful weekend radio series *Monitor* to weekdays 10 a.m.-5 p.m. Decision won’t be reached until fall, when it will be submitted to affiliates, but there’s lots of sentiment for give-weekday radio the same commercial shot in arm that the segmented *Monitor*, with its partic. sponsors, gives weekend radio. Possibility is that a modification, with perhaps 2 hours a day of *Monitor*-type programs as a start, might be worked out by fall. Meanwhile, ABC Radio comes up with its own weekend radio service. Called *It’s Time*, program will comprise 18 five-min. dramatic news programs each weekend, to be produced by *Time Magazine* & ABC Radio starting Aug. 20. ABC said “the new program will deal only rarely with top headline news but will often provide background anecdotes on major news stories and personalities.”

“Formula” for ending week-long strike by Screen Actors Guild against TV film producers (Vol. 11:32) was announced jointly Aug. 12 by SAG and employer groups, Assn. of Motion Picture Producers and Alliance of TV Film Producers. Terms of settlement weren’t disclosed, pending approval by producers’ boards and SAG membership, but it was generally agreed that producers had yielded to a certain extent to actors’ demands for extra payments for each re-run of film, plus increase in salary minimums. About 200 producers were closed down by strike.

NBC pres. Sylvester L. (Pat) Weaver Jr. appears on *Home* Aug. 19 (11 a.m.-noon) to discuss fall program schedule, especially new dramatic series, *NBC Matinee Theatre*, Mon.-thru-Fri. 3-4 p.m. (formerly *Matinee*).

**Personal Notes:** Charles L. Glett, who quit as CBS v.p. to take charge of RKO studio operation after sale to General Teleradio, elected exec. v.p. of the producing company as well as board member under pres. Daniel T. O'Shea, who also resigned as CBS v.p. recently . . . Emanuel Sacks, RCA corporate v.p., and Albert S. Waters, v.p. & operations mgr., RCA International, left Sept. 11 on business tour of Europe . . . Glenn Marshall Jr., pres. and gen. mgr. of WMBR-TV & WMBR, Jacksonville, elected a director of Washington Post Co., parent company . . . Fred N. Dodge, ex-NBC merchandising director, opens own market consultant office, 115 Central Park West, N. Y. (Trafalgar 4-1907) . . . Albert G. Hartigan promoted to program mgr. of WPIX, N. Y. . . Arthur C. Schofield, Storer director of adv. & promotion, transferred from N. Y. office to Miami Beach headquarters; Mrs. Vonne Monsell, editor of *Storer Story*, house organ, also transferred to Miami Beach . . . George Diefenderfer Jr. has been named director of national sales service, WISH-TV & WISH, Indianapolis, and not sales mgr., as erroneously reported last week; Robert F. Ohleyer is stations' sales mgr. . . Morris Novik, consultant specializing in labor radio problems, elected pres. of radio WOV, N. Y., whose controlling interest he recently purchased from Richard O'Dea; Ralph N. Weil re-elected exec. v.p., Arnold Hartley program v.p. . . Larry Stevens resigns as local sales mgr., KGMB-TV, Honolulu, to open own ad agency at 835 Keeamoku St. . . Newell T. Schwin named sales development mgr., CBS Radio spot sales . . . Tom Myers promoted to program mgr., KPTV, Portland, Ore. . . Frank A. Tessin, ex-Headley-Reed, joins San Francisco office of rep Free & Peters . . . Clifford M. Kirtland Jr. named business mgr., WGR-TV & WGR, Buffalo . . . Roger D. Rice named Seattle mgr., Wm. Rambo Tacoma mgr. of KTVW, Tacoma . . . Tom P. Hawley, ex-CBS & WATV, Newark, named sales mgr. of Princeton Film Center Inc., headquartering in N. Y. . . Walter L. Dennis, ex-gen. mgr. of WJNO-TV, Palm Beach, named sales director of management consultants Telerad Inc., Pueblo, Colo. . . H. Quenton Cox, KQFM, Portland, Ore., named chairman of NARTB's FM committee, succeeding Ben Strouse, WWDC-FM, Washington . . . Jon E. Arden named merchandising director, WTVJ, Miami . . . Myron P. Kirk, TV-radio v.p., elected a senior v.p. of Kudner Agency . . . Dr. Gerhart D. Wiebe, CBS Radio research psychologist since 1946, named asst. to Frank Stanton, pres. of CBS Inc. . . Robt. Grebe, ex-MBS, named ABC trade news editor, succeeding Al Seton, now asst. mgr. of publicity . . . Stuart Novins relinquishes duties as CBS associate director of public affairs to become moderator of *Face the Nation* on TV and *The Leading Question* on radio.

Week's junket to England to see how *The Adventures of Robin Hood* series is produced has invitation list of 66 editors from as many newspapers in as many cities where the CBS-TV & CBC-TV show will be carried starting Sept. 19 under co-sponsorship of Wildroot (BBDO) and Johnson & Johnson (Young & Rubicam). They leave on chartered plane Aug. 30, headquartering at London's new American-owned Westbury Hotel. Sapphire Films Ltd. is shooting the series at Nettlefold Studios, Walton-on-Thames, with Official Films as U. S. distributor. Sapphire is controlled by Prince Litler, a principal in Incorporated TV Programs Co. Ltd., London.

George Frey, NBC-TV sales v.p. and one of the industry's top golfers, scored a 32 on back 9 of Greenbrier course during recent drug convention there, beating score of Sam Snead, who was in foursome just ahead and carded 33—on his own course. Frey's score for the 18 holes was 67.

George Angus Burns, 58, editor of CBC house organ *Radio* and an ex-CBC news editor, died in Ottawa Aug. 7.

**SUCCESS of the Storer, Consolidated (Bitner)** and Gross stock issues has led to organization of Dolph-Petty Broadcasting Co. as "a vehicle for acquisition of radio and TV stations and application of management in such a manner as to increase their value after which they may be sold or traded for other stations with greater potentials."

Public offering of stock & debentures is due shortly after Labor Day, through Cruttenden & Co. and Saunders, Stiver & Co. They will underwrite sale of \$300,000 in twelve-year 6% debentures together with 30,000 shares of 10¢ par common stock to be sold as units, each unit consisting of a \$1000 bond and 100 shares of common, to be sold at \$1000 per unit. After expenses and underwriting discounts, net proceeds to the company would be about \$266,000.

In addition, \$127,500 of 5½% preferred stock (\$100 par), 12,750 shares of common stock and \$19,125 cash will be exchanged for 42½% of the common stock of Pacific Frontier Bestg. Co., Honolulu, owner of KULA-TV (Ch. 4) and radio KULA. Also, 95,500 shares of Class B common will be sold for cash at 10¢ per share, of which 70,000 will go to directors William Dolph and Herbert Petty, 8500 shares each to the 2 underwriters, 8500 also to Reynolds & Co., which will also be represented on the board.

Besides acquiring the interest in the Honolulu stations, whose holding company is 40% owned by KJBS, San Francisco, in which Dolph & Petty have one-third interest, and 42% by American Broadcasting Stations Inc. (WMT-TV & WMT, Cedar Rapids, Ia.), of which Dolph is pres. and 29% stockholder), company also will acquire radio KMYR, Denver (250 watts, 1420 kc, holding CP for 5 kw, 710 kc) for which \$155,000 purchase contract has been signed.

Honolulu company's net worth was \$97,733 at end of 1954, earned profit of \$35,328 after taxes and depreciation in 1953; in April 1954 its TV station began operating, showing loss in first 6 months of \$41,111. In Jan. 1955 the TV lost \$16,000, but by May showed profit of \$1000 after depreciation at rate of \$5000 a month; Dolph & Petty, according to preliminary prospectus, believe the station can be expected to show a net profit of about \$100,000 a year after taxes "within a reasonable period of time." They also expect to sell KULA eventually.

KMYR would be operated as a "sweet music station" along lines of KJBS, San Francisco (average earnings: \$180,000 a year for last 10 years) with Alfred V. Crapsey, ex-KOA, Denver, recently with NBC, San Francisco, as mgr. KMYR lost \$11,374 in 1954, earned \$4409 in 1953, earned \$14,641 in 1952. With expenses of present ownership removed—amounting to \$32,000 in 1954, \$48,000 in 1953, \$41,000 in 1952—prospectus says these earnings can be built up to approximately \$100,000 per year before taxes or \$50,000 after taxes.

Dolph started in radio as mgr. of WOL, Washington, which was later swapped for WMT, Cedar Rapids; he developed the radio program *Double or Nothing*, has agented other programs, is still agent for Fulton Lewis Jr. Petty, his brother-in-law, was original secy. in 1934 of the Federal Communications Commission, later was radio director for MGM, managing its WHN, New York (now WMGM). In 1944, Dolph & Petty formed syndicate to buy KJBS; in 1941 they bought into WEMP, Milwaukee.

Executives Radio-TV Service, Larchmont, N. Y. (James M. Boerst) has published new edition of its semi-annual *Time Buyers Register*, listing more than 2000 of them and 6000 accounts.



**F**ARM TV SET counts for Colorado and Minnesota were tabulated this week by Census Bureau as part of its Oct.-Nov. 1954 Census of Agriculture. Based on 20% sample, Minnesota was shown to have TVs on 55,045 of its 165,225 farms, or one-third. In Colorado, 11,101 of 40,749 farms—or slightly over 27%—are TV-equipped. Minnesota has stations in Minneapolis-St. Paul, Austin, Rochester & Duluth-Superior, also views out-of-state TV stations from Fargo, N. D., and Sioux, S. D. Colorado's stations are in Denver, Colorado Springs, Pueblo & Grand Junction, with Cheyenne, Wyo. also receivable across border.

**COLORADO**

County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Adams	1,286	843	La Plata	833	24
Alamosa	398	19	Larimer	1,521	913
Arapahoe	674	390	Las Animas	818	49
Archuleta	225	1	Lincoln	656	160
Baca	934	41	Logan	1,327	206
Bent	575	66	Mesa	2,443	414
Boulder	990	625	Mineral	20	—
Chaffee	199	34	Moffat	329	1
Cheyenne	434	16	Montezuma	941	20
Clear Creek	14	6	Montrose	1,316	90
Conejos	732	53	Morgan	1,370	745
Costilla	380	12	Otero	955	293
Crowley	442	155	Ouray	118	1
Custer	171	33	Park	159	12
Delta	1,416	94	Phillips	560	35
Denver	107	66	Pitkin	82	—
Dolores	203	—	Prowers	904	21
Douglas	350	152	Pueblo	1,037	564
Eagle	179	3	Rio Blanco	228	—
Elbert	733	300	Rio Grande	534	—
El Paso	897	328	Routt	531	13
Fremont	883	245	Saguache	302	9
Garfield	677	7	San Juan	0	—
Giipin	17	7	San Miguel	112	10
Grand	191	20	Sedgwick	417	16
Gunnison	221	—	Summit	36	1
Hinsdale	40	—	Teller	95	11
Huerfano	353	34	Washington	1,162	262
Jackson	112	18	Weld	4,087	2,773
Jefferson	1,171	752	Yuma	1,307	63
Kiowa	443	57			
Kit Carson	1,085	16			
Lake	17	2			
			State Total	40,749	11,101

**MINNESOTA**

Aitkin	1,805	332	Martin	2,504	856
Anoka	1,194	783	Meeker	2,263	1,131
Becker	2,613	453	Millie Lacs	1,725	678
Beltrami	1,676	80	Morrison	2,845	558
Benton	1,395	461	Mower	2,585	1,249
Big Stone	983	91	Murray	2,003	451
Blue Earth	2,784	1,552	Nicolet	1,483	786
Brown	1,976	844	Nobles	2,206	667
Carlton	1,630	610	Norman	1,711	585
Carver	1,875	1,156	Olmsted	2,264	958
Cass	1,487	176	Otter Tail	5,894	931
Chippewa	1,629	326	Pennington	1,152	56
Chisago	1,618	965	Pine	2,452	792
Clay	1,938	979	Pipestone	1,307	414
Clearwater	1,305	46	Poik	3,660	554
Cook	34	—	Pope	1,731	282
Cottonwood	1,959	536	Ramsey	454	390
Crow Wing	1,283	245	Red Lake	851	65
Dakota	1,839	1,427	Redwood	2,597	840
Dodge	1,691	996	Renville	3,040	1,285
Douglas	2,283	300	Rice	2,197	1,365
Faribault	2,388	863	Rock	1,404	617
Fillmore	2,779	854	Roseau	2,132	53
Freeborn	2,910	1,300	St. Louis	3,568	900
Goodhue	2,698	1,491	Scott	1,471	991
Grant	1,286	146	Sherburne	1,009	548
Hennepin	2,534	1,793	Sibley	2,142	1,250
Houston	1,619	220	Stearns	4,308	1,442
Hubbard	1,095	60	Steele	1,837	987
Isanti	1,470	721	Stevens	1,233	110
Itasca	1,714	165	Swift	1,723	366
Jackson	2,254	516	Todd	3,293	505
Kanabec	1,381	661	Traverse	1,012	149
Kandiyohi	2,540	866	Wabasha	1,545	651
Kittson	1,290	42	Wadena	1,333	140
Koochiching	903	30	Waseca	1,625	784
Lac qui Parle	1,970	281	Washington	1,514	1,070
Lake	152	46	Watsonwan	1,421	503
Lake of the Woods	632	5	Wilkin	1,183	477
Le Sueur	1,863	1,095	Winona	1,787	520
Lincoln	1,514	197	Wright	3,177	1,910
Lyon	1,911	373	Yellow		
McLeod	2,299	1,317	Medicine	2,103	374
Mahnomen	850	175			
Marshall	2,382	230			
			State Total	165,225	55,045

Note: Previously published tabulations—Nev., N. H., Vt. (Vol. 11:28); Wyo. (Vol. 11:29); N. D. (Vol. 11:30); Ida., Utah (Vol. 11:31); Mont., S. D. (Vol. 11:32).

**O**RLANDO'S Ch. 9 should go to WORZ, over WLOF, examiner Basil P. Cooper recommended in week's sole initial decision. He found that WORZ had better local ownership-management integration, superior broadcast history, more adequate technical facilities. In addition, he held that principals of WLOF sought to deceive FCC in connection with a letter calling Commission's attention to disbarment proceedings against onetime WORZ principal Wm. O. Murrell Sr.

Favored applicant is controlled by Naomi Murrell, her son, daughter & son-in-law. WLOF is controlled by Joseph L. Brechner and John W. Kluge, principals of WGAY, Silver Spring, Md. Kluge is also majority owner of AMs KXLW, Clayton, Mo.; WILY, Pittsburgh; WKDA, Nashville. He's selling WTRX, Bellaire, O.

Seeking to forestall shutting down WVET-TV & WHEC-TV, Rochester, N. Y., FCC asked Court of Appeals for "stay of mandate" pending consideration of appeal to Supreme Court. Court of Appeals decision on protest of WSAY, Rochester (Vol. 11:31) forces FCC to take stations off air unless court grants stay.

In allocations, WLBE, Leesburg, Fla. asks shift of Ch. 7 from Jacksonville, while Video Independent Theatres, Oklahoma City, seeks to get Ch. 8 moved from Woodward to Elk City, Okla., substituting Ch. 35 for it.

Also related to allocations, Richmond's WTVR asked FCC to issue cease-&-desist order to stop WXEX-TV, Petersburg, from identifying itself primarily with Richmond.

Power hikes for 18 stations in Zone I, permitted by new rules effective Aug. 31 (Vol. 11:30), will take varying degrees of time to accomplish. Some involve only a few kw, will require little more than twist of knobs after FCC approval. Others may require new transmitters and/or antennas. Consulting engineer Dr. Frank Kear, coordinating New York's 7 stations for Empire State Bldg. management, estimates it will take up to 2 years for some to achieve increases. CBS & NBC have additional problems because their purchases of WGTH-TV, Hartford (Ch. 18) and WKNB-TV, New Britain (Ch. 30), respectively, are already being challenged because of alleged overlap with N. Y. stations. Some stations aren't in any hurry to increase power, feeling that additional coverage is insufficient to warrant equipment expenditures.

Arguing community antennas vs. boosters, Jerrold pres. Milton Shapp wrote Senate Commerce Committee Chairman Magnuson (D-Wash.) and FCC Chairman McConnaughey, comparing the 2 methods. Magnuson has been pressuring FCC to legalize clandestine boosters still operating in Washington and neighboring states (Vol. 11:24). CATV systems, Shapp said, offer superior pictures, choice of programs, present no interference problems. Some \$4,000,000 is invested in CATV in Northwest, he stated. He added that booster operators are seeking to mislead Commission as to cost of boosters; they run \$5-\$25,000 per channel, he said, as against \$1000 claimed by booster proponents.

Very low-powered vhf co-channel boosters are sufficient to serve small towns, KXLV-TV, Butte, Mont. (Ch. 6) told FCC this week. Reporting results of experiments in Anaconda, owner E. B. Craney stated that booster is "adequate to re-direct and boost a fully usable TV signal from a favorable location to an entire town the size of Anaconda, i.e., 12,000 population, located in an unfavorable location." Equipment used: two T372 transformers, one Jerrold 401A-6 pre-amplifier with 404P remote power supply, one Ampli-Vision AGC 300-6 amplifier with regulated power supply, 250 ft. of RG57U cable.

Licensed TV sets in Britain increased 52,505 in June to total of 4,676,422.

**FT. WORTH & RICHMOND** areas got their second vhf stations this week, and vhf satellite began testing in Scottsbluff, Neb.—bringing to 441 the on-air total, 106 of them uhf. New Petersburg-Richmond outlet becomes basic NBC; one in Ft. Worth will be independent.

WXEX-TV (Ch. 8), authorized for Petersburg, Va., but with offices in nearby Richmond, started test patterns at midnight Aug. 11, goes on full schedule with NBC interconnection Aug. 15. It has 50-kw RCA transmitter, 978-ft. Stainless tower at site about 12 mi. south of Richmond. President is Tom Tinsley Jr., who operates radios WLEE, Richmond & WITH, Baltimore, holding CP for WITH-TV (Ch. 72). Irving Abeloff, from WLEE, is v.p., managing director & national sales mgr.; George Oliviere, ex-WTAR-TV, Norfolk, local sales mgr.; Charles E. Seward, ex-WBTW, Charlotte, operations mgr.; James L. Dodd Jr., ex-WLWA, Atlanta, program director; John Costello, ex-DuMont, NBC & WPIX, chief engineer. Base rate is \$750. Rep is Forjoe.

New Ft. Worth station is KFJZ-TV (Ch. 11), which started testing Aug. 9, goes on commercial schedule Sept. 11. According to v.p.-gen. mgr. Charles B. Jordan, \$750,000 in local business is already on the books and \$1,000,000 expected by commercial target date. Veteran broadcaster Jordan, ex-aide to grantee Texas State Network's pres. Gene L. Cagle, has been succeeded at TSN by Stan H. Wilson, will devote full time to TV.

KFJZ-TV uses 20-kw GE transmitter with 12-bay antenna on 1074-ft. tower, is radiating 210-kw ERP. Executive staff comprises Dale Drake, from radio KFJZ, national sales mgr.; John Hopkins, also ex-KFJZ, commercial mgr.; Buck Long, ex-KFDA-TV, Amarillo, onetime WFAA-TV, Dallas, program & operations mgr.; Joseph B. Haigh, chief engineer. Base rate is \$600. Rep is H-R Television Inc. Same interests (noted oilman Sid W. Richardson is 62% owner of TSN) also operate KFDA-TV, Amarillo (Ch. 10) and have various radio station interests.

Third newcomer is long-delayed KSTF, Scottsbluff, Neb. (Ch. 10) which ends current test patterns with programming starting Aug. 21 as satellite of KFBC-TV, Cheyenne, Wyo. (Ch. 5). It has 2-kw RCA transmitter, 6-bay antenna on 120-ft. tower on Abrupt Peak, 10 mi. north of Scottsbluff, 79 mi. northeast of Cheyenne. It's second such satellite to get under way, first having been KEPR-TV, Pasco, Wash. (Ch. 19), operated in conjunction with KIMA-TV, Yakima (Ch. 29). KSTF & KFBC-TV will be sold in combination at \$150 rate. Rep for both is Hollingbery.

**Equipment shipments:** From RCA—25-kw transmitter Aug. 10 to KARD-TV, Wichita (Ch. 3), due on air Aug. 25; 10-kw Aug. 11 to KONA, Honolulu, due to shift to Ch. 2 from Ch. 11; 1-kw Aug. 6 to WCOV-TV, Montgomery, Ala. (Ch. 20) to replace equipment damaged by fire last week (Vol. 11:32). From GE—5-bay antenna to WCTV, Thomasville, Ga. (Ch. 6), with Sept. 1 target. From DuMont—50-kw amplifier to KDUB-TV, Lubbock, Tex. (Ch. 13). DuMont reports order from WITI-TV, Milwaukee (Ch. 6), due on air next winter, for 25-kw transmitter, 6-bay antenna, studio terminal and complete color equipment, for delivery by Sept. 1; also, order from WTVD, Durham, N. C. (Ch. 11) for 50-kw amplifier, delivery by Aug. 15.

WNAO-TV, Raleigh, N. C. (Ch. 28) now completing new large modern TV-radio center at 2128 Western Blvd., which includes studio seating nearly 1000. It plans to install live color equipment late this fall.

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

WAGE-TV, Marquette, Mich. (Ch. 6) is aiming for Dec. 1 start, reports new owner Frank J. Russell, publisher of *Marquette Mining Journal* (WDMJ), which recently acquired CP for \$20,000 from Jerome Sill & Herbert R. Herzberg (Vol. 11:31). RCA equipment has been ordered for delivery in 90 days. Microwave connection with WBAY-TV, Green Bay, Wis. CBS affiliate, is proposed—stations to be sold in combination, but WAGE-TV won't be a satellite, according to Russell. Bids are now out for buildings, including microwave houses. Rep will be Weed.

WITI-TV, Glendale, Wis. (Ch. 6), planned as Milwaukee area outlet, hopes to be on air by next Feb. 1, reports pres. Jack Kahn. DuMont transmitter and 963-ft. Kimco tower have been ordered. Architects are now working on building plans and bids will be asked in about two weeks. Soren Munkhof, ex-WISN-TV, Milwaukee, WREX-TV, Rockford, Ill. & WOW-TV, Omaha, has been named gen. mgr., with Milwaukee engineering consultant Daniel Gellerup as chief engineer. H-R Television will be rep.

WITN, Washington, N. C. (Ch. 7) had 350-ft. of 821-ft. Stainless tower built when hurricane Connie stopped work, reports pres.-gen. mgr. W. R. Roberson Jr. However, construction is far enough along so that station plans Sept. 1 test patterns, expects to meet Sept. 26 target for NBC affiliation. Nearest other TV is WNCT, Greenville (Ch. 9), 18-mi. away, other outlets are 90 or more mi. Transmitter house near Grifton is ready for 20-kw GE unit due next week and Alford 100-ft. antenna also is en route. This week, Roberson family filed application to take over control (see below). WITN ownership interlocks with local radio WRRF and WELS, Kinston, N. C. T. H. Patterson, WRRF gen. mgr., is being promoted to commercial mgr. of WITN; radio's chief engineer, L. E. Hiland will be WITN chief engineer; Hal Wilson, production mgr. Base hour will be \$325. Rep will be Headley-Reed.

KRBB, El Dorado, Ark. (Ch. 10) plans fall start, having signed NBC affiliation, reports 1/3 owner-gen. mgr. Wm. M. Bigley. It has transmitter house ready for installation of 5-kw RCA unit purchased from Terre Haute's WTHI-TV (Ch. 10), already has installed 6-bay RCA antenna on 600-ft. Skyline tower, 5 mi. south of town. KRBB owners control radio KVMA, Magnolia, Ark., have appointed Carroll Blewster chief engineer for TV. El Dorado is near southern border, over 100 mi. from Little Rock, nearest TV stations being KNOE-TV, Monroe, La. (Ch. 8), 59-mi., and KSLA, Shreveport (Ch. 12), 81 mi. Base hour will be \$200. Rep will be Pearson.

**Control of upcoming WITN, Washington, N. C. (Ch. 7),** due in Sept., is being acquired by W. R. Roberson family through purchase of 12,184 shares held by W. H. Anderson and R. M. Fountain (25.38% each). Each is being paid \$60,920 plus \$5,000 for expenses. Anderson controls WVOT, Wilson, N. C., has 20% of WGTC, Greenville. Fountain owns 37% of WCPS, Tarboro, N. C. After sale is approved, W. R. Roberson Sr. will hold 11.72%; W. R. Roberson Jr., 17.45%; J. P. Roberson, 15.84%; Hannah R. Bagwell (daughter), 15.84%—to bring family holdings to 67.82%, when minority interests by other family members are included. Also increasing holdings (from 17% to 25.31%) is Wm. S. Page (not related), who also controls radio WELS, Kinston, N. C.

Slowly catching up, Govt. Printing Office now offers Vol. 13 of FCC Reports covering Commission decisions and reports July 1, 1948-June 30, 1949. It's 1329-p., costs \$4.25. Vol. 12 came out Feb. 1951.

**JULY'S OOMPH ACCELERATES INTO AUGUST:** Though it's been characterized as a "deal" market, in which liquidations and close-out sales abound, current TV unit sales pace is astonishingly high. Official Aug. sales data is not yet available, but almost all manufacturers report a sales upbeat continuing into this month which indicates that fall buying by consumers has already begun in earnest.

July was an extremely good month in unit sales, perhaps best July in TV's history. Preliminary reports indicate the amazing total of about 400,000 TVs sold at retail in a month which normally sees retail sales at their lowest point. That means retail sales were at a going rate of 7,500,000 a year, adjusted for seasonal differences. Last year's 7,300,000 retail sales set a record.

Sharp production cutbacks accompanied high retail sales, largely as result of plant shutdowns. TV output was estimated at mere 335,000, lowest of year, and happy result was that excessive inventories were worked off smoothly. As of Aug. 1, inventories were down to 2,400,000 at all levels, characterized by one trade expert as "higher than a year ago but not too high in proportion to going rate of sales."

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Emerson and Trav-Ler raised TV prices by \$10 this week, joining Admiral in announcing increases -- and there seems little doubt now there will be industry-wide price hikes by fall. Increased costs appear to make it imperative for manufacturers to raise prices, though competitive factors might make it difficult in some cases.

"Metal components, especially those made of copper and steel, have increased as much as 10% to 20% in recent days," explained Emerson's Benj. Abrams. And this week American Metal Co. Ltd. raised price of selenium to domestic consumers from \$7 to \$10 per pound as result of higher prices being paid overseas, as well as because of stronger demand here and in Europe. The shortage of selenium rectifiers is already starting to pinch many TV manufacturers (Vol. 11:31-32).

Prospect of early end to copper strike, which has contributed greatly to the rise in cost of components, brightened with agreement Aug. 12 between Kennecott Copper Corp., one of the biggest producers, and 8 unions. The Kennecott strike alone was estimated to have cut off about 130,000,000 lbs., or one-third of the domestic copper supply, since strike began July 1.

Brief highlights of other major trade developments this week:

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**Regional TV Lines?** Idea of designing some TV sets for exclusive marketing in certain geographic areas is beginning to catch on. Motorola, Capehart-Farnsworth & Westinghouse have announced they're now designing and marketing special "California-style" TV sets exclusively on west coast. RCA and Admiral spokesmen say they do not plan to do so in foreseeable future; former says "we have a TV line with universal appeal," latter says Admiral had a few "California-style" models on market 2 years ago but didn't make much impression. Philco has a light-furniture line which can be adapted to any geographic area, said spokesman. The California models have cabinets designed on west coast in motif peculiar to local tastes. Westinghouse's Dan Halpin says company probably will have some "Texas-style" sets to meet demand in southwest area for local designs at some future date.

**Labor:** It now appears that there's no threat of guaranteed annual wage in TV industry for at least 3 years -- result of GE's settlement with IUE this week on a 5-year contract. Pact calls for average 3% wage increase, omits mention of guaranteed wage for 80-100,000 workers at GE's far flung plants. Contract cannot be re-opened for guaranteed wage talks until 1958. Since union has regarded GE as entering wedge for guaranteed wage in electronics industry, it's highly improbable it will launch another concerted drive for the clause until 1958. Meanwhile, an ad

placed by union this week in Retailing Daily, prior to signing of agreement, stirred considerable comment. It showed picture of an appliance deliveryman taking TV set away from disconsolate family with headline: "No More Howdy Doody for Johnny," -- explaining "This TV set got laid off because his dad doesn't have guaranteed employment." According to IUE pres. James B. Carey, ad was one of series intended to show that guaranteed wage would be "good for the workers, good for the company and good for the community, including thousands of appliance dealers."

**Profit Picture:** Wall Street Journal reports, as typical of American industry, that 4 selected TV-radio companies showed 19% increase in profits in second quarter over same period year ago, with 10 electrical equipment manufacturing concerns up an average 8.1%. First National City Bank of N.Y. reports profits of 24 electrical equipment makers, including TV-radio, dropped average 1% in first half from same 1954 period, despite a 5% increase in second quarter. National Credit Office Inc. reports first-quarter profit of TV-radio-electronics manufacturers up average 21% over first 3 months year ago, with sales up average 4%.

**Whirlpool Merger:** Though it's contrary to Justice Dept. policy to comment on such matters, anti-trust chief Judge Stanley N. Barnes explained this week, in reply to query by wire services, why he approved projected merger of Whirlpool and Seeger into a single corporation to be owned about 20% each by RCA and Sears (Vol. 11:29-30). He said an extensive study proved that the transaction would have no major impact on competitors in the markets involved. He said Dept. considered, but rejected, prospect that new corporation "might develop into something like the duPont and General Motors combine in the white goods line." RCA gave assurances, he said, that it would not use its position to supply Sears with TV-radio-phonos. He concluded: "We found the RCA stove line is in poor health and that both companies [RCA & Sears] are comparatively small in this field. The move will have little impact on the 11 other major producers who certainly are strong and healthy enough to buck the competition." He said there are 1648 distributors handling white goods lines and 2250 handling either white goods or TV products.

**Installment Credit:** Too much or too little? There's a poser that divides govt. experts down the middle. Federal Reserve Board conferred with representatives of sales finance companies and banks on rise of consumer credit, amid recurring reports that govt. planned new restrictions. One report, authoritative but lacking confirmation, had President Eisenhower indicating he may ask Congress for new credit controls next Jan. or earlier if a special session is called. Meanwhile, General Motors Acceptance Corp., world's largest auto finance company, urged GM dealers to tighten up on "easy credit" for car buyers. On the other side of coin, another big credit firm, C.I.T. Credit Corp., said level of installment credit isn't too high, added: "American consumers have illustrated by their outstanding record of payment on installment obligations that they are excellent credit managers and make a major contribution to our vigorous economy."

**Production:** TV output totaled 134,959 week ended Aug. 5, compared to 113,864 preceding week & 90,072 week ended July 22. It was year's 31st week and brought TV output for year to date to about 4,385,000 vs. 3,350,000 in same 1954 period. Radio production totaled 209,689 (86,356 auto) week ended Aug. 5, compared to 203,343 in preceding week and 224,866 week before. For 31 weeks, radio production was placed at 8,000,000 vs. 6,000,000 in corresponding period year ago.

**Retail Sales:** RETMA report stated, as expected, that retail TV sales in first 6 months set all-time record for period at 3,202,995, compared to 2,410,893 sold in first half of 1954. Retail sales of radios, excluding auto sets, were 2,429,018, compared to 2,410,893 sold in first half of 1954.

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Philco launched campaign to smash what it calls "the multi-million dollar racket in TV and radio tubes," by which "worn-out and discarded receiving tubes are being resold by unscrupulous concerns to the public, servicemen and dealers at tremendous profits." Racket is estimated to cost TV-radio users \$100,000,000 annually.

Company is offering, through its distributors, a 5¢ credit to all technicians & servicemen for each old tube turned in, and said "the old tube will be smashed in the presence of the serviceman." It said industry-wide adoption of its program would keep up to 30,000,000 old tubes a year out of the hands of racketeers.

**Trade Personals:** Louis Martin, ex-Standard Coil & RCA, named gen. sales mgr., Westinghouse tube div., Elmira, N. Y. . . Raymond McClintock, from Waltham headquarters, named sales mgr. of Sylvania's microwave tube lab, Mountain View, Cal. . . Edward C. Madden named Admiral director of traffic, succeeding Wm. C. Curtis, resigned; he's replaced as traffic mgr. by Thomas A. Gaudette . . . Wm. F. Hafstrom, ex-GE light military electronic equipment dept., appointed asst. to Sid Curtis, Stromberg Carlson v.p. for govt. contracts . . . Howard L. Foote named staff asst. to A. H. Bergeson, Stromberg-Carlson engineering v.p. . . Charles Robbins, ex-pres. of Emerson Chicago factory branch, named v.p. of Sonora Radio & TV Corp., Chicago, currently setting up distributor sales program . . . Ernest Kohler, ex-chief commercial engineer for GE's Ken-Rad div., ex-sales mgr. of Raytheon tube div., recently Washington rep. for Hallicrafters, now operating own sales & engineering service in Cleveland, has opened additional office at 40 Greenhouse Dr., Dayton, O., where he will headquarter . . . Donald W. Tait, ex-Raytheon, joins Bendix Aviation as supervisor of adv. & public relations for Pacific div. . . Burley T. Cram promoted to Sylvania west coast distribution service mgr., Los Angeles . . . P. Newton Cook promoted to gen. sales mgr., Chicago Standard Transformer Corp., subsidiary of Essex Wire Corp. . . Maxwell H. Sroge promoted to director of district mgr. sales, Bell & Howell (phonos), succeeding A. H. Bolt, now asst. to v.p. for western operations; Robert D. Lipson named sales promotion mgr. . . Eugene B. Lucas, ex-Jewel Radio, named eastern regional sales mgr., Wilcox-Gay Corp. & its Majestic International subsidiary . . . Noel K. Mackay, from N. Y. office, named gen. mgr. of new Webcor (Great Britain) Ltd. . . Walter J. Fitzpatrick, ex-GE, named mgr. of CBS-Hytron's So. Cal. sales district, Los Angeles; Albert J. Hatcher named tube plant mgr. at Kalamazoo, replacing Leonard A. Freeman, resigned.

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**DISTRIBUTOR NOTES:** Admiral appoints Southern Bearings & Parts Co. Inc., 500 N. College Ave., Charlotte (Fred N. Hall Jr., mgr.), replacing Major Appliance Distributors Inc. . . Raytheon appoints Birch Distributing Co., Columbus, O. . . Olympic Radio establishes factory branch, Olympic Television of Northern California Inc., 715 Bryant St., San Francisco (Dore Schwab Jr., gen. mgr.) . . . Philco Distributors Inc., N. Y., promotes Wallace Meyer to TV-radio sales mgr., assisted by Leonard Kanter; Irving Small promoted to major appliances sales mgr.—both reporting to gen. sales mgr. Robert Kelly . . . Admiral Denver factory branch appoints Harris Hesketh, from Los Angeles branch, as gen. mgr., succeeding Carl Lantz, now asst. to Clarence Tay, gen. mgr. of all branches; Admiral Distributors, Boston, names John R. Hodgens, from Albany branch, as gen. sales mgr.—his brother, Thomas J. Hodgens, takes extended leave of absence as gen. mgr. . . American Elite Inc., N. Y., agent for German Telefunken radios in U. S., appoints Thurow Distributors, Tampa; Mutual Distributors Inc., Boston; Gem Electronics Distributors Inc., Hicksville, L. I. . . Dorn's Inc., big 13-store Los Angeles TV-appliance chain, promotes merchandise mgr. Jack Pokard to v.p.

**Recommended Reading:** *Retailing Daily's* 4-article series this week on multifarious problems of distributors, based on 11-city survey.

David Kaye, 40, ex-Kaye-Halbert v.p., died Aug. 7 of heart attack. He is survived by his widow, son & 3 brothers: Harry, pres. of Kaye-Halbert; Ted, v.p. of Kaye-Halbert; Herman, ex-pres. of Caltech Electronics.

Julien M. Tuteur, 29, sales mgr. of Canadian Westinghouse TV-radio div., was killed Aug. 7 when his auto was struck by train at a crossing near Guelph, Ont.

**Topics & Trends of TV Trade:** Westinghouse sold more than 1000 TVs this week to new Hilton-Statler Hotel, opening in Dallas in Oct., in big single hotel-installation deal, amounting to more than \$200,000. Negotiated by gen. sales mgr. Dan D. Halpin, transaction is further evidence of the mushrooming market for TVs among nation's hotels and motels on which we reported fully last week (Vol. 11:32).

Of the sets sold, 802 are 21-in. table models in "Statler walnut," equipped with swivel base and called "Marseilles" model; 167 are 17-in. table models in custom-colored black, with gold trim, also on swivel base, called "Beverly"; 27 are 21-in. open-face consoles, in "Statler walnut," called "Turin"; 14 de luxe 21-in. 3-way combinations in white birch and other "antique" finishes.

All sets have Westinghouse's "Tip Top Front Tuning" and "Silver Safeguard Deep-Etched Printed Circuit" and are equipped with special silver nameplate in center bearing legend "Hilton-Statler." The Westinghouse label is printed, as usual, on lower part of mask. Seven trailers will transport the sets from Metuchen, N. J. plant to Dallas.

For Halpin, deal brings to about 6000 the number of sets he's sold to hotels, starting with 18 RCA receivers in 1946 to New York's Hotel Pennsylvania (now Statler). Subsequently he sold 3800 DuMont sets to Statler chain.

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Picture tube sales in first 6 months totaled 4,914,024, valued at \$94,893,559, compared to 3,957,238 worth \$82,985,981 in first half of 1954, reports RETMA. June sales were 706,890 worth \$13,244,499, compared to 779,329 at \$14,572,518 in May and 681,937 at \$13,933,845 in June 1954. Receiving tube sales in first 6 months totaled 226,502,544, valued at \$168,675,903, compared to 165,709,060 worth \$120,720,391 in first half of 1954. June sales were 40,819,961 at \$31,254,324 vs. 32,920,310 at \$25,914,821 in May and 31,031,315 at \$21,694,500 in June 1954.

**Trade Promotions:** Motorola to launch multi-million dollar campaign this fall in all media, starting with 4-p. spread in *Life Magazine*, thru Leo Burnett; Admiral starts ad drive in late Aug. to back reduction on 24-in. table model from \$240 to \$200 and "king-size" trade-in allowance on 24-in. console; DuMont ties up with Gimbels, N. Y. dept. store, in 2-week display of new line starting Aug. 15, coinciding with N. Y. Summer Festival, in which complete color studio will be set up (see p. 13).

Federal Trade Commission this week ordered Recoton Corp., Long Island City, to stop representing itself in ads as the world's largest manufacturer of phonograph needles or that its needles have sapphire, ruby or other jewel tips without stating they are synthetic. Company agreed to order, without admitting or denying guilt.

Prices of Crosley's new line, introduced last week (Vol. 11:32): Super V, 17-in. tables, \$130 & \$160; Advance V, 17-in. tables \$150 & \$210, 21-in. tables \$170 & \$180; Custom V, 21-in. tables \$200, \$210, \$215 & \$225, 21-in. consoles \$250, \$260 & \$290, 21-in. combinations \$360 & \$370. Optional uhf tuners are \$20 extra.

CBS-Columbia to introduce new line at series of regional distributor meetings starting Aug. 18 at Essex House, N. Y. Other meetings are scheduled Aug. 22 at Chicago's Drake Hotel, Aug. 24 at New Orleans' Hotel Roosevelt, Aug. 29 at Los Angeles' Ambassador Hotel.

Senate Judiciary subcommittee, headed by Sen. Kilgore (D-W. Va.), will start hearings Aug. 23 on distribution practices in various industries, including probe of discount house operations. It's uncertain whether, or to what extent, TV will be directly involved.

International Resistance Co. to open branch plant, its 5th, at Burlington, Ia. about Dec. 1 for resistor output.

**Financial & Trade Notes:** CBS Inc. revenues in first 6 months of 1955 soared to record \$202,173,713, its consolidated net profits to \$6,327,672, or 87¢ per share based on average shares outstanding during the period, adjusted to reflect 3-for-1 stock splitup of April 1955. Profit went up 22% from the \$5,177,449 (74¢) on revenues of \$176,016,777 for first half of 1954. There were 7,339,123 shares outstanding as of last July 2 and 2,340,904 a year earlier. Most of first half's profit was recorded in first quarter, when it amounted to \$3,892,677 (53¢) vs. \$2,866,365 (41¢) in first quarter 1954. For whole of 1954, CBS Inc.'s gross was \$373,290,731, net \$11,414,645 (\$4.85 per share, before splitup) vs. \$313,908,771 & \$8,894,642 (\$3.80) in 1953.

Raytheon reports new record for year ending May 31 with sales of \$182,305,000 & earnings of \$4,532,000 (\$1.72 a share on 2,628,781 shares) vs. \$177,100,000 & \$3,523,000 (\$1.53 on 2,176,942 shares) in fiscal 1954. Total current assets are \$68,717,754, about \$12,000,000 below last year; total current liabilities \$36,185,243, \$14,000,000 under 1954; net working capital \$32,533,000, up \$2,000,000. V-Loan obligations are down to \$10,000,000 from \$20,000,000; backlog of unfilled govt. orders down to \$96,000,000 from \$150,000,000. All preferred stock has been retired and company declared 5% stock dividend last July 7 in lieu of cash (Vol. 11:29). Proxy statement calling for stockholders meeting Sept. 15 shows that Adams holds 12,800 shares, received \$75,650 remuneration for year; v.p. David Schultz (8354 shares) drew \$55,650; v.p. Percy Spencer drew \$45,000. All directors were renominated.

Admiral sales were \$94,018,923 and earnings \$1,946,192 (82¢ a share) for the first half of 1955 vs. \$105,201,498 & \$2,558,850 (\$1.08) for same 1954 period. Second quarter earnings were \$708,016 (30¢) on sales of \$43,984,527 vs. \$1,054,806 (45¢) & \$49,223,936. John B. Huarisa, exec. v.p., stated that a 66% drop in govt. billing in the first 6 months more than offset higher civilian business. "The movement of TV receivers to dealers was 21% higher in first 6 months than last year," he said. Outlook for the 2nd half is brighter, but any additional govt. restriction on credit might change the picture, he added.

Sears, Roebuck & Co., like RCA a 20% owner of projected new Whirlpool-Seeger Corp. (Vol. 11:29-30), owned 536,756 shares of Whirlpool Corp. as of July 1—158,956 directly, 108,800 thru Sears' Allstate Insurance Co., 269,000 thru Sears-Roebuck Foundation, according to SEC's July summary of security transactions & holdings. In June, Allstate sold 1200 Whirlpool, Sears-Roebuck Foundation sold 1000.

Stewart-Warner Co. electronics div. sales in first half of 1955 were 29% ahead of same 1954 period despite discontinuance of TV-radio business, and company may double its net income this year (to \$4-\$4.50 per share) over 1954, according to study by Glore, Forgan & Co.

Texas Instruments reports profits for first half 1955 of \$696,010 (22¢ a share) on sales of \$12,991,191 vs. \$591,596 (20¢) & \$11,616,810 for same 1954 period. Second quarter profits were \$305,934 (9¢) & sales \$6,680,331 vs. \$220,766 (7¢) & \$4,891,806.

Sparks-Withington Co. has increased its no par value common stock from 2,000,000 shares (900,666 shares outstanding) to 3,000,000 at \$2.50 par—with intention "to make some acquisitions."

Indiana Steel Products Co. reports sales for first half of 1955 were highest in its history, with net income before taxes of \$736,525 and earnings per share of \$1.24 vs. \$653,343 & \$1.10 in same 1954 period.

Aerovox earned \$320,090 (35¢ a share) on sales of \$12,336,835 in first 6 months of 1955, compared to \$346,747 (41¢) on \$11,830,760 in corresponding period year ago.

**A**MONG OFFICERS' and directors' stock transactions reported by SEC for June, in addition to those previously reported (Vol. 11:30-31): W. J. Conaty bought 100 ACF Industries, holds 100; Chester H. Gifford bought 1000 Avco, holds 1000; John A. McDougald bought 1000 Avco, holds 1000; Joseph H. McConnell, ex-NBC pres., sold 6500 Colgate-Palmolive, holds 3525; J. L. Van Volkenburg exercised option to buy 4650 CBS "A", holds 4956 personally and 3000 jointly with wife; John L. Hanigan sold 200 Corning Glass, holds none; O. Pomeroy Robinson Jr. sold 700 General Dynamics, holds 4448; Carleton Shugg bought 4750 General Dynamics, holds 7150; Gilbert W. Humphrey bought 100 GE, holds 100; Roy W. Johnson bought 3225 GE, holds 6726; Ray H. Luebbe bought 2070 GE, holds 2250; Donald L. Millham bought 1600 GE, holds 2609; W. V. O'Brien bought 1000 GE, sold 500, holds 801; Gerald L. Phillippe bought 600 GE, holds 1622; Willard H. Sahlhoff sold 1545 GE, holds 465; Harold F. Smiddy bought 1875 GE, holds 3750; Arthur F. Vinson bought 1185 GE, holds 3019; Carl DiMartino bought 100 Hazeltine, holds 300; Frank M. Freimann bought 200 Magnavox, sold 4000 thru trusts, holds 49,385 personally and 25,484 thru trusts; Paul V. Galvin sold 300 Motorola, holds 101,503 personally and 186,696 thru trusts; Edward R. Taylor bought 300 Motorola, holds 2160; Edwin C. Wolf bought 100 Oak Mfg. Co., holds 600; James T. Buckley sold 2500 Philco, holds 13,252; Philco employes profit-sharing plan bought 3000 Philco, sold 198, holds 525,659; David Sarnoff sold 15,000 RCA, holds 15,000; Lawrence Hoguet sold 150 Skiatron, holds none; John J. Smith bought 300 Sparks-Withington, holds 7441; Bernard E. Finucane, thru T. W. Finucane Corp. & trust, bought 420 Stromberg-Carlson, sold 210, holds 1000 personally and 1215 thru T. W. Finucane Corp.; George C. Gordon III bought 142 Stromberg-Carlson, holds 342; Anthony G. Schifino bought 100 Stromberg-Carlson, holds 923; John M. McKibbin bought 500 Westinghouse, owns 3536.

ABC has "definitely emerged from the fledging stage" and its TV operations offer "exciting possibilities," says July 20 report on American Broadcast-Paramount stock by J. R. Williston & Co., N. Y., which concludes: "With the amount spent on TV advertising expected to increase from \$1 to \$2 billion a year in the next 5 years, with the movie exhibition field apparently having turned the corner, and with the possibility that ancillary enterprises [notably the Disneyland Park project] may provide an additional boost to earnings, American Broadcasting-Paramount promises to be a rewarding investment over the longer term." Similarly upbeat is July 21 follow-up report on AB-PT by Eastman, Dillon & Co., which calls Disneyland Park "perhaps the most exciting development affecting this company" and expresses belief AB-PT "offers considerable promise of future growth because it appears to be in a better position to expand its broadcasting activities at this time and at a faster rate than [CBS and NBC]."

Cornell-Dubilier earned \$1,381,448 (\$2.61 per share) after taxes of \$1,497,000 on sales of \$27,120,078 in 9 months ended June 30, compared to \$1,012,280 (\$1.88) after taxes of \$1,237,000 on sales of \$29,824,401 in corresponding 1954 period.

Electronics Corp. of America reports profit of \$161,427 (21¢ a share on 707,428 shares) on sales of \$2,851,250 for first 6 months of 1955 vs. \$99,992 (14¢ on 700,001 shares) & \$2,647,114 for same 1954 period.

Dividends: CBS "A" & "B," 20¢ payable Sept. 9 to stockholders of record Aug. 26; Cornell-Dubilier, 30¢ regular and 20¢ extra Sept. 22 to holders Sept. 12.

Add ABC-Paramount stock options (Vol. 11:31): Robert H. O'Brien, v.p., bought 12,500 common, increasing direct holdings to 12,600.

**Color Trends & Briefs:** Clever merchandising tieup between Gimbels N. Y. and DuMont is Aug. 15-27 closed-circuit colorcasts in Gimbels using DuMont's new Vitascan live color setup (Vol. 11:21).

Program has 2 phases—"see yourself on color TV" and display of goods. Color monitors will be spotted in windows and around store, and customers will parade before dolly-mounted scanner 50 min. each hour; other 10 min. will be devoted to showing merchandise. In addition, new DuMont black-&-white TV receiver line will be featured in store, while WABD will originate some black-&-white programs there. There will be no color broadcasts. New lighting equipment, giving normal illumination, will be employed.

Promotion is being kicked off with full-page ads in Sun. Aug. 14 *Times and News*. After Aug. 27, equipment will be moved to WABD.

DuMont announced, meanwhile, that its first complete color equipment package, including Vitascan, will be shipped Sept. 1 to new WITI-TV, Milwaukee-Glendale (Ch. 6), due on air Dec. 1.

\* \* \* \*

"Color is the magic word for 1955," says NARDA chairman Mort Farr in his Aug. *Electrical Merchandising* column. Predicting minimum of 30,000 set sales this fall, he calls this more profitable than sale of 180,000 black-&-white 17-in. table models, describes current product as technically sound, claiming that today's color chassis will be recognized as finest ever built, comparing it to record established by famed 630-TS black-&-white chassis. He suggests that "keeping up with the Jones" spirit might be fostered by adopting distinctive antenna "so that public would recognize a color set owner by glancing at his antenna." Some manufacturers are now offering colored antennas; last year, CBS-Columbia included yellow one with each color set.

Burden of pushing color is up to retailers, now that networks have announced plenty of color for their fall-winter schedules (Vol. 11:31)—opines columnist Harry Martin in Aug. 3 *Retailing Daily*. "If this isn't the moment for us to stop apologizing about the price," he says, "if this isn't the moment for us to stop talking about exaggerated comparative price, if this isn't the time for us to get into creative selling, we'll never have the moment. Let's show the networks that the biggest show is going to be in retail selling."

Hugh H. Eby Co., Philadelphia components maker, has filed SEC registration to sell 360,000 shares of 10¢ par stock to raise approximately \$1,750,000 in order to acquire \$124,000 in preferred stock, purchase real estate, pay up certain obligations. Offering will be through Hallowell, Sulzberger & Co., Philadelphia; Weill, Blauner & Co. and Baruch Bros., N. Y.

Paramount Pictures 6-mo. earnings were \$5,165,000 (\$2.36 a share on 2,188,916 shares) vs. \$3,962,000 (\$1.79 on 2,217,036 shares) in same 1954 period. Second quarter earnings were \$2,307,000 (\$1.05) in 1955 vs. \$1,726,000 (78¢) in 1954. Figure for 1954 includes \$832,000 (38¢) from non-recurring profit on sale of investments.

National Theatres reports income of \$1,768,490, or 64¢ a share on 2,769,486 shares, in 39-week period ending June 25 vs. \$1,884,636 (68¢) in same 1954 period. Third fiscal quarter 1955 showed profit of \$487,941 (18¢) vs. \$577,586 (21¢) for same 1954 quarter.

Warner Bros. reports net profit of \$3,312,800, or \$1.33 a share on 2,474,275 shares, for 9 months ending May 28 vs. \$2,536,707 (\$1.02) for same 1954 period.

Decca Records reports first half 1955 earnings of \$1,610,691, or \$1 a share vs. \$1,204,288 (75¢) in 1954 period.

Network color schedules for next 2 weeks: NBC-TV—Aug. 17, 19, 24, 26, *Matt Dennis*, 7:30-7:45 p.m.; Aug. 16, 18, 23, 25, *Vaughn Monroe*, 7:30-7:45 p.m.; Aug. 15-19 & 22-26, segments of *Home*, 11:45-noon; Aug. 22, *Producers' Showcase*, "The King & Mrs. Candle," starring Cyril Ritchard, Joan Greenwood, Richard Haydn & Irene Manning, 8-9:30 p.m.; Aug. 26 & 27, segments of Davis Cup tennis matches, 2-5 p.m. Fri. & 2:30-5 p.m. Sat. NBC has renamed its upcoming daily 3-4 p.m. color drama *Matinee*, calling it *The NBC Matinee Theatre*. CBS's radio KNX, Los Angeles, has show called *Matinee*.

"Conversion" of station-break sponsors to color at NBC's WRCA-TV, N. Y. (Vol. 11:26) has gone very well, according to v.p.-mgr. Hamilton Shea. He reports that all except one sponsor of breaks adjacent to or within regular color shows have agreed to use color. Total cost, based on color facilities charge, comes to slightly over 10% more than black-&-white charges. Rate card provides that if sponsor doesn't elect to use color, spot will be offered to others.

"British NTSC" color system to be tested in London this fall, tailored to U. S. system, is described in technical detail in Aug. *Wireless World*. Tests are preliminary to adoption of final color system, will run 2-3 unspecified days on BBC this month. A compatible system has been recommended to Postmaster-General by his Television Advisory Committee.

Color can change the apparent size of surfaces as much as 13.5%, plus or minus, according to a study completed recently by Johns Hopkins U for Pittsburgh Plate Glass Co. Hue alone can cause 9.5% change, brightness 8.5%, saturation 6%. Summary is available from Pittsburgh Plate's public relations dept., 632 Ft. Duquesne Blvd., Pittsburgh.

Color will cost 25% more to sponsors, in opinion of TV industry cross-section polled by *Billboard Magazine*; consensus was that extra cost would be worth it, and that color would attract more advertisers to TV.

Arthur S. Matthews, 52, pres. of Color TV Inc., San Carlos, Cal., died last week. CTI was one of 3 color system proponents, with CBS and RCA, during FCC color hearings, unsuccessfully championing line-sequential system. In recent years, CTI concentrated on govt. business, though its engineers still did some color work, outlining principles of a one-tube color camera (Vol. 10:7, 36).

Gabriel Co. reports first-half 1955 sales of \$6,759,792 and profit of \$1654 vs. \$10,032,940 & \$150,785 (26¢ per share) in same 1954 period. Second quarter sales were \$3,713,023, profits \$129,045 (23¢ a share on 507,753 shares) vs. \$5,012,853 & \$87,437 (15¢ on 505,960 shares) in same 1954 period.

Beckman Instruments Inc. sales for year to June 30 were \$21,000,000, net income \$1,300,000, or \$1.05 per share on 1,249,735 common shares outstanding, compared with \$18,652,870 & \$920,280 (85¢ on 1,079,730 shares) in preceding year.

Lear Inc. reports sales of \$29,023,044 and income of \$876,866 (39¢ a share) for 6 months ending June 30 vs. \$27,248,706 & \$1,397,558 (66¢) same 1954 period.

Globe-Union Inc. reports 1955 first half net of \$489,000 (68¢ a share) on sales of \$19,664,000 vs. \$208,000 (29¢) & \$17,097,170 for same 1954 period.

Arvin Industries reports profits of \$913,233 (\$1.02 a share) for quarter ending July 3 vs. \$461,873 (52¢) for similar 1954 period.

Frederick H. Schroeder, v.p. of Lee Higginson Corp., N. Y. bankers which underwrote recent \$1,250,000 debenture issue, elected a director of Trav-Ler Radio Corp.

**Electronics Reports:** Importance of guided missiles and electronics in nation's military aviation plans was strikingly underscored this week by President Eisenhower's appointment of an electronics engineer—Donald A. Quarles—as Secretary of the Air Force, succeeding Harold E. Talbott.

Appointment was generally applauded by electronics industry, which has closely followed Quarles' work as Asst. Defense Secy. for research & development, in which capacity he has been a prime mover in guided missile development program. At 61, Quarles is former pres. of Western Electric's Sandia Corp. (guided missiles), former v.p. of Western Electric, a fellow and former pres. of AIEE, onetime mayor of Englewood, N. J. He started working for Bell Labs in 1919.

Anticipating close scrutiny from Democratic Congressmen, Quarles announced he is now reviewing his "rather modest list of security holdings" and will divest himself of any that "imply a conflict of interest." Meanwhile, Sen. Morse (D-Ore.) said he would ask Senate Armed Services Committee to explore any possible conflicts. "This is particularly important in view of reports of Administration plans to turn over the air-raid warning system to AT&T," he said.

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Industrial electronics conference, sponsored by IRE & AIEE, at Detroit's Rackham Memorial Auditorium Sept. 28-29, will feature paper on "How Can Industry Use Television?" by H. F. Schneider, RCA. Automation session speakers will be Dr. Cleo Brunetti, General Mills; J. J. Graham, RCA; E. C. Johnson, Bendix Aviation; A. J. Carr Jr., Raytheon. Further information from Guido Ferrara, 8106 W. Nine Mile Rd., Oak Park 37, Mich.

Worth reading: "Automatic Manufacture of Electronic Equipment," in Aug. *Scientific American*, traces history and status of art, with emphasis on Project Tinkertoy (modular design of components); "The Two-Plus-Two of Sperry Rand," in Aug. *Fortune*, good summary of "conglomerate" merger, a union of 2 non-competitive electronic companies with nothing in common except a desire to face the future together.

Underwater TV, using RCA closed-circuit system, is being employed by U. S. Fish & Wildlife Service to test performance of experimental fishery methods and equipment under actual oceanic conditions.

**D**IVERSIFICATION into electronics has become a keyword in nearly every "non-electronic" industry (see p. 1)—and even electronics companies themselves continue to diversify and expand into related electronics fields. Aircraft industry is the classic and oft-cited example of the new emphasis on electronics—every airframe manufacturer now being in electronics research & development, many of them in electronics production of one form or another.

Our roundup of diversification into electronics 15 months ago (Vol. 10:20), which was widely quoted, cited some outstanding examples of companies which originally weren't even remotely connected with electronics and which now are heavily in the new field. Since that time, trend has continued, even intensified. Some examples:

General Dynamics, a leader in atomic and aircraft field, needed electronics know-how, so it bought Stromberg-Carlson (Vol. 11:18), and incidentally got itself involved in TV-radio broadcasting field.

The American watch industry, which has been in a

Panel on future of automation will be highspot of RETMA symposium at U of Pennsylvania, Sept. 26-27. With GE's Dr. W. R. G. Baker, in chair, panel includes Maj. Gen. J. D. O'Connell, Army Chief Signal Officer; James Bright, Harvard Business School; Seymour Sherman, U of Pa.; John Diebold, editor of *Automatic Controls*. Other sessions will cover high volume assembly methods (Dr. J. Harrington Jr., U. S. Shoe Machinery Corp., chairman), data sensing & utilization (D. Griffin, McGraw-Hill), low volume production methods (D. Cottle, GE), redesign for automation (W. H. Hannahs, Automatic Production Research Co.).

Bellanca Aircraft Corp. is being sued for \$420,000 in Washington district court by National Electronics Labs., Washington, for alleged breach of a merger contract. Stock payment had been arranged for June 30, but NEL pres. Frank Mallinson claimed that Bellanca withdrew when its stock went up from \$17.50 when pact was signed to about \$30 on effective date of exchange. Bellanca just recently acquired the controlling interest in Waltham Watch Co., Waltham, Mass., which will dispose of watch inventory but retain other divisions, including instrument div., which produces electronic, electromechanical and servomechanical instrumentation.

North Carolina's fastest growing industry, according to Aug. 6 *Journal of Commerce*, is electronics, which will distribute \$75,000,000 annual payroll to 25,000 employes when current construction is completed. At present, 44 electronics and electrical products plants are in operation or construction in the state.

Tax inducement for electronics plant expansion will continue, despite fact that rapid writeoff program has been suspended in 38 other fields. Office of Defense Mobilization says tax-aided expansion of electronics facilities will continue as in past "for military requirements when the Defense Dept. recommends and supports the project."

"Revolutionary guided missile" contract has been awarded to Magnavox by Defense Dept., pres. Frank M. Freimann announced this week. No details were disclosed. He said company also has contracts for 3 different airborne radar systems.

An "instrumentation reference service" has been set up by Bureau of Standards as aid to scientists of govt. agencies and their contractors. It employs new type of "multidimensional" indexing system said to be unusually effective. It's described in report No. 1925.

perpetual depression for many years due to Swiss competition, recently discovered its talents were especially suited for manufacture of some electronic gear, notably miniature precision parts and relays. Every American watch company is now in electronics. One firm, Elgin National Watch Co., this year purchased Advance Electric & Relay Co., American Microphone Co. and Neomatic Inc. (relays)—and Waltham was recently bought by Bellanca Aircraft, which will keep its electronics business, liquidate watch inventories.

While some TV manufacturers are diversifying into white goods, the white goods makers are diversifying into electronics—the RCA-Seeger-Whirlpool combine being good example of how some companies are pooling their products and distributive structures for mutual benefit. Easy Washing Machine Corp. recently invested \$2,000,000 in National Co. (communications, military radio, hi-fi), and Thor Corp. (washing machines) has sold its Cicero, Ill. automatic washer plant to raise money for expansion into electronics.

Textron American Inc., once a textile firm, is now deeply in electronics, having bought Ryan Industries, Detroit (airborne electronics), after purchasing Dalmo Victor Co., San Francisco (radar), now is going into com-



munications field through proposed purchase of Western Union's international cable system. Western Union goes deeper into electronics manufacture through its recently acquired 1/3 interest in Microwave Associates Inc., Boston, which is also 1/3 owned by American Broadcasting-Paramount Theatres.

Fairchild Camera has acquired Freed Electronics & Control Corp., offshoot of old Freed-Eisemann, TV-radio manufacturer. International Silver Corp. bought Times Wire & Cable Co. (electronic coaxial). Link-Belt Co., maker of industrial conveyors, is buying Syntron Co., electronics manufacturer. Pump maker Bell & Gossett Co. has set up electronics div., has military orders. Carrier Corp. (air conditioners) is now in electronics production through subsidiary Cambridge Corp.

Automotive industry is going heavily into electronics. The extent to which GM is in the field is little known (except for its Delco Radio subsidiary), but it has a number of prime military contracts involving electronic items. Willys Motors once produced TV cameras at Toledo and had planned to turn out TV station equipment including transmitters, but bowed out of the field and later opened electronics lab at Palo Alto, Cal., where Dr. Wm. Ross Aiken developed his flat TV picture tube. Studebaker-Packard bought Aerophysics Development Corp., Los Angeles (guided missiles). Mack Trucks bought White Industries and Radio Sonic Corp., both in aviation & military electronics. Reynolds Spring Corp., taken over by North American Philips, sold its automotive business, changed its name to Consolidated Electronics Industries and purchased other electronics properties. Detroit auto parts maker F. L. Jacobs Co. bought Eicor Inc., maker of electronic items.

Telautograph Corp., old-line manufacturer of non-electronic handwritten message transmission system, has "electronified" its equipment, and purchased Walsco Electronics Corp., maker of printed-circuit TV chassis, TV antennas, etc. Hupp Corp., onetime auto manufacturer, turned into holding company, bought the electronics business of Brown-Allen Chemicals Inc. (crystals, phototubes, transistors, TV components).

Last few months have also seen these combinations and diversifications of companies already in electronics: Hoffman Electronics (TVs) bought Analyzer Corp. (computers) and National Fabricated Products Inc. (TV-electronic parts, semi-conductors). Norden Laboratories, after merging with Ketay Instrument, has acquired several other electronic properties, notably Vari-Ohm Corp. and Scientific Specialties Corp. Electronics Corp. of America bought W. S. MacDonald Co., makers of electronic business machines. Olympic Radio and Victoreen Instrument merged into new diversified firm, Nuclear Electronics Corp.

Westinghouse Air Brake's electronics subsidiary, Melpar Inc., has steadily been acquiring smaller electronics companies, latest one being Corvey Engineering Co., Alexandria, Va. Resistor manufacturer International Resistance Corp. purchased EMEC Inc., maker of magnetic clutches for electronic applications. IT&T bought Kethe Laboratories (tubes). Raytheon & Minneapolis-Honeywell jointly set up new Datamatic Corp. (computers). Hycon Mfg. Corp. helped to finance Hycon-Eastern Inc., research firm jointly owned with 2 leading MIT scientists.

V. Charles Schorlemmer, ex-Consolidated Vultee, named administrative v.p., and Leslie E. Neville, ex-director of Armed Services Technical Information Agency, named director of public relations & adv., American Bosch Arma Corp.

Datamatic Corp., computer firm owned jointly by Minneapolis-Honeywell and Raytheon, has bought new 40,000-sq. ft. factory building in Newton Highlands, Mass., near Boston, plans all operations there by Oct. 1.

RCA was ordered to produce, in London by Aug. 16, papers that Zenith Radio wants to examine in connection with its counterclaim patent suit against RCA, GE & Western Electric. Chicago Federal Judge Igoe signed order directing RCA to deliver to the U. S. consulate in London papers it removed from its London office when it shifted European headquarters to Zurich in April. Zenith wants the documents to take depositions, a practice forbidden by Swiss law when trial is to be held outside Switzerland. Judge Igoe signed order after RCA attorney Albert E. Jenner Jr. told court "there is not a scintilla of truth" in any assumption that transfer of RCA's office from London to Zurich had any connection with Zenith litigation, and accused Zenith of misrepresentation in its claims.

Western meeting of National Community TV Assn. Oct. 25-26 has been shifted from Denver to Antlers Hotel, Colorado Springs, Colo. Conference will include equipment exhibits, and all sessions will be of "open forum" type. Latest western community systems reported are Price Trading Co., Sunnyside, Utah, due to start within 30 days, according to mgr. Oscar Carlson Jr., and Rawlins Community TV Co., which has asked Wyoming Public Service Commission for authority to build \$105,000 system in Rawlins.

Intriguing reminiscences about early days of radio, comprising interviews developed with aid of Radio Pioneers Club, are featured in Aug. *American Heritage Magazine*. Particularly interesting are Herbert Hoover's account of early govt. regulation when he was Secy. of Commerce and Arthur Judson's report on start of CBS. Others interviewed: H. V. Kaltenborn, Wm. S. Hedges, Lyman L. Bryson, E. L. Bragdon, Dorothy Gordon, Laurence A. Hawkins, Donald G. Little, Chester H. Lang, Thomas H. Cowan, Walter C. Evans, Orestes H. Caldwell.

Comments on space satellites by Andrew G. Haley, Washington TV-radio attorney and former pres. of American Rocket Society, received considerable attention in the press this week when he returned from International Astronautical Congress in Copenhagen. He said that after talking to Russian representatives he's "absolutely convinced" that U. S. has lead over Soviets in satellite program.

Competition, it's wonderful: To CBS's claim that its Wm. Worthy was first to send an uncensored broadcast to U. S. over facilities of Radio Moscow (Aug. 4), NBC publicity dept. retorts this week that its Irving R. Levine, now touring Russia with the American agricultural delegation, was first to broadcast, uncensored, from Moscow to its *Monitor* program for 5 minutes on July 16.

TV served as FBI "wanted" circular on CBS-TV's *What's My Line* Aug. 7. While panel was guessing correctly that contestant was an elephant trainer, viewers in Royal Oak, Mich. guessed that he was also the man alleged to have stolen roommate's car a year ago, whereupon he was arrested and held on \$1500 bail.

Sir Gordon Radley is new director general, British Postoffice Dept.; he recently had title of director of radio and accommodation. Sir Ben Barnett remains in charge of broadcasting.

Britain's Independent TV Authority has moved to permanent headquarters at 14 Princes Gate, London SW-7; telephone, Knightsbridge 5341.

Four \$2500 scholarships have been awarded to high school students by antenna maker Technical Appliance Corp. (Taco), Sherburne, N. Y.

U of Missouri holds 3-day national agricultural TV Clinic, Sept. 2-4.

Power increase: KTBC-TV, Austin (Ch. 7) Aug. 7 to 316-kw ERP.

**C**RITICAL REPORT on children's programming on NBC-TV was issued this week by its recently-organized Children's Program Review Committee, along with recommendations for improvement. Committee members are Dr. Frances Horwich, who is "Miss Frances" of NBC-TV's *Ding Dong School*; Mrs. Douglas Horton, wartime WAVES commander and an NBC director; Dr. Robert Goldenson, psychologist and expert on family relations. Committee listed 13 points of weakness but commended NBC for "trying to maintain a common standard of excellence" in children's programming. Among points criticized were sequences showing destruction of public property, shooting seltzer water or throwing things, bad grammar and poor pronunciation, frequent use of slapstick of questionable taste, over-excitement of solid hour of disjointed action, over-emphasis on money, misuse of commercials. Its recommendations called for better balance in children's programs, elimination of some westerns on o-&o stations, using 5-6 p.m. segment for 6-12 year group and 9-11 a.m. for nursery age, more how-to-do-it shows, more music & story-telling programs, improved standards for commercials. Richard A. R. Pinkham, NBC v.p. in charge of network programs, sent copy of report to all producers, along with letter urging prompt attention to its critical aspects. On a related front, NBC's WRCA-TV & WRCA has joined N. Y. Youth Board in attack on juvenile delinquency in city, using its facilities & personalities to acquaint public with conditions in a test neighborhood designated as "Area 4." Stations' participation include regularly scheduled progress broadcasts, counseling of delinquent youths by station personalities, and information to citizens on how they can help.

Two radio station sales this week, with TV overtones: R. H. Drury, Oklahoma auto finance man who controls KSWO-TV, Lawton, KMID-TV, Midland, Tex. & radio KRHD, Norman, heads group buying radio KGWA, Enid (1-kw daytime, 960 kc, MBS) for \$62,500. He holds 74.5% of purchasing firm, Ted Warkenton owning 15.5%, Allan Page 10%. KBAK, Bakersfield, Cal. (1-kw on 550 kc, MBS) has been sold for \$85,000 by *San Francisco Chronicle* interests, who retain KBAK-TV (Ch. 29). Purchasers are partnership comprising John Hearne, one-time FCC attorney now practicing in Los Angeles, and Benjamin Pasacal & Howard Tullis, L. A. admen. Radio call letters will be changed. Deal was handled by Jack Stoll, L. A. broker. Note: Rumor was abroad this week that Cantrell & Cochrane, Englewood, N. J. (Super-Coola canned soft drinks), whose mainspring is ex-Pepsi-Cola pres. Walter S. Mack, was seeking to buy up a string of western radio stations—but there was no confirmation.

On eve of "subversion" hearings on New York entertainment industry, AFRTA members overwhelmingly approved resolution calling for severe disciplinary measures, up to expulsion from the union, for members who refuse to tell Congressional committees whether they are or have been Communists (Vol. 11:30). Some 27 entertainers have been subpoenaed for the hearings by Rep. Walter (D-Pa.) and his House Un-American Activities Committee. Most witnesses are from legitimate stage, with no big TV names announced. Scripps-Howard newspapers, in 4-part series this week by Frederick Woltman, timed as curtain-raiser to the hearings, explored subject of TV "black-listing," came to conclusion there's no formal blacklist.

Suspension of operators charged with disabling KPIX, San Francisco and radio KEAR, San Mateo, Cal. during labor-management trouble (Vol. 11:8) was recommended by FCC staff in proposed findings. Staff said evidence shows operators deliberately disabled stations, recommended 90-day suspension for 3 operators involved at KPIX, 30-day for 2 involved at KEAR.

Week's toll-TV developments: (1) Dealers will be helped rather than harmed by pay-TV, Zenith v.p. Leonard Truesdell argues in Aug. *Electrical Merchandising*, challenging NARDA chairman Mort Farr's opposing views. Truesdell claims that subscription TV will mean better programs, hence more sales. (2) Pro-toll results of recent *Saturday Review* poll tell more about magazine's readers than about general public opinion on the subject, researcher Elmo Roper says in Aug. 13 issue of the magazine. He notes that magazine's poll showed 74% favoring subscription TV while his survey of Columbus, O. indicated people are 67% against (Vol. 11:25). His conclusions: "SR's readers are an unusual segment of society." One piece of evidence, he said, is that SR readers rank nation's No. 1 program, *I Love Lucy*, as 26th. (3) George Sidney, Screen Directors Guild pres., opines that public is willing to pay for good movies on TV; that "good TV shows are becoming too expensive to give away." (4) Skiatron pres. Arthur Levey states: "The networks are attempting to cloud the real issues with irresponsible statements that are in a very real sense a betrayal of the public interest."

Walter Annenberg's Triangle Publications Inc., publisher of *Philadelphia Inquirer*, operator of pioneer WFIL-TV & WFIL and owner of other publishing & TV-radio properties, is seeking a satellite for WNBF-TV, Binghamton, N. Y. (Ch. 12), which was recently acquired with WNBF for \$2,700,000 (Vol. 11:11, 19), in application filed this week for uhf Ch. 18 in Elmira, N. Y., 48 mi. away. Previously, it made deal to purchase now-silent WLBR-TV, Lebanon, Pa. (Ch. 15) for \$235,000 with intention of reviving it but transfer has been stymied by objections from Harrisburg uhf operators. Elmira previously had 2 uhf stations, on Ch. 18 & 24, but both went off air last year (Vol. 10:22, 45), unable to make a go of it. Triangle's pending purchase of WFBG-TV, Altoona, Pa. (Ch. 10) with WFBG (Vol. 11:32) was finalized this week, subject to certain adjustments; it will pay \$2,900,000 cash to the Gable dept. store interests and give them an additional \$750,000 advertising credit. Howard Stark was broker.

Recently purchased WPFH, Wilmington, Del. (Ch. 12) and radio WIBG & WIBG-FM are being brought under one parent corporation, WPFH Bcstg. Co., according to application filed with FCC this week by owner Paul F. Harron. Corporation would take over some \$2,000,000 in obligations for TV from Harron who retains control of Class B stock which will have power to elect 10 of 15 directors. Being brought in is Wanamaker dept. store, to hold 5.3%. Others who will hold 3.1% or more: auto dealer John P. Crisconi, 4.7%; Dr. Patrick J. Kennedy, 3.1%; Robert M. Brown, Esslinger Brewery v.p., 3.1%; Charles E. Compton, mgr. of Brown & Bigelow (calendars, etc.), St. Paul, 3.1%; Boardman Smith Corp., 3.1%. Some 60 others will hold smaller percentages, among them John Morgan Davis, judge of Philadelphia common pleas court.

WCOV-TV, Montgomery, Ala. (Ch. 20), whose technical equipment was destroyed by fire Aug. 5 in the transmitter room (Vol. 11:32), apparently caused by a short circuit in the master clock, unloaded new RCA equipment Aug. 9 and expects to have test pattern on air within 10 days and to resume regular program service Aug. 25. Gen. mgr. Hugh M. Smith reports entire control room as well as transmitter destroyed, large studio severely damaged, 2 cameras in bad shape.

High-tower grant to KSWO-TV, Roswell, N. M., was finalized this week by FCC after Pentagon dropped its opposition—though first voting against the new 1610-ft. structure as member of Washington Airspace Subcommittee (Vol. 11:27, 31).

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE  
FOR MANAGEMENT  
OF THE  
VISUAL BROADCASTING  
AND ALLIED ELECTRONICS  
ARTS AND INDUSTRY

# Television Digest

with **ELECTRONICS** REPORTS

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## SUMMARY - INDEX OF THE WEEK'S NEWS — August 20, 1955

**COLOR PREDICTIONS** of top set makers still have wide bullish-to-bearish range on eve of color program splurge; price remains biggest question (pp. 1 & 10).

**TV IN 67% OF U. S. HOMES**, or total of 32,000,000 reports Census Bureau on basis of June survey requested by Advertising Research Foundation (p. 1).

**NEW DuMONT PLANS** exclude networking; legal aspects of spinoff of stations now occupying bankers & lawyers. Paramount's position in new setup (p. 2).

**PROFITABLE STATION** operation assured if station has CBS or NBC affiliation, with \$30,000 monthly revenues apparent break-even point, FCC finds (p. 3).

**TV DOESN'T HURT BASEBALL** attendance nearly as much as poor stadium facilities and slow games, according to survey of fans and writers (p. 3).

**ADVERTISERS SPENT \$803,600,000** on TV in 1954, ranking it second to newspapers; advertising bill, all media, totaled \$8,164,100,000, up 5.3% in year (p. 4).

**DISCOUNT HOUSE DECLINE** seen by dealers as stabilizing TV trade, causing little anxiety over price increases and high inventories (p. 9).

**PHILADELPHIA UHF** sought by Herbert Mayer as 2 uhf grantees cancel; commissioners ponder allocations solutions; court refuses Pittsburgh CP stay (p. 6).

**SATELLITE KTRV-TV**, Lufkin, Tex. (Ch. 9), linked to Houston's KPRC-TV, starts as 441st station. Notes on upcoming stations (p. 8).

**NARDA MANAGEMENT** conference in Washington, 47 dealers attending, big success and expansion urged (p. 12). Joyce upholds the distributor (Special Report).

**TELEVISION-ELECTRONICS FUND** assets rise to \$104,639,370 (9,132,272 shares) as of July 31; reports on portfolio changes in quarter (p. 14).

**AVCO-HYCON AGREEMENT** is diversification move for both, for exchange of scientific know-how & facilities and acquisition of defense contracts (p. 15).

**TOP SET MAKERS SIZE UP COLOR PROSPECTS:** Standing by to evaluate impact of color programming when it breaks in a few weeks, industry leaders differ as vigorously as ever in their predictions of public reaction and set sales. Conducting our own survey of top set producers on eve of major network programming start, we find them generally feeling that there will be sufficient sales this fall-winter to be labeled an authentic "start" on color -- but relatively few see the industry really rolling in the proverbial "house afire" fashion in less than 1-2 years.

It's agreed there were 3 principal barriers to movement of color last year -- picture size, programs & price. With the emergence of 21-in. tube, none doubts that size is adequate. With 12-15 hours of color shows weekly, most feel that programming will probably be sufficient to stimulate public. Big controversy remains over price -- \$695 up -- and only performance on dealers' floors will settle it.

Attitude of top color proponent RCA needs no reiteration; it's all-out. Of replies from others received to date, there's wide range from optimism to bearishness. H.L. Hoffman, quoted last week (Vol. 11:33), is one of most bullish. The responses are highly quotable -- and they're excerpted on pp. 10-11.

**67% OF ALL U. S. HOUSEHOLDS HAVE TV SETS:** Two out of every 3 American households, or total of 32,000,000, owned a TV set as of last June, according to preliminary report by U.S. Census Bureau released this week. It states these represent 67% of all U.S. households. That means very nearly one-third of all homes remain to be sold, if you accept recent estimate by CBS that 97% of all the 47,500,000 families in the nation are within reception range of existing stations (Vol. 11:26).

Census Bureau survey should not be confused with sets-in-use count because it does not purport to include sets in public places and second sets in homes -- though it did ask how many sets were owned, on which a report will be made later. Figures appear to substantiate Sylvania sales research director Frank Mansfield's estimate of 34,549,000 sets-in-use as of last July 1, as tabulated in our TV Factbook No. 21 (p. 19). Present figure is probably well over 35,000,000, considering that more than

6 weeks have elapsed. NBC Research estimated 36,447,000 sets-in-use on July 1.

This question was asked of a 25,000-family sample as part of Census Bureau's continuing Current Population Survey: "Do you own a TV set?" From that sampling the 32,000,000 figure was projected -- Census Bureau noting that it represents more than 6-fold increase over April 1950 estimate of 5,000,000 TV households. That was only previous time it conducted TV count. Additional information, covering distribution of sets by 4 geographic areas and by size of TV households, will be released soon.

Advertising Research Foundation contracted for survey, with cost defrayed by networks, NARTB and Television Bureau of Advertising. Each has its own use for the data, NARTB planning to use it in connection with its long-awaited sets-in-use count (Vol. 11:21) on which field work on "methodology" is still being conducted. There's no assurance, however, that such a continuing market-by-market census will ever get under way, despite urgent need for regular industry-approved counts. Main effort in that direction, currently, is Television Magazine's monthly market-by-market set estimates (changed from county-by-county) which gives total of 36,288,500 for July 1.

Note: Market Research Corp. of America, day after Census release, came up with own estimate of 68% of households equipped with TVs as of July. Based on the continuing reports of its 5800-family panel, survey showed most increases in small towns and rural communities during last year. (For percentage breakdowns of MRCA findings on TV ownership by regions, city size, family income, education of family head, size of families, age of housewife, number of children, see p. 16.)

**NO NETWORK IN THE NEW PLANS FOR DuMONT:** DuMont Network will not be revived as such -- that much can be stated positively on authority of those now arranging the legal details of spinning off the DuMont stations from manufacturing, incorporating new DuMont Broadcasting Co., securing transfers of station licenses, and performing the multitudinous other tasks implicit in last week's board action (Vol. 11:33).

Nor is it likely Paramount Pictures will gain control of the new company, even though its 26% ownership of present DuMont stock will make it the largest single stockholder, initially at least, after distribution of 1-for-2½ shares is completed. Moreover, neither the president nor other officers of the new DBC has been decided upon as yet; at outset, they will be same as present parent company, then new names will appear -- most likely including a new president as operating head.

Vice president Ted Cott, who joined DuMont recently after quitting his NBC v.p. job, is definitely slated "to continue running the stations."

Foregoing are the facts, despite all rumors you may hear and dope stories you may read. The network having lost some \$16,000,000 in its nearly 10 years of existence, there's no disposition on the part of the bankers to pour more into attempt to perpetuate it. Instead, we're told, "We'll first get the stations [WABD & WTTG] and Telecentre running well at a profit. They must stand on their own feet."

Of the 2,500,000 shares of common stock in the new DBC, 1,000,000 will go to present stockholders. At least \$1,000,000 in working capital will be raised by selling some of the other shares. No price has been fixed yet; it depends on "unraveling" the bookkeeping of stations from network, determining their worth, assessing their earning potential. There's apparently little doubt in the bankers' minds that the stations can be made to earn reasonable profits as independents.

Paramount may relinquish its KTLA, Los Angeles, to the new company, taking payment in stock -- but that's indefinite. In that event, and if it goes into the open market to buy up new stock, Paramount might gain control of DBC. Its motivation might be to have own outlets for subscription TV, which Paramount pres. Barney Balaban is convinced is inevitable -- despite the thorny paths of Washington.

Network is a mere skeleton of its former self now, loses the Heinz-sponsored "Studio 57" film series and Swift's "All About Baby" in next few weeks. That leaves only Mon. night boxing from St. Nicholas Arena, which continues on special hookup. Also booked are N.Y. Giants pro grid games to 32 stations next autumn, half on co-op basis, other half under sponsorship of Atlantic Refining Co.

Note: It can be disclosed now that General Teleradio's Tom O'Neil made firm offer of \$4,000,000 for WABD, with idea of retaining its Ch. 5 for his WOR-TV in N.Y. and asking FCC to move WOR-TV's Ch. 9 into one-station Binghamton, N.Y.

**CBS OR NBC AFFILIATION VITAL TO PROFIT:** A strong NBC or CBS affiliation and revenues of at least \$30,000 monthly were virtual guarantees of profitable operation for post-freeze TV stations last year. Stations could make a go of it without the networks -- but their chances were much slimmer.

That's essence of FCC's third study of post-freeze TV stations released this week. Study doesn't reflect upsurge of ABC-TV, which has accelerated tremendously since survey was conducted; it's plain, though, that if the Commission authorizes similar survey for coming year, ABC will play much more significant role.

Results of study aren't surprising, but they do document industry's general understanding and make it possible for each operator to determine how he's doing, compared with others in similar situation.

Study of 144 vhf and 122 uhf stations operating Jan.-Oct. 1954 shows 52 (36%) of the vhf's with overall profitable operation during the period, another 50 (35%) with profit at least during Oct. (and presumably out of the woods), remaining 42 with continuing losses throughout period.

Only 18 (15%) of the 122 uhf had overall profit during the period, while 15 (12%) had at least a profitable Oct. Remaining 89 had continuing losses.

A "strong" CBS or NBC affiliation, according to Commission's calculations, seems to be one that supplies 7½ or more hours weekly. Of the 101 post-freeze vhf's carrying NBC or CBS, 83 (82%) were profitable, compared with 19 (45%) of those with fewer than 7½ hours of either network. Of the 42 uhf's with CBS or NBC, 26 (62%) were profitable, vs. 7 (14%) of those without as much as 7½ hours from NBC or CBS.

The \$30,000 figure seems to be the break-even point. Half the vhf stations took in \$30,000 or more monthly -- and 90% of these were profitable by Oct. About one-fourth of the uhf's received \$30,000 or more -- and 75% of these were profitable.

Vhf competition hit uhf's harder than it did vhf's -- to no one's surprise. Of uhf's with no competition, 12 out of 18 were profitable; with one vhf competitor, 11 of 39 were profitable; with 2 or more vhf competitors, 10 of 34 were in black.

Of the vhf's, 33 of 44 were profitable where they had no competition; 39 of 55 were in black when facing one vhf competitor; when bucking 2 or more vhf competitors, 30 out of 44 were profitable. "Competitor" is defined as station whose signal is received by 50% or more of homes in area -- according to ARB survey.

FCC study comprises 15 tables, breaking down statistics many ways -- by vhf and uhf, monthly revenues, CBS or NBC affiliation, competition, population. Survey is FCC Notice 23055 -- copies available from Commission or from us.

**BASEBALL ON TV--MOSTLY HITS, FEW ERRORS:** TV isn't hurting baseball nearly as much as baseball is hurting itself. That's central conclusion of recent survey by research-public relations firm Stephen Fitzgerald & Co., N.Y., initiated at request of Baseball Commissioner Ford Frick to determine causes of lagging attendance at games. In general, its findings support thesis of earlier studies by N.W. Ayer's Jerry Jordan -- that sports must look to its own shortcomings, not TV, for boxoffice declines (Vol. 10:9). Survey, conducted among management, sports writers & fans, finds:

(1) Difficulty in getting to ball parks, parking troubles, high prices and poor service on tickets & slow games were chief complaints of fans, far outweighing any apprehensions about TV.

(2) Fans generally like TV commercials of baseball games, about 50% of those surveyed declaring them "just about right," about 25% contending they're too long or too frequent. Three times as many find them interesting as find them offensive.

(3) TV has increased interest in baseball, in opinion of 77% of the 763 sports writers and editors surveyed, but 60% felt TV had hurt attendance somewhat. Still, they rated TV far behind such deficiencies as long games, poor seating, bad parking facilities as biggest factors affecting attendance. Some 83% of the sportscasters felt TV had increased interest in baseball, though only 36% contended it hurt attendance. Some 95% thought radio built up interest in game.

Note: Recent Associated Press poll of fans came to much the same findings. About 45% said TV had increased their interest. Some 63% opined that if telecasts seriously hurt baseball attendance, they would favor blacking out the games.

**Personal Notes:** Joseph M. Bryan, 1st v.p. of Jefferson Standard Life Insurance Co. & pres. of its WBTW, Charlotte and WBTW, Florence, S. C., nominated for pres. of American Insurance Convention meeting in Oct. . . . Wm. C. Gittinger retires Sept. 5 as CBS v.p. . . . Wm. Balaban has resigned as head of ABC-TV closed circuit operations to join Lou Edelman, producer of *Danny Thomas* and new *Wyatt Earp* shows . . . Robert Purcell, ex-operations director, KTTV, Los Angeles, recently a consultant working for NATS on KTVQ, Oklahoma City (Ch. 25), joins KEYD-TV & KEYD, Minneapolis, as managing director under v.p. Lee Whiting . . . Wm. Brennan, ex-program director of KNXT, Los Angeles, resigns to package own shows . . . Walter Jacobs promoted to production mgr., WLWT, Cincinnati, replacing Robert Roberts, now with Biow, N. Y. . . . Eugene Tanner, commercial mgr. of WSIX-TV, Nashville, elected a v.p. . . . Andrew G. Hubbell, TV sales mgr., promoted to gen. sales mgr., WNBF-TV & WNBF, Binghamton, succeeding Stanley N. Heslop, retired . . . Col. Lester W. Lindow reports Aug. 22 to Pentagon for reserve duty with Army public information div., in which he served during war; he's gen. mgr. of Bitner's WFDF, Flint, Mich. . . . Paul C. Brines, ex-WGN-TV & WGN, Chicago, recently with WIRL, Peoria, named director of *Elkhart* (Ind.) *Truth's* WSJV (Ch. 52) & radio WTRC . . . Beryl L. Reubens promoted to CBS-TV trade press editor, succeeding James Kane, now director of press information, CBS Hollywood . . . Edward J. McKernan, asst. to Ben Ludy, gen. mgr. of WIBW-TV, Topeka, has returned home from hospital, and is recovering from heart attack . . . John Courcier, ex-KOOL-TV, Phoenix, named operations director of KTVW, Tacoma; Don Wood promoted to program director; Wm. Rambo, ex-KOVR, Stockton, Cal., is Tacoma mgr. . . . Verne W. Behnke, ex-MPTV eastern sales mgr., joins Petry; John W. Carter, ex-Adam Young Inc., now in Petry promotion dept. . . . M. D. Morris, ex-WATV & WAAT, Newark, now mgr. of radio WORC, Worcester, Mass. . . . W. Hugh Clark promoted to sales supervisor for CBC-TV's Ontario province; Donald J. Macdonald promoted to news mgr.; Charles Fouriezios named legal asst. to Ontario director Ira Dilworth . . . Glenn Boundy Jr., son of Storer chief engineer, appointed operations mgr., WGBS-TV, Miami . . . Jack Wormser, ex-ABC Hollywood, joins TV-radio dept., Erwin, Wasey & Co., Los Angeles . . . Allen McGinnis, from BBDO's TV dept., N. Y., transferred to Los Angeles as copy chief, succeeding Harry Bell, who returns to N. Y. as copy group head . . . Charles B. Bellante, ex-Soundmasters Inc., named technical director of TV films, Sullivan, Stauffer, Colwell & Bayles.

Donn B. Tatum, ex-NBC & ABC, and Donald A. Norman, ex-KRCA, Los Angeles, have formed Tatum-Norman & Co., consultants, with offices in Los Angeles & Oakland, Norman continuing his work with Television East Bay, 717 N. Highland Ave., Los Angeles, the Ch. 2 applicant for San Francisco backed by oilman Edwin M. Pauley.

Robert D. Swezey, WDSU-TV, New Orleans, appointed chairman of NARTB freedom of information committee, succeeding Edgar Kobak, radio WTWA, Thomson, Ga.; Grover Cobb, KVGB, Great Bend, Kan., named chairman of AM committee, succeeding James L. Howe, WIRA, Ft. Pierce, Fla.

Frank Stanton, CBS pres., disclosed by Defense Dept. as one of group of distinguished citizens acting as consultants with Defense Advisory Committee on Prisoners of War in framing the Code of Conduct released this week.

Frederick S. Siebert, director of U of Illinois School of Journalism, named acting director of the Graduate School's Institute for Communications Research for one year while Prof. Wilbur Schramm is at Leland Stanford.

**PRINTERS' INK** finalizes its preliminary estimates of 1954 advertising volume (*TV Factbook No. 21*, p. 22), as compiled for it by McCann-Erickson research dept. (Robert J. Coen), by reporting total was \$8,164,100,000—of which TV, now third among all media, accounted for \$803,600,000, or 9.8%. Figures represent what advertiser actually spends, which means, in case of TV, aggregate cost of time, talent & production. Talent & production factors for TV are stated as 1.75 times net time cost in case of network, 1.17 spot, 1.5 local.

The grand total for all media represents a 5.3% increase over 1953, comparing with \$7,755,300,000 for that year. That it's still going up, is evidenced in *Printers' Ink* advertising index for June, showing all advertising as whole running 10% ahead of year ago and 3% ahead of month previous, with network TV up 26% from June 1954 and 4% from May 1954.

Network TV accounted for \$417,900,000 of the 1954 national total, or 5.1% as against \$319,900,000 (4.1%) in 1953. Spot TV ran \$205,200,000 (2.5%) vs. \$145,500,000 (1.9%). Local TV ran \$180,500,000 (2.2%) vs. \$140,700,000 (1.8%).

Radio totaled \$564,900,000, or 7% of the 1954 national total, down from \$611,200,000 (7.9%). It broke down thus: network radio, \$114,500,000 (1.4%) vs. \$141,200,000 (1.8%) in 1953; spot radio, \$135,400,000 (1.7%) vs. \$145,600,000 (1.9%); local radio, \$315,000,000 (3.9%) vs. \$324,400,000 (4.2%).

Newspapers led the list, of course, accounting for \$2,695,300,000 of total or 33%, up 1.9% from preceding year. Direct mail was second, totaling \$1,202,400,000, or 14.7%, up 9.4%. Magazines represented \$667,900,000, or 8.2%, up .1%; business papers, \$407,500,000, or 5%, up 3.2%; outdoor, \$186,900,000, or 2.3%, up 6%.

Complete table is published in Aug. 19 *Printers' Ink* and should be used in lieu of the preliminary table as published in TV Factbook No. 21.

“Foundation of a big new TV network” is foreseen by *Forbes Magazine* in Aug. 15 article titled “Crack in the Curtain,” covering fiscal aspects of General Teleradio's purchase of Howard Hughes' RKO Radio Pictures Inc. (Vol. 11:30). “By renting the films to independent TV stations,” says *Forbes*, “General could compete with star-packed movies against the top attractions of the CBS and NBC networks without spending the heavy cash required for live shows and expensive coaxial cable fees. “It cites how General bought 30 oldies from Bank of America, and in barely a year has crossed \$2,100,000 on them, or almost double their cost, via its *Million Dollar Movie* syndication. It quotes Tom O'Neil: “I hope to make money with RKO very quickly. I'm a very nervous man.”

McKee & Albright, Philadelphia agency handling Breyers Ice Cream, Keebler Biscuit & Reading Coal accounts, planning to dissolve at end of year, partners Roy McKee and David Albright retiring.

Television Bureau of Advertising (TvB) reports 156 members as of Aug. 17, most recent being Washington Post Co.'s WTOP-TV, Washington & WMBR-TV, Jacksonville, and Cowles' KRNT-TV, Des Moines & KVTW, Sioux City.

Vice President Nixon to address Radio & TV Executives Society at first fall luncheon at Roosevelt Hotel, N. Y. Sept. 14; subsequent meetings will have FCC members as speakers.

Fortune Magazine raises onetime black-&-white page rate in Jan. to \$3670, up about 5%.

**Station Accounts:** Low budgets can mean high sales if used to maximum advantage—and 3 case histories of successful use of spot TV-radio, as reported in Aug. 15 *Sales Management Magazine* article by Victor Seydel, TV-radio v.p. of Anderson & Cairns, show how it can be done. The 3 companies are Brooklyn Paint & Varnish Co., which introduced a new product, Drem flat enamel, in 8-week spot campaign in N. Y. market at cost of \$16,000, resulting in busiest reorder season in its history from more than 160 dealers; Du Maurier Co., which promoted its filter-tip cigarettes in 13-week campaign in major markets at cost of \$40,000, and sharply reduced gap separating it from its competition; Associated Bulb Growers of Holland, whose spot campaign in 8 major markets to convince consumers to buy bulbs year-round cost \$80,000, resulted in big sales increase . . . Bowling bonanza for stations and sponsors is cropping up in several sections of nation as result of smash success of bowling shows on Chicago stations, reports Aug. 17 *Variety*; in addition to live shows on Chicago stations, it's estimated that series of bowling films, produced by Chicago auto dealer Pete DeMet (original sponsor of first live bowling show on WNBQ in 1953) and distributed by Walter Schwimmer Co., will be in 100-150 markets this winter. Griesedieck & Genesee Brewing Co. are among biggest multi-market sponsors . . . Bulova Watch Co. starts biggest spot campaign in its history Oct. 19 with barrage of 20-sec. announcements on 275 TV-radio stations on behalf of its "La Petite" series of ladies' diamond watches, thru McCann-Erickson . . . Kraft Foods using TV spot campaign to test-market new orange juice product packaged in paper cartons, thru J. Walter Thompson, Chicago . . . Monsanto Chemical to divert ad budget for "All" detergent from newspapers to daytime TV spot campaign in about one-third of all markets, thru Needham, Louis & Brorby, Chicago . . . Food sponsors are gravitating to

NBC-TV's *Great Gildersleeve*, which Kraft sponsored for 13 years on NBC Radio; 26 regional and local food advertisers have signed thus far as spot sponsors, led by Colonial Stores with 11 markets . . . Among advertisers currently reported using or preparing to use TV station time: Alkaid Corp., N. Y. (Alkaid's antacid tablets), thru Emil Mogul Co., N. Y.; B. & M. Corp., Houma, La. (Aluminum lawn umbrellas), thru Sewell, Carie & Radlauer, New Orleans; C-Johns Mfg. Co., Detroit (Cera-Lux car wax, Cinch shampoo for car interiors), thru Dick Frederick Agency, Detroit; Min-Sun Trading Co., Chicago (Chinese Maid food products and Canton Combo-Pack), thru Sherwin Robert Rogers & Assoc., Chicago; Oz Greeting Card Co., Los Angeles, thru Francis D. Gonda Co., L. A.; Leslie Salt Co., San Francisco, thru Honig-Cooper Co., San Francisco; Pacific Telephone Co., San Francisco, thru BBDO, San Francisco; Pen-Jel Corp., Kansas City (Pen-Jel fruit pectin), thru R. J. Potts-Calkins & Holden, Kansas City; Commercial Solvents Corp., N. Y. (Peak anti-freeze), thru Fuller & Smith & Ross, N. Y.; Clark-Cleveland Inc., Binghamton, N. Y. (Fasteeth, Motol, Thyoquent for the skin), thru Ralph D. Allum Co., N. Y.; J. Strickland & Co., Memphis (Hoyts cologne), thru Greenshaw & Rush, Memphis; Fisher-Price Toys Inc., E. Aurora, N. Y., thru Lloyd Mansfield Co., Buffalo; Silex Co., Chicago Electric div., thru Robertson Potter Co., Chicago; Vitality Mills Inc., Chicago (feeds), thru Standart & O'Hern Adv., Kansas City; Nenette Inc., Chicago (dust absorbing polisher), thru Marthens, Galloway & Simms, Chicago; W. E. Stephens Mfg. Co., Nashville (Stephens & Year's Work brand work shirts & pants), thru McDonald & Haggard, Nashville; Wasatch Chemical Co., Salt Lake City (Morgro garden products, All-in-One insecticide), thru Robert B. Ward Co., Salt Lake City; Deering, Milliken & Co., N. Y. ("Agilon" nylon yarn), thru Amos Parrish Co., N. Y.

**Network Accounts:** Philco drops alt. sponsorship of *Television Playhouse* on NBC-TV, which it has sponsored since 1948; Alcoa promptly picked up period (alternating with Goodyear) to start Oct. 2, Sun. 9-10 p.m., thru Fuller & Smith & Ross. Philco meanwhile is negotiating with NBC-TV on coverage of 1956 national political conventions, though spokesman says "asking price is very high." It has first option by virtue of sponsorship on NBC-TV in 1952. Westinghouse will sponsor on CBS, as in 1952 . . . Frigidaire to place *My Favorite Husband* in Tue. 10:30-11 p.m. time period it purchased last week on CBS-TV, starting in fall, thru Foote, Cone & Belding . . . Campbell Soups to sponsor *Lassie* on CBS-TV starting Sept. 11, Sun. 7-7:30 p.m., thru BBDO . . . Revlon drops alt. sponsorship of *Johnny Carson Show* on CBS-TV Thu. 9-9:30 p.m.; General Foods reportedly will fill in . . . Ralston Purina buys Wed. 10:30-11 p.m. on NBC-TV starting Oct. 12 for undetermined show, thru Guild, Bascom & Bonfigli . . . Beech-Nut to be alt. sponsor of *Dr. Spock Show* on NBC-TV starting Oct. 9, Sun. 3-3:30 p.m., thru Kenyon & Eckhardt . . . Procter & Gamble (Ivory) to sponsor *Fire-side Theatre* on NBC-TV starting Aug. 30, Tue. 9-9:30 p.m., thru Compton Adv. . . Mogen David Wines to sponsor Jan Murray's *Dollar a Second* on ABC-TV starting Sept. 2, Fri. 9-9:30 p.m., thru Weiss & Geller . . . CBS-TV discloses change in format of General Foods' *Our Miss Brooks* starting Oct. 14, Fri. 8:30-9 p.m.; it will feature "Mrs. Nestor's Private School for Girls" as story line . . . NBC-TV offers to affiliates for local sales the one-fourth sponsorship remaining open on NCAA football schedule and regional games, which have 3 network sponsors (General Cigar, Schick, Avco); Gulf Oil bought southwest regional games on 59 stations, thru Young & Rubicam . . . Morgan Beatty starts new series, *People*, on NBC-TV Aug. 21, Sun. 5-5:30 p.m..

Rate increases: WSB-TV, Atlanta, adds new Class AA hour (7:30-10 p. m., daily) at \$1000, min. \$200; WAGA-TV, Atlanta, adds Class AA hour (7:30-10 p. m. daily) at \$1000, min. \$200, Class A hour going from \$850 to \$900; KFSD-TV, San Diego, adds Class BB hour (7-7:30 p.m., 10-10:30 p.m., daily) at \$370, min. \$75; KHSL-TV, Chico, Sept. 1 adds Class AA hour (7:30-9:30 p. m., daily) at \$250, min. \$42.50, Class A hour remaining \$225; KEYT, Santa Barbara, Oct. 1 adds Class AA hour (7:29-9:59 p. m., daily) at \$450, min. \$90, Class A hour remaining \$400; KPIX, San Francisco, raises base hour from \$1250 to \$1500, min. \$260 to \$300; WDAF-TV, Kansas City, hour from \$860 to \$960, min. \$172 to \$192; WBZ-TV, Boston, from \$2000 to \$2250 & \$400 to \$450; KSTP-TV, St. Paul, from \$1200 to \$1450 & \$280 to \$320; KFYY-TV, Bismarck, N. D., from \$150 to \$200 & \$30 to \$40; KIEM-TV, Eureka, Cal., from \$150 to \$200 & \$30 to \$40; KBES-TV, Medford, Ore., from \$150 to \$200 & \$30 to \$40; KFBB-TV, Great Falls, Mont., raises Class B hour from \$112 to \$120.

Two new community antenna systems reported by NCTA: Lincoln TV System Inc., Wecoma Beach, Ore.; Abar TV Cable Co., Eugene, Ore. I. W. Brayer, owner of Whitey's TV & Cable Co., Douglas, Ariz., reports he's starting system in Williams, Ariz.

Reps: Storer reappoints Katz under long-term contract to represent 6 TV stations, 6 radio, continuing 16-year association; WPFA-TV, Pensacola, Fla., to McGillvra; KOMO-TV, Seattle, to NBC Spot Sales (from Hollingbery).

Jack Benny ends 23-year radio career this fall, will devote full time to *Jack Benny Show* on CBS-TV alt. Sun. 7:30-8 p.m. (Lucky Strikes), plus 6 productions in *Shower of Stars* series on CBS-TV every 4th Thu. 8:30-9:30 p.m.

NBC-TV leased famed Ziegfeld Theatre at 6th Ave. & 54th St., N.Y. for use as studio, mainly for color shows, takes over in Oct. for 7 years with 5-year renewal option.

**Telecasting Notes:** Boycott of sponsor products is clearly indicated in sharp resolution adopted by this week's San Diego convention of California State Theatrical Federation, comprising AFL unions and guilds with 67,000 membership, condemning Sterling Products Inc. for "evasion of American labor standards" in filming commercials in England "at rates of compensation for the English craftsmen and actions employed thereon that are below the standards established by American unions and guilds"—thus giving Sterling "an unfair competitive advantage" over those producing their filmed ads in U. S. . . . Pat Somerset, CSTF pres. and delegate from Screen Actors Guild, introduced resolution, which mentions particularly the British-produced commercials for Bayer Aspirin, Phillips Milk of Magnesia, Phillips Tablets, Dr. Lyons' Tooth Powder, Haley's M-O, Energine. Resolution is similar to one passed by N. Y. State Federation of Labor recently—may be forerunner of concerted effort by labor to fight shooting of film shows abroad . . . Britain & Mexico are chief locations for U. S. filming, though Germany gets its share of TV and theatrical films. This week, Valley Forge Beer's agency, Alvin Epstein Adv., Washington, was reported having ceramic and wooden dolls for its stop-action TV commercials made in Germany, the filming being done in Munich . . . Shortage of TV production personnel—cameramen, film editors, sound editors, sound technicians, etc.—is beginning to be felt in Hollywood, reports *Billboard*, and may become chronic. Employment has ranged from about 40% in late spring to 98%-100% in Aug. & Sept. . . . IATSE, which trains own people, claims there's no real shortage, responds to charges of being closed corporation, almost impossible to get into, by noting it's merely protecting its own—though unions' unpreparedness for

TV boom is manifest from fact that cameramen's local had 850 members in 1946, now has 1050, mostly cartoon filmers . . . Y. Frank Freeman, Paramount Pictures production v.p., tells *Film Daily* his company has no plans to follow example of other majors in going into TV film production, will rent new \$2,000,000 TV plant (5 stages, with entirely separate producing facilities) to other producers, including own KTLA . . . National Society of TV Producers, Hollywood (Max Gilford, gen. counsel) plans Sept. meeting to consider code for TV similar to theatrical movie code . . . Walt Disney expected to produce one of *Screen Directors Playhouse* series starting on NBC-TV Oct. 5 (Wed. 8-8:30 p.m.), which means show would be directly competing with his *Disneyland* on ABC-TV, Wed. 7:30-8:30 . . . Another live repeat: *Goodyear TV Playhouse* to do over again Robert Alan Aurthur's "Spring Reunion" Aug. 28, first seen in April 1954 . . . Another TV star wins Hollywood stardom: James Daly, who did *Foreign Intrigue* series in Europe, plays attorney role in "The Court Martial of Billy Mitchell," with Gary Cooper . . . Edinburgh Film Festival has selected ABC-TV cameraman Leroy Stone's documentary on the Fulton Fish Market for showing.

Surprising finding in Trendex survey of live vs. film TV preferences of the audience: 51.8% preferred live shows, 6% preferred film—and 42.2% expressed indifference! Telephone survey first asked what program was being viewed at time of call and whether it was live or film; 70.8% correctly identified production as live or film, 9.7% were wrong, 19.5% didn't know. Those favoring live shows said it was because pictures are clearer, more realistic; those favoring film said it was because scenery is better, production more finished, more action.

**W**ITH UHF CPs being cancelled left and right, including 2 more this week—WTBO-TV Cumberland, Md. (Ch. 17) and KCTL, Seattle (Ch. 20)—comes now Herbert Mayer and applies for Philadelphia's Ch. 23, prompting speculation he'll also apply for uhf elsewhere.

Mayer's TV experience in both uhf & vhf is one of the sagas of the industry, but he gives no indication in his application just how he expects to put uhf over in all-vhf Philadelphia. But after his fabulous success in TV, starting when most broadcasters considered TV a will-o'-the-wisp, then selling his WXEL, Cleveland (Ch. 8), KPTV, Portland, Ore. (Ch. 27) and Empire Coil Co. to Storer for \$10,000,000 (Vol. 10:44), everyone feels he must have something unusual up his sleeve.

He proposes to build 266-kw station for \$414,100, operate it first year for \$500,000, taking in \$200,000—operating with staff of 34. He lists funds available as "in excess of \$3,500,000." Currently, he's on a round-the-world trip with his family, had his onetime partner Martin W. Kramer, of New York, file the application.

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FCC commissioners are still wracking their brains about allocations problems. Comr. Hyde is planning to give his analysis of situation at Washington Lions Club luncheon at Mayflower Hotel, Aug. 31. Comr. Lee, ex-FBI chief clerk who likes to do his own on-the-spot checking, is out examining station operations. Recently, he breezed through New York ad agencies and came back with opinion there's nothing "mysterious" about reluctance to use uhf; that sponsors are interested solely in circulation.

Allocations shifts continue to be sought, meanwhile: (1) Jacksonville, Fla. educators asked FCC to reserve Ch. 36 for them instead of Ch. 7. They noted that WJHP-TV,

now using Ch. 36, has offered them its facilities, said they could never afford to build Ch. 7 station themselves; they asked that Ch. 7 be given to WJHP-TV. (2) Video Independent Theatres, which last week asked shift of Ch. 8 from Woodward, Okla. to Elk City, this week requested that Ch. 9 be moved from Monahans, Tex. to Hobbs, N. M., to be replaced by Ch. 35.

One of cutest documents filed with FCC in many a moon was request for oral argument and list of exceptions submitted by WWL, New Orleans, contesting examiner's initial decision favoring WTPS for Ch. 4. WWL's puckish counsel Paul Segal had document printed on half-dozen colors of paper, in inks of several colors, drawing attention to examiner Elizabeth Smith's preference of WTPS on basis of what she considered were superior color plans.

In Court of Appeals, WENS, Pittsburgh (Ch. 16) was turned down in its request that CP of merged WWSW-WJAS be stayed. It was 2-1 vote, Judge Fahy dissenting from Judges Miller & Bastian. Another decision was appealed, meanwhile—KXOA, Sacramento (Lincoln Dellar) contesting grant of Ch. 3 to KCRA (Ewing C. Kelly).

Low-power TV rules should be relaxed more, RETMA told FCC this week, stating: "The initial installation cost of a TV station is incurred only once by a station operator; it is the daily operating cost of small stations which will undoubtedly prevent the early widespread use of low-power TV broadcasting. Therefore, further attention should be given by the Commission to those rules governing daily operation which will permit savings in daily operations. The use of remote control and directional antennas, for example, will permit the low-power station to function at reduced cost. It may also be appropriate to consider that the 100-watt minimum power rule could be waived in certain cases upon proper showing."



**F**ARM TV SET counts for Kansas and Wisconsin were released this week by Census Bureau as part of its Oct.-Nov. 1954 Census of Agriculture. Based on 20% sample, Wisconsin was shown to have TVs on 60,333 of its 153,558 farms, or about 40%. In Kansas, 34,004 of 120,167 farms—or nearly 30%—are TV-equipped. Wisconsin has stations in Milwaukee, Madison, Eau Claire, Green Bay, La Crosse, Marinette & Wausau, also receives stations in Minnesota and Illinois. Kansas stations are in Great Bend, Hutchinson, Pittsburg, Topeka & Wichita, with out-of-state viewing possible from stations in Missouri, Nebraska & Oklahoma.

WISCONSIN

County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Adams	989	144	Marathon	5,691	1,153
Ashland	846	120	Marinette	2,014	949
Barron	3,540	1,405	Marquette	1,048	254
Bayfield	1,257	343	Milwaukee	1,065	796
Brown	2,672	1,792	Monroe	2,784	395
Buffalo	1,682	457	Oconto	2,529	1,276
Burnett	1,179	407	Oneida	416	46
Calumet	1,772	895	Outagamie	3,188	1,902
Chippewa	3,157	1,011	Ozaukee	1,234	902
Clark	4,274	876	Peplin	735	276
Columbia	2,615	963	Pierce	2,393	1,548
Crawford	1,674	256	Polk	3,258	1,791
Dane	5,094	2,347	Portage	2,415	590
Dodge	3,954	2,178	Price	1,619	200
Door	2,024	980	Racine	1,704	1,362
Douglas	1,152	505	Richland	2,150	235
Dunn	2,870	1,388	Rock	3,138	1,345
Eau Claire	1,857	578	Rusk	1,865	470
Florence	316	90	St. Croix	2,665	1,878
Fond du Lac	3,479	1,906	Sauk	2,913	473
Forest	467	111	Sawyer	739	126
Grant	3,533	1,068	Shawano	3,197	1,285
Green	2,189	782	Sheboygan	2,900	1,806
Green Lake	1,247	494	Taylor	2,566	456
Iowa	2,268	517	Trempealeau	2,698	345
Iron	276	70	Vernon	3,485	465
Jackson	1,787	286	Vilas	168	30
Jefferson	2,782	1,628	Walworth	2,113	1,373
Juneau	1,740	202	Washburn	999	350
Kenosha	1,385	1,032	Washington	2,245	1,505
Kewaunee	1,829	1,035	Waukesha	2,669	1,988
La Crosse	1,454	310	Waupaca	2,931	1,127
Lafayette	2,025	691	Waushara	1,762	495
Lanlade	1,356	552	Winnebago	2,152	1,091
Lincoln	1,512	248	Wood	2,536	482
Manitowoc	3,321	1,901			
			<b>State Total</b>	<b>153,558</b>	<b>60,333</b>

KANSAS

County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Allen	1,499	243	Linn	1,377	616
Anderson	1,273	376	Logan	345	5
Atchison	1,408	767	Lyon	1,835	290
Barber	732	260	McPherson	2,123	684
Barton	1,510	525	Marion	1,928	457
Bourbon	1,622	382	Marshall	2,083	348
Brown	1,703	754	Meade	638	45
Butler	1,935	630	Miami	1,845	872
Chase	548	161	Mitchell	1,057	157
Chautauqua	796	149	Montgomery	2,045	714
Cherokee	1,551	593	Morris	1,067	216
Cherokee	787	19	Morton	347	6
Clark	502	37	Nemaha	1,800	436
Clay	1,335	266	Neosho	1,759	498
Cloud	1,338	224	Norton	993	200
Coffey	1,438	299	Ness	885	141
Comanche	418	97	Osage	1,691	661
Cowley	1,993	675	Osborne	1,011	107
Crawford	1,873	484	Ottawa	1,042	348
Decatur	870	124	Pawnee	814	287
Dickinson	1,866	432	Phillips	1,196	200
Doniphan	1,289	563	Pottawatomie	1,520	413
Douglas	1,435	831	Pratt	860	425
Edwards	583	174	Rawlins	813	21
Elk	848	140	Reno	2,712	1,072
Ellis	1,065	131	Republic	1,705	192
Ellsworth	858	248	Rice	1,155	594
Finney	726	33	Riley	1,044	189
Ford	1,299	167	Rooks	965	197
Franklin	1,696	789	Rush	972	216
Geary	552	82	Russell	941	194
Gove	644	34	Saline	1,212	437
Graham	741	51	Scott	479	24
Grant	248	5	Sedgwick	2,158	1,036
Gray	672	50	Seward	380	12
Greeley	267	8	Shawnee	1,720	900
Greenwood	1,148	133	Sheridan	770	54
Hamilton	406	7	Sherman	573	6
Harper	1,217	491	Smith	1,372	151
Harvey	1,368	450	Stafford	1,050	444
Haskell	306	16	Stanton	282	14
Hodgeman	587	98	Stevens	436	25
Jackson	1,727	737	Sumner	2,190	977
Jefferson	1,585	817	Thomas	731	47
Jewell	1,553	170	Trego	796	117
Johnson	1,342	949	Wabaunsee	1,114	325
Kearny	318	20	Wallace	327	4
Kingman	1,320	497	Washington	2,026	304
Kiowa	506	71	Wichita	366	11
LaBette	2,048	734	Wilson	1,317	278
Lane	362	53	Woodson	815	121
Leavenworth	1,748	992	Wyandotte	1,009	715
Lincoln	1,015	163			
			<b>State Total</b>	<b>120,167</b>	<b>34,004</b>

Note: Previously published tabulations—Nev., N. H., Vt. (Vol. 11:28); Wyo. (Vol. 11:29); N. D. (Vol. 11:30); Ida., Utah (Vol. 11:31); Mont., S. D. (Vol. 11:32); Colo., Minn. (Vol. 11:33).

Reaction at FCC to illegal boosters in Northwest, which continue operating despite pending Commission action against them, has two phases: (1) Operations are against the law, must stop. (2) Demand for service, indicated by the boosters, should be met by Commission action. One plan getting some consideration at FCC is to establish a new class of service—tiny uhf “translators,” operating in band set aside for them, perhaps to 10 uhf channels. They’d use as little as one watt, operate unattended, free from compliance with many technical standards which make regular stations so expensive, financed by municipalities, clubs, etc.

Screen Actors Guild members went back to work this week, ending 12-day strike against TV film producers (Vol. 11:33) followed ratification of 5-year contract providing for increases in minimum rates, residual payments from second to sixth runs of films and other fringe benefits. New contracts call for payments of not less than 35% of minima for second runs, 30% for third re-runs, 25% for fourth. Minimum daily wages for actors was increased from \$70 to \$80. Strike idled estimated 10,000 actors and tied up about 400 producers.

Rocky Marciano-Archie Moore fight via theatre TV Sept. 20 will have at least 100 theatres hooked up, as against peak of 83 for Marciano-Cockell bout in May, reports TNT pres. Nate Halpern. It’s blacked-out in 50-mi. radius of Yankee Stadium, nearest to carry it being a drive-in on Long Island.

TV consulting service to builders, architects & contractors, designed to help them plan construction of hotels and other gathering places with TV originations in mind, is being offered by Miami’s WTVJ, whose gen. mgr. Lee Ruwitch sent letter to prospects this week. Service will be handled by Jack Shay, operations v.p., who has supervised technical installations of TV equipment for some 90 network originations by WTVJ. Station itself is expanding equipment, has ordered new 35-ft. trailer capable of handling color which it says will be “the largest remote unit in the world.”

What Britain’s commercial TV is offering the public will be subject of half-hour film on CBS-TV, Sept. 25, or immediately after new ITA services begin Sept. 22. Planning to go to London for commercial debut, among other U. S. notables, is NBC pres. Pat Weaver. It’s estimated, by London research firm known as Political & Economic Planning, that TV will account for \$56,000,000 worth of ad billings in first year, about 10% of England’s ad budget, going to \$84,000,000 in 1957, \$100,000,000 in 1958.

NBC-TV awarded first 2 scholarships this week in program to help raise standards of drama shows. The Presidents’ award went to Robert E. Dierbeck, 27, TV coordinator of Milwaukee Public Museum, who gets \$6000 cash prize to work for one year at NBC-TV on documentary dramas. The employes award went to Frank M. Skinner Jr., 24, NBC page who gets \$2700 cash prize and year’s scholarship to Yale for study of scenic design.

**K**TRE-TV, LUFKIN, TEX. (Ch. 9), opens up new TV area in heart of rich timber country which v.p.-gen.-mgr. Richman Lewin says has "the thirstiest-for-TV population in Texas," being 83 mi. from nearest other station—in Tyler, Tex. It aired first test patterns Aug. 17 but had to go off for adjustments and expected to be on test schedule by week's end. It's 441st on-air station, plans big inaugural Aug. 31 with Mrs. Oveta Culp Hobby, recently in President Eisenhower's cabinet, as guest of honor, and goes on regular commercial schedule Sept. 1 as satellite to Mrs. Hobby's KPRC-TV, Houston (Ch. 2).

Though it will get full NBC schedule via own 124-mi., 2-hop microwave link with Houston, reported "working perfectly," KTRE-TV will also program locally and has \$110,000 worth of business already signed, reports Lewin. It has 5-kw GE transmitter with 6-bay antenna on 540-ft. Andrews tower. It's owned mainly by local business group headed by R. W. Worthman Jr., but has *Shreveport Times'* Henry B. Clay, who heads upcoming KTVH, Little Rock (Ch. 11), as 11% stockholder. Danny Kirk, ex-WCHS-TV, Charleston, W. Va., is program mgr.; Harold Riley, ex-KTRK-TV, Houston, production mgr.; Murphy Martin, sales mgr.; Fred C. Hill, chief engineer—latter 2 from radio KTRE.

KTRE-TV will have one local & national rate \$150 an hour, which will be discounted 25% if time is purchased for simultaneous telecasts with KPRC-TV. Rep is Venard, Rintoul & McConnell.

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Chicago's educational WTTW (Ch. 11) got its antenna up Aug. 14 but didn't meet test target this week because of recent storms, reports exec. director John W. Taylor. It may start testing week of Aug. 22, plans to put on city-wide faculty meeting with city's board of education Sept. 6, first day of new school term, and to start regular programming Sept. 19.

Only new equipment shipment reported this week was 10-kw RCA to WTOK-TV, Meridian, Miss. (Ch. 11). KPTV, Portland, Ore. (Ch. 27), reported its high-power uhf antenna as on hand and it expects to increase shortly to a megawatt, making it third 1,000,000-watt uhf station. Hike was originally scheduled for July 1, but antenna was dropped during fabrication at RCA plant (Vol. 11:22). Other megawatt stations are Wilkes-Barre's WILK-TV (Ch. 34) and WBRV-TV (Ch. 28).

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

KFJI-TV, Klamath Falls, Ore. (Ch. 2), has delayed anticipated summer or fall start, despite delivery of 5-kw GE transmitter, pending FCC action on application of KBES-TV, Medford, Ore. (Ch. 5), for new site on Soda Mt., 25½ mi. to east, which KFJI gen mgr. Alan K. Abner says "would mean [if granted] the elimination of any national business for the station [KFJI-TV] that could deliver only one market [and which] would mean that the Klamath Falls and surrounding market would no longer be a reasonable risk to the TV investor." Studio-transmitter house, he reports, is half built. Plan is to use 120-ft. tower on 6000-ft. peak. Base rate would be \$150.

WAIQ, Andalusia, Ala. (Ch. 2), third educational outlet granted Alabama Educational Television Commission, now has Jan. 1, 1956 test target and will program by Jan. 15, reports pres. R. D. Hulbert. It has ordered 35-kw GE transmitter with 4-bay antenna, plans 500-ft. tower,

begins construction about Nov. 15. It's to be hooked up with WTIQ, Munford (Ch. 7) and WBIQ, Birmingham (Ch. 10), now operating, to form state network. Thad Holt is consultant for the state commission; James Evans, chief engineer.

WORA-TV, Mayaguez, Puerto Rico (Ch. 5), owned by sugar grower Alfredo R. deArellano Jr., reports its GE transmitter is on hand, studio-transmitter building ready, 100-ft. tower planned—and tests should begin Sept. 25. It will be affiliated with George Mayoral's WJMR-TV, New Orleans. Base rate will be \$120. Rep is Adam Young.

WCTV, Thomasville, Ga. (Ch. 6), is still aiming for Sept. 1 tests, Sept. 15 program schedule, with CBS & NBC affiliations, reports gen. mgr. Herschel Graves, promoted from radio WTAL, Tallahassee, 37½ mi. distant. WTAL owner John H. Phipps, of the noted Fla. financial family, acquired CP recently from ex-Gov. E. D. Rivers Sr., along with radio WKTG, Thomasville (Vol. 11:20). Phipps also owns WTYS, Marianna, Fla. GE 35-kw transmitter has been installed, 669-ft. tower by Tower Structure Inc. is being readied for 5-bay antenna due to go up Aug. 22. Base hourly rate will be \$200. Rep is Meeker.

WDBJ-TV, Roanoke, Va. (Ch. 7), is now installing 5-kw DuMont transmitter, has taken delivery of RCA 6-bay antenna, but awaits steel for new top for tower to be delivered in latter Aug. Accordingly, reports gen. mgr. Ray P. Jordon, it has pushed test target forward to Sept. 22, expects to begin CBS programming about Oct. 1. Network rate will be \$500. Rep is Free & Peters.

WDAM-TV, Hattiesburg, Miss. (Ch. 9), headed by Dave A. Matison Jr., operator of 3 Miss. radio stations, now plans "early 1956" starting date. Equipment has not yet been reported, nor rep chosen.

KTHV, Little Rock, Ark. (Ch. 11) has Oct. 15 test target date, will start programming early in Nov., joins CBS as of April 1, 1956, meanwhile will carry CBS & ABC programs not cleared by present affiliate KATV, Pine Bluff-Little Rock (Ch. 7), reports Henry B. Clay, exec. v.p. *Shreveport Times* interests (KWKH) owns 42%, *Arkansas Democrat* 32% of grantee company. It has ordered 50-kw RCA transmitter for Sept. 6 delivery, 12-bay antenna for Oct. 1, will transmit from 1175-ft. Ideco tower, which will also support antenna of KARK-TV, Little Rock (Ch. 4) and on which construction has begun. Transmitter building is about 40% complete, and work on studio building started this week. Also being constructed is 150-ft. tower with 6-bay RCA antenna for auxiliary purposes, rising about 800 ft. above average terrain, also to be ready by early Oct. Gen. mgr. will be B. G. Robertson, gen. mgr. of 50-kw radio KTHS. Rep will be Branham.

WHTN-TV, Huntington, W. Va. (Ch. 13) should make Sept. 15 test target, Sept. 25 ABC network interconnection, if RCA equipment is delivered on time, reports Fred Weber, v.p.-gen. mgr., ex-WFPG and now-silent WFPG-TV, Atlantic City (Ch. 46). It has 5-kw RCA driver & 20-kw GE amplifier on order, along with custom-built RCA antenna. Control is held by A. B. Hyman, pres., head of local theatre group. Base rate will be \$450. Rep is Petry.

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CKVR-TV, Barrie, Ont. (Ch. 3) is due to get delivery of 5-kw GE transmitter Aug. 16, will have studio-transmitter house completed shortly, begins erection of 393-ft. Stainless tower Aug. 25. Test target is now Sept. 10, reports Pres. Ralph T. Snelgrove, with programming Sept. 15. Newly added to executive staff are Charles Tierney, ex-CJFX, Antigonish, N. S., as sales mgr. and Claude Baikie, ex-CHCH-TV, Hamilton, Ont. as production mgr. Base rate will be \$240. Rep is Paul Mulvihill.

**DEALERS BUOYED BY RISING TV STABILITY:** Price increases and high inventories are factors that normally might worry TV dealers as they prepare for fall season. But they aren't worrying in the least now; in fact, they generally feel that both price hikes and inventories can be used to their advantage.

Some 47 top TV-appliance dealers attended NARDA-sponsored First Institute of Management at Washington's American U this week (see p. 12). In talking to many of them, we got the distinct impression that they're far more encouraged by stabilizing factors in TV trade than they're concerned with ominous portents.

One of most stabilizing influences, they generally feel, is slow but steady decline of discount house competition. Many feel they have the most flagrant discounters on the run -- driving them out of business or forcing them to compete on equal terms -- and were heartened when one of the biggest manufacturers, Philco exec. v.p. John M. Otter, agreed. He told them at luncheon session:

"The discounter has learned his lesson -- he has to earn a profit to stay in business, and as a result he's getting a higher price for his merchandise today than ever before. Those who are still left in business are assuming the normal overhead of hiring salesmen and giving service."

Price increases already announced, and the certain prospect of more to come, seem to hold no fears for the dealers now. Two major reasons are given for their apparent lack of concern: (1) Many are rather heavily stocked in old merchandise at lower prices, feel it will take them until perhaps early Nov. to work off excess inventories of old models. (2) Their markets generally are proving more robust than they expected -- as witness record retail sales of 3,202,995 in first half 1955 -- and view is that they can pass increases to consumers with little effect on sales.

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More details on Whirlpool-Seeger-RCA merger and how the new white goods giant will operate came out this week in press conference with Elisha Gray II, pres. of Whirlpool, and in his letter to stockholders of both Whirlpool and Seeger. It's set for ratification by stockholders Sept. 12, and Mr. Gray said he anticipated that new company, Whirlpool-Seeger Corp., would be a reality Sept. 16. Officers of new corporation are: chairman, Walter G. Seeger, chairman of Seeger; pres., Mr. Gray; v.p., John S. Holl, pres. of Seeger; v.p.-treas., Mason Smith, Whirlpool financial v.p.; secy., Edward C. Cudmore, Whirlpool comptroller. In addition, directors who will serve until first annual meeting of shareholders are Sears Roebuck's R. E. Brooker & Edward Gudeman, RCA's Frank M. Folsom & Charles M. Odorizzi, investment banker Maynard H. Murch & ex-Whirlpool v.p.-treas. Frederick S. Upton.

First appliances under RCA-Whirlpool brand, laundry equipment, will hit the market in Jan. 1956, said Mr. Gray. Eventually there will probably be a full line, including kitchen cabinets, dishwashers, food disposers, sinks, water heaters and vacuum cleaners. He reiterated that there are no immediate plans for distribution changes -- but said distributors will "want to rearrange their lines" so they can handle both RCA's TV line and new RCA-Whirlpool appliances. Company does not plan to utilize RCA Service Co., he declared.

Proxy notice places combined sales of Whirlpool, Seeger & RCA stove and air conditioner depts. last year at \$307,600,000, earnings nearly \$14,000,000. RCA stove-air conditioner operations showed net loss of \$2,400,000 prior to adjustments for income taxes. Pro forma balance sheet, assuming merger in effect, indicates total assets of \$123,700,000 for new company. Whirlpool's present long-term indebtedness of \$10,200,000 will be paid off, according to proxy statement. Whirlpool-Seeger will pay RCA \$86,667 per month in exchange for 5-year agreement covering advice & assistance on manufacture, on research & development, economic planning, etc.

Brief highlights of other major trade developments this week:

**Copper Price Up:** Prospect of further TV price increases heightened as three domestic producers -- Anaconda, Phelps Dodge and American Smelting & Refining -- boosted copper prices from 36¢ to 40¢ per lb. They attributed increase to higher labor costs resulting from recent strike, higher prices in European markets, plus pressure from Chile to make its prices competitive with domestic producers. The 40¢ price was said to be highest since 1872.

**Used Tubes:** Philco's plan to smash what it calls "the multi-million dollar racket" in resale of used TV-radio tubes, by giving 5¢ credit to servicemen for each old tube turned in (Vol. 11:33), got rather chilly reception from other set makers. No manufacturer announced immediate plan to join Philco in offering credit, though service groups generally endorsed idea. National Alliance of TV & Electronic Service Assns. was to discuss subject at its convention in Chicago, Aug. 20-21.

**Economic Outlook:** Is the current record prosperity based on real money or merely easy credit? President's Council of Economic Advisers wrestled with problem at meeting this week -- and was said to be divided on whether to ask for economic controls more stringent than such financial manipulations as recent Federal Reserve Board increase in banks' interest rate. The top-level advisers were apprehensive about possible new inflationary spiral resulting from recent wage-price increases. Administration, however, was said to be firmly committed to avoid use of any but indirect controls except in national emergency. Meanwhile, consumer installment credit outstanding rose to all-time high of more than \$33 billion in July.

**Production:** TV output totaled 154,798 week ended Aug. 12, compared to 134,959 preceding week and 113,864 week ended July 29. It was year's 32nd week and brought TV production for year to date to about 4,540,000 vs. 3,500,000 in same 1954 period. Radio production totaled 240,148 (109,334 auto) week ended Aug. 12, up from 209,689 preceding week and 203,343 week before. For 32 weeks, radio output was estimated at 8,250,000 vs. 6,220,000 in corresponding period of 1954.

**COMMENTS ON COLOR** set sales prospects, obtained from manufacturers in our current survey (p. 1), shows that they all look hopefully to color as a great new phase of the business-- though they differ markedly on when they think color will reach that stage.

Interesting aspect of survey is that the manufacturers can have strong opinions on color, yet disagree so substantially in their analyses and predictions--content to let events prove them right or wrong. Most are quite willing to be identified though a few chose not to be at this time. Following are excerpts from replies received to date:

James H. Carmine, Philco pres.: "We are consistent in our opinion that production of color TV receivers will progress slowly. The industry is only just entering the real training period on all phases of color TV--service and field training, manufacturing experience, production of color tubes, to mention only a few. Further, industry has taken only the first steps toward gaining necessary experience in programming, camera techniques and broadcasting . . . All of the factors involved are of major importance. From a short range point of view, I want to point out that it has taken several years to build even the first color receivers which we all hope will give stable, satisfactory service in the field. We are now almost in Sept. and only a very few color TV receivers have been manufactured. As a consequence, it is inevitable that the quantity of color receivers available this fall must be very limited. All these considerations have entered into our opinion that it will be summer and fall of 1956 before manufacturers can achieve even minimum volume production of color receivers that can be safely sold to consumers . . . There have already been too many false starts in color TV. The industry cannot

afford any more. That is why Philco will move forward carefully and very cautiously during the fall season this year."

Robert W. Galvin, Motorola exec. v.p.: "NBC and CBS are to be commended for their ambitious color programming schedules this fall. NBC's program is particularly noteworthy. The quantity, quality and diversity of these shows have already re-enthused our distributors for the color market and will awaken increased interest on the part of the dealers. The combination of these programs and increased enthusiasm at the marketplace will improve the market prospects substantially over last year. We anticipate a steady, though moderate, sale of color receivers this fall."

A. L. Chapman, Sylvania v.p.-operations: "It is my opinion that the increased amount of programming and telecasting in color which is planned for this fall and for next year will stimulate consumer interest in color TV sets. It appears now that there will be some 25,000 sets sold in 1955, and it is very possible that the industry will sell from 200,000 to 250,000 sets in 1956. This fall could very likely be the starting point for color, with color then having a slow but steady growth in the coming years."

E. W. Gaughan, Capehart-Farnsworth v.p.-gen. sales mgr.: "Color TV could be sold in a fairly large volume beginning the middle of Sept. this year and the balance of the season if the dealers will take an interest in displaying, promoting and demonstrating color TV sets. However, I am fearful that the average merchant or dealer will place a color set on their floor and expect the public to break down their doors in an effort to make a purchase . . . As far as Capehart is concerned, we fully intend to do our part in promoting, advertising and conducting both sales & service clinics in Ft. Wayne and out in the field to create more interest . . . It may be well to mention that Capehart is one of the very few in

the electronics field who have to date invested more than \$1,000,000 in research, development, tooling and design in the color TV field . . . We are not dependent upon any other manufacturer for a chassis, circuitry or design when it comes to color TV. If the retailers will show an interest, it is my personal opinion that close to 100,000 color sets could be sold by the industry the balance of this calendar year. Next year I believe this figure could far exceed 300,000."

Robert S. Bell, Packard-Bell exec. v.p.: "While I would certainly be delighted to be an optimist about the earlier part of this period—i.e., the coming fall—I fail to see where there will be much headway made in selling the product to the people. However, the idea of color TV as a well-known art and as commercially feasible should be a reasonably short additional job, and I hope and look forward with confidence that within the next year and a half we will get to the point where they can be produced at a price which will reach at least a fair portion of the market. It is my firm belief that we do not have a chicken and egg fight at all in color TV as we did in black-&-white, and I just feel certain that as soon as adequate programming, amounting to an hour or more every night, is available, people will begin to believe that color is really here. Up to now, they have been deluged with about 99% misinformation for the last 7 years. I think it will take a little while to break through the crust of their indifference to any ballyhoo."

Raymond W. Durst, Hallicrafters pres.: "It will take some time for the public to get a greater awareness of the magic and excellence of color. My guess, and it is just that, is that there will be from 25,000 to 50,000 color receivers sold at retail between now and Dec. 31. I hate to make what might appear like a very unrefined guess of the retail sales in the calendar year 1956 but I think it has a potential of from 500,000 to 1,000,000 receivers. The so-called 'carriage trade' alone can account for a goodly number."

Morris Sobin, Olympic pres.: "We believe that the continuing efforts of RCA and others in their broadcasting activities as well as the recent stepped up consumer advertising campaigns will effectively overcome the inertia which now prevails on the part of the public. At the present rate of interest we feel that by this Christmas a small, modest quantity of color receivers will have been sold at the retail level. Olympic has been keeping abreast of color receiving developments and our factory is equipped for color production in moderate quantities. Several pilot model units have been produced and small-scale production is scheduled for Nov. Olympic will proceed slowly with color production and as market tests indicate increasing demand, production will be increased accordingly."

C. J. Hunt, Stromberg-Carlson TV-radio v.p.: "With the price tags that are on the 21-in. color sets, sales are bound to be limited. On the other hand, I feel that with the type of programming that is coming considerable consumer interest will be created and if the industry can produce 21-in. instruments at a greatly lowered retail price in 1956 it will sell all it can make."

Ernest Alschuler, Sentinel pres.: "We have felt convinced that color TV was coming along in a most encouraging manner and of course, now with the release of the news that RCA-NBC color plans are going to be on such favorable basis, we are quite pleased to have our views confirmed. Our confidence in color TV is evidenced by our devoting a considerable amount of effort in the complete engineering of our color TV receiver, and we have just recently decided to increase our planned production."

H. C. Bonfig, CBS-Columbia pres.: "The increased programming projected by the networks this fall, plus the programming planned by a number of local stations, will help stimulate color TV set sales and increase interest in the color medium. Sales in the fall of 1955 will be better than those we had in 1954, due to this increase in programming. In 1956, we will see a substantial increase over the 1955 color sales figure. Right now, one of the principal deterrents to sales is the price factor. As long as the consumer weighs the black-&-white prices today against the possibility of color set prices tomorrow this will be a stumbling block. When color sets get to the \$400-\$500 level, they will be able to be sold to the mass market. It's difficult to say when that level will be achieved, as it may take some time. Perhaps it will arrive by the end of 1956."

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Here are the views of those few manufacturers who prefer not to be identified now:

One fairly large producer estimated that this year's production would be 60,000 sets, sales 50,000; for 1956, he predicted production of 250,000, with 200-220,000 sales.

A medium-sized producer stated: "I believe that there may be a market for between 5000 and 10,000 sets this year. As regards next year, I would rather see what happens between now and the first of the year before making any estimate."

A smaller set maker writes: "With the type of color-casting plans that RCA has announced, color TV should at last get started. Receivers have been sufficiently improved so that they produce an entirely commercial picture. Although units of sales this fall should not be significant, total dollars will be important. In 1956, color TV will represent an important part of the TV industry's billing."

Another small producer says: "In view of the strong emphasis which NBC and CBS are placing on color broadcasting for this coming fall, I believe this will serve to create a definite continuing interest in color by consumers. The extent of this interest will depend on the quality of the programs, and more especially, the quality of the color reception and the price of color TV receivers. For the first time, it appears that color TV will have a continuing place in the market."

Still another small manufacturer puts it this way: "I am still of the very firm opinion that the color set market will not get off the ground until such time as sets can be retailed for under \$500 with a reasonable profit to the dealer. Even at this retail figure I am of the opinion that it would not represent more than 10 to 12 percent of the total set sold. However, these percentages can accelerate rapidly as costs drop."

GE small appliance div. has cancelled all advertising in *Life Magazine*, shortly after June 20 editorial stating that fair trade is "dying" and expressing "good riddance." GE is one of most active fair traders, particularly in small appliances. GE's action, explained company spokesman, was prompted by decision to divert more advertising to network and spot TV and "has no other significance whatever." Division had been spending more than \$500,000 a year in *Life*.

British TV production in first 6 months totaled 776,000, up 51% from the 508,760 sets produced in first half of 1954, reports British Radio Equipment Manufacturers Assn. Output of radios, including auto sets, totaled 1,109,431 in first half vs. 885,677 in first 6 months year ago. During June, said BREMA, about 57% of TV sales were on installment credit, which is being further restricted in second half of year under new regulations.

**Topics & Trends of TV Trade:** NARDA rates kudos of the whole industry for sponsoring First Institute of Management Conference for TV-appliance dealers this week at American U, Washington—and some who participated in and observed the sessions are enthusiastically suggesting it should be an annual affair, perhaps expanded on a district basis in order to take in more “students.”

Workshop sessions and luncheon speakers comprised the 6-day “course”, attended by 47, and these were topped by “bull sessions” about the business that lasted far into the night in the campus dormitories where they were billeted.

One of most important, timely and lucid speeches, to our thinking, was Aug. 15 talk by Thomas F. Joyce, pres. of Raymond Rosen & Co., Philadelphia RCA distributor; we’re printing it in full text as Special Report herewith, and we’ll run off reprints for other distributors (who may want them for their dealers) at nominal rates on request.

Joyce defended role of the distributor, but only if he performs his proper responsibilities for his “dealer partners.” He listed these as carrying adequate inventories of end products and replacement parts, providing adequate credit facilities, giving sales & merchandising assistance, training dealer servicemen, giving dealer “maximum territory and market protection.” In reply to questions after speech, he told the dealers they had no reason to fear discount houses unless the discounters were buying at lower prices.

Here are highlights of some of the topics covered by other speakers:

**Servicing**—Magnavox gen. sales mgr. Ray Yeranko said 50% of dealer’s TV business depends on how well he services products he sells. He urged them to equip service depts. with accurate test equipment, check every set for performance and appearance before delivery, have service technician install every set and instruct customers on operations for best results, advertise service depts., develop new prospects through leads furnished by service depts.

**Sales Training**—Philco exec. v.p. John M. Otter urged dealers to tap college graduates and teachers as sources of salesmen. “Point out that they can make more money with you than with a wholesaler,” he said, referring to fact that many young college graduates want to join distributor organizations for training. He also stressed necessity of proper training of salesmen, urged dealers to hold daily sales meetings.

**Consumer Attitudes**—Magnavox v.p.-gen. mgr. Leonard F. Cramer said public is demonstrating willingness to buy up into higher-priced merchandise, and it’s up to dealer to develop that tendency. He urged dealers to emulate auto agencies in reselling public on pride of ownership, saying that an auto gives its owner only a fraction of the pleasure derived from TV set.

Dealers and distributors attending Aug. 15-20 sessions: Vergal Bourland, Ft. Worth; David S. Brihart, Scottsdale, Pa.; Robert H. Cloud, Lexington, Ky.; Paul Detting, Jackson, Mich.; Mort Farr, Upper Darby, Pa.; Steve Feinstein, Boston; Mike Flynn, Washington, D. C.; Carl E. Forsberg, Brockton, Mass.; Don Gabbert, Minneapolis; Stuart Greenley, Flint, Mich.; Robert Grinnell, Flint; Stewart Grove, Flint; J. H. Hampton, Pontiac, Mich.; B. F. Hannah, Tucson; Scott Hanson, Louisville; J. D. Hodsdon, Portsmouth, Va.; S. M. Hollis, Memphis; Earl T. Holst, Des Moines; J. R. Hopkins, Hollywood, Fla.; Charles H. Jett, Lexington, Ky.; Robert Justis, Newport, Del.; J. W. Leon, Toledo; Frank Low Jr., Rocky Mount, N. C.; Paul Meyer, Mankato, Minn.; Francis L. Monette, Lowell, Mass.; James I. Morningstar, Dawson, Pa.; George Pazik, Milwaukee; Henry F. Pieratt, Lexington, Ky.; Nick Powell, Richmond, Ky.; Harry B. Price Jr., Norfolk; Lawrence F. Rahn, Brookfield, Ill.; Max Rhodes, Prospect Heights, Ill.; Jerry Ritter, Port Huron, Mich.; Edward Rosen, Philadelphia; Fred O. Schwender, Utica, N. Y.; J. H. Shenk, Harrisburg; D. M. Shoffner Jr., Port Huron, Mich.; A. H. Smith, Gainesville, Fla.; Ken J. Stucky, Ft. Wayne; Robert B. Sudd, Oildale, Cal.; W. L. Tait, Portland, Ore.; F. Engle Taylor, Columbus, O.; Don C. Tobin, San Francisco; J. R. Waters, Fairmont, W. Va.; Gross Williams Jr., Shreveport; J. B. Wood, Norfolk.

**SHIPMENTS OF TVs** to dealers in first half of 1955 totaled 3,084,717, compared to production of 3,828,793, according to RETMA state-by-state report released this week. They compared with 2,667,603 shipped in first half of 1954, when production was 2,845,147. New York led, with 299,913; California was next, 257,209; Pennsylvania third, 190,012. June shipments were 407,087, compared to 348,181 in May and 297,505 in June 1954. Here’s state-by-state report for first 6 months (county-by-county tables available to members from RETMA on request):

State	Total	State	Total
Alabama	55,072	New Hampshire	11,016
Arizona	17,299	New Jersey	98,043
Arkansas	36,884	New Mexico	10,961
California	257,209	New York	299,913
Colorado	22,411	North Carolina	82,950
Connecticut	41,115	North Dakota	9,873
Delaware	6,430	Ohio	153,946
District of Columbia	31,400	Oklahoma	46,059
Florida	105,008	Oregon	40,546
Georgia	68,413	Pennsylvania	190,912
Idaho	13,121	Rhode Island	14,216
Illinois	166,254	South Carolina	47,494
Indiana	77,357	South Dakota	10,030
Iowa	43,354	Tennessee	65,307
Kansas	40,710	Texas	186,941
Kentucky	53,127	Utah	11,895
Louisiana	69,806	Vermont	9,798
Maine	23,143	Virginia	55,702
Maryland	42,355	Washington	53,547
Massachusetts	84,172	West Virginia	32,812
Michigan	122,063	Wisconsin	62,270
Minnesota	49,242	Wyoming	2,877
Mississippi	29,549		
Missouri	81,938	U. S. TOTAL	3,071,906
Montana	9,227	Alaska	4,590
Nebraska	24,807	Hawaii	8,221
Nevada	4,232		
		GRAND TOTAL	3,084,717

Raytheon introduced twin-speaker “Super T” transistorized portable radio, which company claims can play for 2 years on single battery with normal use, as one feature of its TV-radio line shown to press at New York’s Hotel Astor Aug. 18. Henry F. Argento, TV-radio v.p., said: “This radio completely removes any necessity for the plug-in variety of radio . . . as we have known it for 28 years.” It retails for \$89.95. The TV line has a 17-in. ebony table leader at \$140; 21-in. tables at \$160, \$170, \$180 & \$210; 21-in. consoles at \$200, \$250, \$300 & \$320. All models have top tuning controls, 90-degree aluminized picture tubes and an overload relay which customer can reset by pushing button.

CBS-Columbia’s new line, introduced to distributors Aug. 20-21 at New York’s Essex House, comprises 9 basic 21-in. models and one 24-in. console, ranging from \$170 to \$300. Engineering and styling include illuminated dials, front tuning controls, improved “photo-electron gun” designed for uniform focus, aluminized picture tubes, improved audio circuits. The four 21-in. table models are priced at \$170, \$180 & \$240, with price of one model to be set by local distributors; five 21-in. consoles are \$200, \$230, \$250, \$270 & \$300; the 24-in. console is \$290. Optional uhf tuners are \$20-\$30 extra.

Stromberg-Carlson increased prices on 4 basic 21-in. models \$5 to \$15 this week, joining Admiral, Emerson & Trav-Ler Radio in announcing increases thus far (Vol.11: 31-33). TV-radio v.p., C. J. Hunt, wired distributors: “We have delayed making this announcement as long as possible, even in the face of constantly rising material costs and increased labor costs,” and said company hoped to confine increase to the 4 models and to “hold the line” in its fall pricing. The “Cremona” was raised from \$260 to \$270, “Milano” from \$320 to \$330, “Regency” \$460 to \$475, “Empire” \$490 to \$495.

Hallicrafters reports 20% increase in TV-radio unit sales at dealer meetings this year over 1954, which marketing director Michael D. Kelly attributes largely to company’s 17-in. table model at \$99.95 and new \$19.95 remote control unit.

Sparton will introduce new TV line, titled “Royal Scot,” at meeting of district merchandisers Aug. 25-26 at Jackson, Mich. plant.

**Trade Personals:** James H. Carmine, Philco pres., sailed Aug. 17 on *Queen Elizabeth* for European business trip, expects to return after Labor Day; Robert F. Herr, v.p., already touring NATO countries to check on Philco equipment and personnel, due to return in mid-Sept. . . . Frederick D. Ogilby, Philco TV-radio div. v.p., recovering nicely from his heart attack of last spring, expects to be back on job sometime in Sept. . . . Fritz A. Gross, chief engineer of Raytheon equipment engineering div., promoted to div. mgr., assuming duties of J. Ernest Smith, who continues as v.p. & engineering director of Datamatic Corp., owned jointly by Raytheon & Minneapolis-Honeywell . . . John F. Frazier promoted to mgr. of Corning Glass Works TV dept., succeeding Dr. John L. Sheldon, appointed staff research mgr. of electrical products div. . . . James Kieth, owner of Los Angeles electronic parts maker S. A. Asquith Co., elected pres. of Kaye-Halbert, currently operating under Chapter XI proceedings and starting recapitalization drive with court permission; he replaces founder Harry Kaye, resigned . . . Gordon L. Jolly promoted to mgr. of product information, Westinghouse TV-radio div. . . . Donald G. Wilson, Stromberg-Carlson asst. research director, appointed vice-chairman of electronics committee, American Institute of Electrical Engineers . . . Donald Kirk Jr. and Caywood C. Cooley elected v.p.'s of Jerrold Electronics Corp., Simon Pomerantz treas., James J. Fuld secy. . . . Charles Berman named asst. to Trav-Ler sales mgr. Tully Friedman . . . D. B. Jones named Bendix Radio mid-Atlantic regional mgr. . . . Richard Linke, ex-Capitol Records, named sales mgr. of Columbia's "single" records.

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**DISTRIBUTOR NOTES:** Philco appoints TCR Distributors Inc., 1205 E. River Drive, Davenport, Ia., replacing Schmiers Distributing Co., Rock Island . . . Admiral appoints Capital Appliance Distributors, 2200 N. New York St., Evansville (Kenneth Somers, gen. sales mgr.) . . . Sylvania appoints V. J. Stanley Inc., Rochester, N. Y. . . . Capehart-Farnsworth appoints Keps Appliance Co., 5000 Baum Blvd., Pittsburgh (Joseph Elias, pres.); Edgar A. Brown Inc., Carnegie & E. 40th St., Cleveland (Edgar A. Brown, pres.); Neil Distributors Inc., 1035 NW 71st St., Miami (Herbert S. Neilinger, pres.); Radio Trade Supply, Des Moines . . . GE appoints L. Luria & Son Inc., Miami, as supplementary distributor . . . Trav-Ler Radio opens factory branch at 193 N. Broadway, Milwaukee (Howard V. Schwartz, ex-Raytheon Distributors, gen. mgr.) . . . Marshall-Wells Co., Duluth, one of world's largest wholesale hardware firms and Arvin Radio distributor there, announces resignation of pres. John H. Moore.

Crosley-Bendix plans \$3,500,000 ad campaign this fall, biggest in its history, concentrating on network TV and magazines, thru Compton Adv. and Earle Ludgin & Co. It will sponsor *Midwestern Hayride* on NBC-TV Fri. 8-8:30 p.m. and co-sponsor NCAA football game-of-the-week on NBC-TV. It will place 64 pages in national magazines.

Emerson's sales in 6 months ended July 31 were highest in company's 40-year history, said pres. Benjamin Abrams in letter to distributors, which also stated defense business continues at high level; recent projects are new contracts for hemispheric defense, fire control computers, guided missiles.

Allied Electric Products Inc., Irvington, N.J., parent company of tube maker Sheldon Electric Co., was adjudicated bankrupt this week in Newark Federal Court. Date will be fixed later for public sale of assets. Company was headed by the late Nathan Chirelstein.

House Ways & Means subcommittee headed by Rep. Forand (D-R.I.) will start hearings Oct. 4 on all excise tax problems, including TV-radio.

**Color Trends & Briefs:** Dealer caution about color was evident at NARDA Institute of Management at Washington's American U this week. Leonard Cramer, Magnavox v.p.-gen. mgr., and Thomas Joyce, pres. of Philadelphia RCA distributor Raymond Rosen & Co., gave bullish talks on color, were followed by Philco exec. v.p. John M. Otter who told dealers not to buy more sets than they knew they could sell.

In question period, Rosen's Edward Rosen asked Otter why he differed with others. Otter replied: "Color TV isn't ready, either in the tube or in the circuitry, and Philco will not push anything that isn't ready." Then Harry B. Price Jr., NARDA pres. and owner of big Norfolk chain, took floor to say he'd been stuck with color sets last year, wasn't going to buy until he was sure of orders. He was roundly applauded by fellow dealers, indicating general agreement with him. NARDA chairman Mort Farr, Upper Darby, Pa. dealer also attending sessions, tells us he's going all-out, on other hand, having recently hired high-priced salesman to concentrate solely on color.

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Network color schedules for next 2 weeks: NBC-TV—Aug. 22, *Producers' Showcase*, "The King & Mrs. Candle," 8-9:30 p.m.; Aug. 22-26 & Aug 29-Sept. 5, segments of *Home*, 11:45-noon; Aug. 23, 25 & 30 and Sept. 1 & 6, *Vaughn Monroe Show*, 7:30-7:45 p.m.; Aug. 24, 26 & 29, *Matt Dennis Show*, 7:30-7:45 p.m.; Aug. 26, 27 & 28, Davis Cup tennis matches, 2-5 p.m. Note: First CBS-TV color spectacular will be *Ford Star Jubilee* Sept. 24, Sat. 9:30-11 p.m., starring Judy Garland, with David Wayne guest star.

Vertical chassis 21-in. color set, first of its kind, was introduced by Raytheon this week, priced at \$795 for table model, \$895 console. Receiver has 24 tubes, 3 rectifiers, and console is 29-in. wide, 23-in. deep, 37-in. high. Henry F. Argento, TV-radio v.p., stated that company had another design fully developed 8 months ago but scrapped it to concentrate on new chassis. CBS-Columbia announced this week that it was reducing from \$1100 to \$795 the price of its 19-in. set (205C).

Color in movies and TV will be theme of SMPTE convention at Lake Placid Club, Essex County, N. Y., Oct. 3-7. TV sessions Oct. 6 include: discussion of "grainless phosphor screens for TV tubes and the light amplifier," 5-man roundtable on network telecasting; DuMont Vitasecan; colorimetric problems in film; report on international conference in Stockholm last June.

Technical articles on tri-color tubes in Aug. *Proceedings of the IRE*: "Color TV Luminance Detail Rendition," by W. G. Gibson & A. C. Schroeder, RCA Labs; "A New High-Efficiency Parallax Mask Color Tube," by M. E. Amdursky, R. G. Pohl & C. S. Szegho, Rauland (Zenith); "Design of Lens-Mask Three-Gun Color TV Tubes," by R. C. Hergenrother, Raytheon.

Further strengthening color schedule, NBC-TV will offer 26 filmed half-hour children's programs, *Golden Time*, produced in collaboration with publisher Simon & Schuster, to be colorcast Sat. or Sun. mornings. NBC also announced that *Matinee*, its 3-4 p.m. daily color show, would start Oct. 31 instead of Oct. 3; that Jose Ferrer has been signed for "Cyrano de Bergerac" on *Producers' Showcase* Oct. 17.

Live daily colorcasts will originate from Texas State Fair at Dallas, Oct. 7-23. RCA "caravan" will handle them, and programs will be carried on WFAA-TV & KRLD-TV.

"Color TV: On the Way at Last?" is question posed in title of article in Aug. 13 *Business Week*—and tenor of article leans toward affirmative answer.

Henri, Hurst & McDonald has installed 21-in. RCA color set in reception room, believes it's first Chicago ad agency to do so.

**Financial & Trade Notes:** Television-Electronics Fund Inc. net assets increased to \$104,639,370 (9,132,272 shares) as of July 31, up from \$96,182,331 (8,489,045 shares) as of April 30, including these stocks added during the quarter: 5300 shares of Cincinnati Milling Machine with market value of \$344,500; 2000 duPont, \$453,000; 2600 Ex-Cell-O Corp., \$123,825; 6500 Friden Calculating Machine, \$169,000; 1400 General Mills, \$108,150; 5500 Precision Radiation Instruments, \$45,375; 6000 DuMont 5% convertible preferred, \$126,000; 1000 Texas Instruments 4.48% cumulative convertible preferred "A", \$26,875; \$80,000 worth of American Electronics 5% convertible debentures. Also included are \$6,000,000 in Treasury notes.

Fund added to holdings in following stocks during quarter ended July 31: ACF Industries, Addressograph-Multigraph, AT&T, Babcock & Wilcox, Beckman Instruments, Bell & Gossett, Bell & Howell, Bullard Co., Bulova Watch, Carborundum, Chance Vought, CBS "A", Continental Telephone, Cornell-Dubilier, Corning Glass, Curtiss-Wright, Douglas Aircraft, Eastman Kodak, Electric Controller & Mfg., Electronic Assoc., Elgin National Watch, Garrett, General Dynamics, General Tire, Goodyear, Hazeltine, I-T-E Circuit Breaker, Lockheed, Minneapolis-Honeywell, National Acme, Northrop Aircraft, Paramount Pictures, Pullman, Raytheon, Royal McBee, Ryan Aeronautical, Servomechanisms, Sperry Rand, Square "D", Stewart-Warner, Taylor Instrument, Thompson Products, United Aircraft, Western Union.

Part of holdings were sold in Admiral, Aerovox, Aircraft Radio, Allis-Chalmers, AB-PT, American Chain & Cable, American Phenolic, Arvin, Bendix Aviation, Borg-Warner, Burroughs, Clark Controller, Columbia Pictures, Cutler-Hammer, Eaton Mfg., Electro-Data, Electronics Corp. of America, Emerson Radio, Gary (Theo.), General Controls, GE, General Railway Signal, Hammond Organ, Indiana Steel Products, International Resistance, IT&T, Magnavox, Minnesota Mining & Mfg., Motorola, National Cash Register, North American Aviation, Philco, RCA, Robertshaw-Fulton, Sylvania, TelAutograph, Tung-Sol, United-Carr Fastener, United Shoe Machinery, Walt Disney, Westinghouse, Zenith.

Eliminated were Fund's 800 shares of Consolidated TV & Radio Broadcasters (Bitner stations) and Raytheon \$2.40 cumulative convertible preferred, latter converted to common. The Sperry Rand holdings replace Sperry Corp. and Remington Rand which merged. And General Dynamics holdings reflect acquisition of Stromberg-Carlson.

(For similar report on Feb. 1-April 30 quarter, see Vol. 11:21, p. 15.)

\* \* \* \*

General Dynamics Corp. earned \$9,384,757, or \$1.87 a share, on sales of \$342,989,927 in first half of 1955, compared to \$9,840,825 (\$1.93) on \$323,305,659 in same 1954 period. Figures includes operations of recently acquired Stromberg-Carlson (Vol. 11:18) which chairman John Jay Hopkins said is functioning at "high production levels" on both commercial products and govt. contracts. "Productive capacity is being increased for an expected expansion of the division's telephone equipment business," he said, adding that the new TV line "was received enthusiastically by distributors and dealers." He said corporation's backlog of unfilled orders was \$1.124 billion as of June 30, besides \$800,000,000 worth of contracts then under negotiation.

Erie Resistor Corp., in 24 weeks to June 12, had net sales of \$8,837,707, net profit of \$383,903, or \$1.25 per share (\$1.11 assuming full conversion of preferred at 1.1 rate). This compares with sales of \$6,572,643, profit of \$60,673 (8¢) for corresponding 1954 period. Consolidated report includes British and Canadian subsidiaries.

**COLUMBIA RECORDS** formed "record-of-the-month" subscription club this week, in cooperation with its distributors and 6200 dealers, in effort to get its share of estimated \$20,000,000 worth of records purchased annually by subscription. As first step, it appointed its gen. attorney Norman A. Adler, as v.p.-gen. mgr. of Columbia LP Record Club, with special club headquarters at 165 W. 46th St., N.Y. It will spend \$1,000,000 in next 8 months advertising, through Maxwell-Sackheim, N.Y.

Columbia made a point, in big promotional ads, of emphasizing that distributors and dealers will participate—unlike other record clubs, where dealer is by-passed. Dealer will be given a 20% commission on all sales made to each subscriber he signs up, as long as he continues as an active member. Distributors will be given a 4% commission on all sales to members recruited by dealers in their area. Subscribers will be offered a free 12-in. LP when they join; they will have to buy a minimum of 4 records a year at list price and will be entitled to a free bonus record for every 2 records they buy. Columbia will draw on its full catalog for club selections, including both classical and popular music.

RCA Victor, associated with Columbia as 2 top producers in record industry, announced through v.p. Emanuel Sacks that it had no intention of forming its own record club. He commented: "The best way to realize the growth potential we see for the record industry is through aggressive dealers stocked with competitively priced quality merchandise. That is why we lowered the price of our long-playing records as much as 40% earlier this year. As a result, record sales have soared to a new high and dealers, both large and small, have benefited."

RCA Victor disclosed it will stop producing 78rpm records early next year. Sacks said popularity of 45s has made 78s unprofitable. Shipments will begin about Aug. 20 on a new 12-in. LP to retail for 98¢, featuring selections from both popular and classical albums. Slow demise of 78rpm records was not unexpected, with trade press speculating it will be industry-wide trend by fall of 1956.

More officers' & directors' stock transactions reported by SEC, in addition to those published last week (Vol. 11:33): Frank Stanton sold 30,000 CBS "A", holds 104,058 CBS "A"; Ralph J. Cordiner bought 4500 GE, holds 10,395; Clarence H. Linder bought 2070 GE, holds 4710; Howard C. Briggs sold 1000 Hoffman Electronics, holds 1000; Oliver J. Greenway bought 800 International Resistance, holds 8650; Charles H. Griffith bought 1200 International Resistance, holds 5300; Edward A. Stevens bought 1800 International Resistance, holds 8840; Percy L. Spencer sold 2200 Raytheon, holds 3.

Sperry Rand Corp., in first report since recent Sperry and Remington Rand merger, reports combined net income of predecessor companies of \$9,027,895 (35¢ a share on 25,205,632 shares outstanding) on shipments of \$157,796,605 for quarter ended June 30.

P. R. Mallory & Co. declares 3-for-2 stock split, with distribution Sept. 15 of added share for each 2 held as of Aug. 30; common will go on 35¢ quarterly dividend in lieu of present 50¢.

Oak Mfg. Co. earned \$839,076, or \$1.60 a share, on sales of \$11,370,124 in first 6 months of 1955 vs. \$500,243 (95¢) on \$8,096,471 in first half of 1954.

Dividends: Philco, 40¢ payable Sept. 12 to stockholders of record Aug. 31; Standard Radio Ltd. "A", 15¢ Oct. 11 to holders Sept. 20; Clevite, 25¢ Sept. 9 to holders Aug. 26.

Servomechanisms Inc. sales were \$6,073,000, profit \$216,000 (28¢ a share) in first half of year vs. \$5,967,477 & \$303,743 (40¢) in same 1954 period.



**Electronics Reports:** Further example of old-line companies expanding and diversifying in fields of electronics (Vol. 11:33): Avco this week concluded agreement to acquire 60,980 shares of Hycon Mfg. Corp. (out of 2,329,990 shares outstanding) in exchange for 73,139 shares of newly issued Avco common (8,922,585 outstanding, 15,000,000 authorized) and will also purchase \$500,000 of new Hycon 10-year 5% convertible debentures. Main purpose is for Avco, notably its Crosley div., to exchange scientific know-how and facilities with Hycon and for Avco to participate in Hycon's defense contracts. Each will have one director on other's board.

Hycon makes special purpose electronics equipment as well as aerial cameras, photogrammetric equipment, ordnance products; its prime defense contracts, mainly involving basic components of the "Mighty Mouse" 2.75-in. rocket, ran some 80% of its billings in 1954 and will run about 60% this year. First fiscal half-year ending July 31 showed earnings, due to heavy developmental expenses, of about \$100,000 vs. \$280,154 (16¢ a share) on sales of \$5,874,086 in same period last year, reports pres. Alden E. Acker. Second half sales are expected to reach \$7,000,000 for a fiscal year's volume above 1954's \$11,972,107.

Hycon has 10 plants in Pasadena, Cal., which it proposes to centralize into one new \$1,000,000 structure at LaVerne, Cal. It recently formed Hycon-Eastern Inc., Cambridge, Mass., research concern in which it holds 60% interest. California firm expects to be listed on American Stock Exchange in Nov.

Note: Avco discloses it will have instrument for testing color TV sets ready for mass production in Sept., to sell for \$415.

\* \* \* \*

Stromberg-Carlson div. taking over production of charactron tube from General Dynamics' Convair div. Stromberg also has acquired former Electronic Control Systems Inc., Los Angeles, specializing in automation and electronic computers; it previously had part interest. Also disclosed this week, with declassification of TACAN (tactical air navigation), was that it is manufacturing system under contract with Navy. Leonard Mautner, Stromberg asst. v.p., has been assigned to head expanded west coast operations; Alexander F. Brewer, also an asst. v.p., will be resident mgr. of electronic control labs, Los Angeles.

Herold Radio & Electronics Corp., Mt. Vernon, N. Y., which produces radios & phonos for Sears, Firestone, CBS-Columbia, etc., plans to apply for listing on American Stock Exchange, according to chairman Roland Kalb. It sold 100,000 shares to public (at \$3 per share) in recent offering. Sales in 4 months ended June 30 rose to \$1,100,000 from \$570,000 in corresponding period year ago.

A. L. W. Williams named pres. of Clevite Research Center, formed by merging Brush Laboratories Co. & Clevite-Brush Development Co.; he succeeds Dr. C. Baldwin Sawyer.

Dr. Otto Heinz, ex-Bell Labs, and Dr. Clarence M. Ablow, senior research mathematician, join Stanford Research Institute's engineering div.

Harry L. Owens, ex-Signal Corps Labs, Ft. Monmouth, N. J., joins Texas Instruments Inc., Dallas, as chief engineer of semi-conductor products div.

Dr. Truman S. Gray, MIT associate professor of engineering electronics, has been named consultant on nuclear energy to Brown Instruments div., Minneapolis-Honeywell.

Dr. F. Ralph Kotter, ex-MIT, rejoins National Bureau of Standards electricity & electronics div.

Edgar S. Bloom, 79, retired ex-pres. of Western Electric, 1926-39, died Aug. 14 at his home in N. Y.

The Russians view transistors: "Radio receivers and TV sets already exist having no vacuum tubes (apart from picture tubes), which have been replaced by miniature solid electronic amplifiers that possess great advantages over tubes: longevity, minute power consumption, mechanical ruggedness and small size. They find the widest application in the complex systems of phone stations, in calculators, and in many automatic installations."—Prof. A. Berg, in May 1955 *Radio* (Russian). "It is now completely beyond doubt that in the next few years low-power vacuum-tube electronic devices will be supplanted by semiconductors . . . In the very near future small-size radio broadcast receivers will be widely installed having germanium triodes with an output signal up to 0.5v, supplied by dry batteries of 3-6v having a high sensitivity of 35mkv/m . . . It must be assumed that in the near future semiconductor rectifiers will find wide application [also] in powerful radio broadcast stations where they will with success replace high-vacuum kene-trons and vacuum tubes."—Prof. A. Kugushev, same publication.

New 226-p. microwave manual, *Point-to-Point Radio Relay Systems—44 mc to 13,000 mc*, originally prepared for Air Force, is being offered commercially for \$2 by RCA Govt. Service Dept., Camden. Manual covers propagation, interference, etc., includes charts, curves & monograms.

David M. Rice, pres. of Electronic Publishing Co., Chicago, publisher of electronic parts & hi-fi distributor catalogs, pricing digests, etc., has acquired all outstanding stock in the corporation, plans new quarterly *Dave Rice's Official Pricing Digest* as of Oct. 1.

The 11th annual National Electronics Conference, sponsored by AIEE, IRE, RETMA, SMPTE & 7 midwestern universities, will be conducted at Chicago's Hotel Sherman Oct. 3-5, featuring 24 sessions and 131 exhibitors.

Tiny silicon power rectifier is first product to come from new semi-conductor dept. of Automatic Mfg. Corp., subsidiary of General Instrument Co. It occupies only .03 cu. in., weighs .07 oz., operates at temperatures up to 200° C.

Smallest walkie-talkie FM set ever built is RCA's claim for new experimental unit built for Signal Corps. Said to have ¼-mi. range, transceiver is 5½x3x1-in., weighs 15 oz., uses 12 transistors and one tube.

Russian TV set production in 1955 will total about 500,000—twice last year's output but below govt.'s 760,000 goal—reports *New York Times* in recent analysis of Soviet consumer goods output.

New textbook: *Elements of Electronics*, by USN chief radio electrician Henry V. Hickey & Lt. Wm. M. Villines (McGraw-Hill, 487 pp., \$6.50).

New John F. Rider publications: *Selling Your TV-Radio Service*, by GE Tube Dept. (64-p., \$1); *Picture Book of TV Troubles*, by Rider staff (96-p., \$1.80).

A 350-mi. microwave system for California civil defense is being installed by RCA; it has 9 hops, uses 2450-2700-mc band.

"Industry's All-American Team" is 28-p. brochure published by RCA as a "salute" to its small suppliers.

Electronic Parts Distributors Show, to be held next year in Chicago 3rd week in May, elects these officers for 1956: pres., W. D. Jenkins, Radio Supply Co., Richmond; v.p., Theodore Rossman, Pentron; secy., W. Walter Jablon, Presto; treas., Herbert W. Clough, Belden.

Annual western winter furniture market is scheduled Feb. 6-10 at Western Merchandise Mart, San Francisco (A. Cameron Ball, gen. mgr.).

**T**ELEVISION OWNERSHIP, as adduced by Market Research Corp. of America on basis of continuing reports of its 5800-family panel (see p. 1), embraced 68% of all households as of July, compared to 67% in April, 64% in Jan. and 61% in Oct. 1954. The breakdowns show TV ownership predominates in northeast region, in cities of more than 500,000 population, and in families in upper fourth of income bracket where head of family has high school education. Here are complete MRCA breakdowns:

TELEVISION OWNERSHIP				
Percent of Families in Each Group With TV Sets				
	Oct. 1954	Jan. 1955	April 1955	July 1955
<b>UNITED STATES TOTAL</b> ...	61%	64%	67%	68%
<b>Regions:</b>				
Northeast	78%	81%	84%	85%
South	42	46	50	54
North Central	64	68	70	70
Mountain & Southwest	42	46	46	52
Pacific	61	64	65	66
<b>City Size:</b>				
Farm	31%	35%	38%	43%
Under 2,500	44	49	53	56
2,500 to 50,000	42	49	50	53
50,000 to 500,000	67	70	74	75
500,000 & Over	83	85	87	87
<b>Total Family Income:</b>				
Upper Fourth	71%	76%	77%	81%
Next Fourth	68	70	72	76
Next Fourth	62	66	69	69
Lowest Fourth	44	46	48	48
<b>Education of Family Head:</b>				
Grade School	53%	57%	60%	62%
High School	68	71	74	75
College	66	71	71	73
<b>Size of Families:</b>				
1 & 2 Members	51%	56%	57%	59%
3 Members	68	68	73	73
4 & 5 Members	71	75	77	78
6 Member & Over	57	58	62	66
<b>Age of Housewife:</b>				
Under 35 Years	68%	70%	73%	75%
35 thru 44 Years	69	73	74	74
45 Years & Over	52	56	59	61
<b>Presence of Children:</b>				
5 Years & Under	68%	70%	73%	75%
6-12 Years	68	72	75	76
13-20 Years	61	66	69	71
No Children	53	58	60	61

Barton Pitts' KFEQ-TV, St. Joseph, Mo. (Ch. 2, CBS), with radio KFEQ (5-kw, 680 kc, MBS) is expected to be sold shortly for \$550,000 plus assumption of about \$235,000 in liabilities to syndicate in which Bing Crosby, Kenyon Brown & George Coleman will each own 25%; John E. Fetzer & Paul O'Bryan, 12½% each. Deal was handled by Robert Grant, representing Kidder, Peabody & Co., Chicago. Pitts has long sought to sell the stations and retire, due to ill health. Bing Crosby would enter deal as an investor, having been partner with Kenyon Brown, part owner of KWFT-TV, Wichita Falls and other stations, and Mr. Coleman, Miami, Okla. banker, in the old time-sharing KMBY-TV, Monterey, Cal., which they sold last year (Vol. 10:45 & 11:6). Fetzer operates pioneer WKZO-TV, Kalamazoo (Ch. 3), KOLN-TV, Lincoln, Neb. (Ch. 3) and several radio stations. O'Bryan is partner in Washington law firm Dow, Lohnes & Albertson.

Madison Ave. and entire TV-radio advertising fraternity, reading generally favorable reviews this week of Al Morgan's new novel, *The Great Man* (Dutton, 317pp, \$3.50), are playing guessing games as to who is real-life prototype of Herb Fuller, the dubious "hero" of the narrative. Fuller is "the great man" to millions of TV-radio fans, but in actual life (the story is told by commentator Ed Harris as he puts together the Herb Fuller Memorial Show after he dies in a car crash) was a downright heel. Author of book that's causing more talk in trade than any since *The Hucksters* is senior editor of NBC *Home* show.

Horace P. Moulton elected v.p. & gen. counsel of AT&T Aug. 17, succeeding T. Brooke Price, who retires Sept. 1.

Celebrated Edward Lamb case, in which FCC accuses the broadcaster-publisher of lying to it about past communist leanings, moved another step toward finale this week when Commission and Lamb attorneys filed proposed findings and conclusions on the hearing which ran from Sept. 15, 1954 to May 24, 1955. At stake is license of Lamb's WICU, Erie, Pa. (Ch. 12). Commission counsel submitted 335-p. document, while Lamb attorneys filed 14-p. brief. FCC brief is signed by 5 lawyers headed by Joseph M. Kittner, quotes at length from testimony and from Lamb's writings, including his book *The Planned Economy of Soviet Russia*, and concludes that he once did advocate communist economy and govt. as superior to that of U. S.; that he was active in un-American groups; that he contributed to communist groups—and that he lied when he swore to the Commission that he didn't. Lamb counsel J. Howard McGrath, former U. S. attorney-general, Russell M. Brown & Philip Bergson, attacked character and credibility of FCC's witnesses and argued that whole procedure was illegal and/or unconstitutional. In addition, they stated that testimony shows Lamb has record of active opposition to communism. Next move is reply of respective counsel to each others' briefs. Then examiner Herbert Sharfman will issue his initial decision. Oral argument before FCC will follow, after which Commission will render final decision. These steps are expected to run case well into next year.

Probe of alleged communist infiltration in entertainment industry by House Un-American Activities Committee this week got plenty of headlines—but got little information connecting communism with TV. Tony Kraber, ex-CBS & DuMont producer, pleaded 5th Amendment when questioned about possible Red links following sarcastic exchanges with committee members. Richard S. Salant, CBS v.p., said Kraber had resigned Sept. 28, 1951 as network's director of special events "by mutual agreement."

Suit against S. I. Newhouse, Syracuse interests, including WSYR-TV & WSYR, demanding \$1,088,112 in anti-trust damages, was thrown out Aug. 19 by Federal Judge Brennan. Plaintiff WNDR, Syracuse MBS outlet, had charged unlawful restraint of interstate commerce through "package deals in advertising" and alleged Newhouse interests had spread false rumors about WNDR's financial stability. Action was started in Nov. 1952.

WUSN-TV, Charleston, S. C. (Ch. 2) is selling its radio WUSN (1450 kc, 250 watts daytime, MBS) for \$110,000 to Low Country Bestg. Co., owned 50% each by Sol Panitz, TV-radio director of Alvin Epstein Adv., Washington agency, and Barry Winton, TPA. WUSN-TV owners (J. Drayton Hastie family 43%, *Evening Post* 40%) state they want to devote full attention to TV.

Signs of the TV times: *New York Times* assigns reporter fulltime to cover TV film beat in Hollywood under its ace movie reporter Tom Pryor . . . BBC's weekly *Radio Times*, devoted largely to reprints of significant broadcasts, had ABC circulation average of 8,832,579 for first 6 months of 1955 . . . *Houston Chronicle* (KTRK-TV) latest to add special Sun. TV section, starting with 8 pages.

Edward Lamb's original radio station WTOP, Toledo (1-kw daytime, 1560 kc, independent) was sold for \$125,000 this week to John L. Booth, who operates string of Michigan stations, is applicant for Ch. 10 in Parma-Onondaga, once operated WKBZ-TV, Battle Creek (Ch. 64) but took it off air in April 1954.

Canada has 1,376,101 TV sets in use, CBC reported this week in seeking \$13,740,000 budget for its TV network. They're located: in Province of Ontario (729,970), Quebec (401,794), British Columbia (100,339), Prairie Provinces (100,536).

**A Wholesaler Speaks Up**

## **Real Role of the TV-Appliance Distributor**

Full Text of Remarks by Thomas F. Joyce, President, Raymond Rosen & Co.

Before First Institute of Management for Appliance & TV Dealers, Washington, D. C., Aug. 15, 1955

**EDITOR'S NOTE:** *If you're a TV or radio station executive whose commercial dept. must deal with local distributors & dealers—certainly if you're in any way connected with the manufacture and marketing of TV-radio receivers and household appliances—we commend a close reading of this transcript of Mr. Joyce's lucid and persuasive talk before the Institute conducted at American University in Washington this week under auspices of NARDA. Of the many talks, this one seemed to us to be unusually significant because it deals head-on with a topic that has had merchandisers buzzing for a long time, especially in light of the recent upsurge of discount houses. Mr. Joyce's position is quite clear: He's all-out for the wholesale function, in principle—but only for the distributor who really performs specific and needed services for his dealer "partners." That Mr. Joyce knows whereof he speaks, is evident not only from his background as an RCA executive but from his 10 years with Raymond Rosen & Co., Philadelphia, one of RCA's most important distributors.*

**W**HEN MORT FARR asked me to speak at the Institute of Management for Appliance and TV Dealers, I asked him: "What do you want me to talk about?"

Mort replied: "About the distributor and the functions he performs. A number of appliance and television dealers think that there is no place for the distributor and that he should be eliminated. These dealers would like to buy direct from the manufacturers and get the gross profit that now goes to the distributor."

By what Mort stated, I assume that there is some question as to whether or not a distributor is worth what he is paid, for the functions he does or does not perform.

Obviously, you expect my viewpoint on the subject to be that of a distributor executive who, in addition, has his entire capital invested in the distributing business.

Well, first, I would like to give you my viewpoint on the subject when I was an executive for one of the nation's leading manufacturers in this industry. In March 1944, at the symposium on post-war distribution conducted by the Sales Managers Club of New York, I made a talk on the subject: "The Future of Independent Wholesale-Retail Distribution." During the war years, some starry-eyed bureaucrats with the Office of Price Administration in Washington were predicting the demise of the wholesale distributor in the post-war period. The wholesale distributing function, in the appliance and radio fields, was virtually eliminated during the war years by reason of the fact that there were no goods to distribute. This, therefore, was the ideal time to change the basic structure of distribution, by seeing to it that the distributor did not come back to life, after the war.

### **Middleman Mentioned in the Bible**

A number of distributors in those years were concerned about the line of thinking in Washington. I thought that I might make some small contribution to allaying their fears, by referring to history. In that talk I said:

"The earliest records of wholesaling go back to the beginning of history. One authority, for example, traces it to Genesis, the first book of The Bible, and the story of

Joseph, whose father made him a coat of many colors. Joseph's brothers were jealous of him, and sold him in bondage to 'a travelling company of Ishmaelites (who) came from Gilead, with their camels bearing spicery and balm and myrrh, going to carry it down to Egypt.' These ancient caravans transported goods in quantity to be parceled out for sale by local merchants.

"The Phoenician Empire in the Mediterranean was built around wholesaling. The fleet of ships of the Phoenician Empire brought merchandise from port to port. At each port the merchandise was sold to a 'middleman' who in turn brought the goods back into the interiors for distribution to retail merchants.

"Now, the wholesaler has been an important instrumentality in the distribution of goods for thousands of years for only one reason. He performs useful services. And upon how successful he is in performing these services depends his present and future success.

"The popular conception of the middleman is that he is a useless appendage on the distribution system—eliminate the wholesaler and you eliminate his costs. That is not so. You may bring about some reduction in costs, but you do not eliminate them. Manufacturers' branches are wholesaling establishments. Chain-store warehouses perform some of the functions of the wholesaler."

Evidently I believed in what I said in March 1944, for in April 1945 I became associated with Raymond Rosen & Co. as a partner. Today—a little more than 10 years later—I have no cause to regret that decision.

The success of the specialty appliance wholesaler is measured, in the final analysis, by one yardstick—and one only: The ability of the distributor's organization to secure from the market he is responsible for covering the percentage of the industry volume to which the manufacturers he represents are entitled by virtue of the value of the product and merchandising programs they have to offer. A specialty appliance distributing organization must be first and foremost a sales organization. The distributor must deliver to the manufacturers the volume they have a right to expect—or sooner or later the distributor will

have his franchise cancelled. All of the activities of the distributor must be for the purpose of achieving sales results.

One of my distributor associates put it aptly when he said: "A distributor is an employee of the manufacturer with the temporary right of investing his capital in the manufacturer's business."

#### "Our Responsibility to Our Dealer Partners"

Now, we can't do this job by ourselves. We need to have "partners" in this distribution enterprise and those "partners" are our dealers. As we see our responsibility to our dealer partners, they are to:

(1) Carry an adequate inventory, so that goods may be made promptly available to dealers for their customers. Our company inventory averages \$2,500,000 at cost.

(2) Carry adequate stocks of replacement parts so that this merchandise may be promptly serviced. This operation of our inventory averages \$300,000 at cost.

(3) Provide the dealer with adequate credit facilities to assist the dealer in financing his business. This includes financial advice, guidance and assistance. Our accounts receivable exceeds \$2,000,000.

(4) Give the dealer sales, advertising, merchandising assistance and sales training so that maximum sales volume may result for the dealer. Our cooperative advertising expense—50% contributed by the manufacturers—runs \$750,000 a year.

(5) Provide the dealer with service training.

(6) As a reward to the dealer for discharging the responsibility, to provide the dealer with maximum territory and market protection.

It is fundamental that the success of a distributor depends upon the lines he represents and the individual and collective success of the dealers with whom he does business. Granted that a distributor has good lines, he must develop a strong, financially healthy dealer organization to move the volume of goods the manufacturers expect to be handled in a given marketing area. And everyone in the distributing organization must realize these simple truths. We constantly reiterate to our organization the fact that we are the servant of both the manufacturer and the dealer.

#### How the Dealer Judges a Distributor

As a seller, a distributor must not only create, but maintain dealer goodwill. Every employe in the distributor's organization must be constantly educated to the important part he plays in developing and holding dealer goodwill. They know that the little things we are sometimes prone to overlook—common courtesy, attention to small details, answering dealer telephone calls, follow-through on dealer requests, are not little things in the eyes of the dealer, but are things by which the distributor is judged. Distributors must constantly impress upon the members of their organizations the important part every individual plays in giving good service to the dealer—from receiving to shipping and the service after the sale is made.

Granted that the distributor has a good headquarters organization, then he must have sound policies for selecting and developing dealers.

The place to start good relations with a dealer is with the appointment of a dealer to merchandise the line or lines a distributor handles. He must be careful in appointing dealers to make certain that the proposed new dealer will take nothing away from those dealers who are in the proposed new dealer's marketing area, but, rather, will add strength to the overall dealer organization. No hasty decisions should be made. Each new dealer application

should be reviewed by a New Dealer Committee, consisting of principles in the distributing business. Every angle should be considered before a final judgment is made.

It is all too easy to add a dealer to a distributor's organization, but it is not too easy to take him off, if a mistake has been made. That this policy has proven sound in the operation of our business is evidenced by the fact that the turnover in our dealer organization averages less than 5% a year.

#### Fewer the Accounts, Larger the Volume

As a specialty appliance distributor, we believe in doing business with the fewest possible number of accounts. In carrying out that policy we follow the principle laid down long ago by Kelvinator: an adequate dealer for every market, an adequate market for every dealer. We do this for a selfish purpose. The fewer the number of accounts, the larger the volume per account, the more satisfactory the business relationship and the lower the distributing operating cost. Almost without exception, Raymond Rosen & Co. accounts for 25% or more of the major appliances—radio and television volume of the accounts with which we do business. In many cases, it is from 50% to 100%. In all of these cases we are a major "partner" with the dealer.

Having appointed a new dealer, the distributor's interest should then be to contribute all that he can to the success of that dealer—whether the dealer be absolutely new to the appliance business or a tried and proven veteran.

The quality of the contribution a distributor can make to the dealer rests with his sales organization, whose job is not to sell the dealer, but to help the dealer sell. The value of the assistance a distributor can give to a dealer depends upon the ability, experience, know-how and willingness of his product sales managers and the territory district managers who work under their direction.

#### How to Assist the Dealer

This assistance to the dealer is nothing spectacular. It is the simple a-b-c's of merchandising:

(1) Suggest store layout and display. Assist the dealer in properly setting up and displaying the merchandise he distributes.

(2) Give the dealer good, sound merchandising advice and ideas enabling him to attract people to his store and sell them.

(3) Gives sales information to and sales-train the dealer sales organization. Keep the dealer and his organization informed of changes in and availability of product.

(4) Assist the dealer in getting sales and other personnel.

(5) Assist the dealer with his advertising and promotional activities. Help plan and schedule store events, sales anniversaries, sales contests, store demonstrations, etc. Provide and maintain the proper inventory of materials for display and sales promotion to help the dealer sell goods.

(6) Carefully watch inventory to maintain balance and recommend sales action that should be taken if dealer inventory is out of balance.

(7) Assist the dealer by actually working in his store during special sales events.

(8) Make available information regarding industry trends on which, because of the broader scope of the distributor's activities, he should be better informed than the dealer.

(9) Prove to the dealer that he has as much interest in helping the dealer sell merchandise as he has in selling to the dealer.

When the territory manager or the distributor sales

manager has earned the respect and confidence of the dealer, he finds that he has become the dealer's respected counselor and confidant—and that the orders for merchandise thereafter are automatic.

The distributor, as a servicing dealer's teammate, must assist the dealer with his servicing problems. This starts with an adequate replacement parts stock to enable servicing dealers to give their customers prompt, efficient, low-cost service.

In addition, there must be made available field trouble shooters to help dealers with particularly difficult service problems, regular product service training meetings, bulletins to keep dealers up to date on service shortcuts, problems, etc.

In large metropolitan markets, where centralized service is maintained for dealers, the distributor must provide the kind of home demonstration and service the dealer would expect if he had his own service organization doing the job. The customer contacts made by distributor service personnel with the dealer's customers must be such as to insure a fine relationship between the customer and the dealer.

This is done through high quality, prompt and courteous service in and out of the warranty period, and when out of the warranty period, at reasonable prices.

#### Need Dealer Suggestions and Criticisms

As a teammate with dealers, progressive distributors constantly solicit dealer suggestions and criticisms of the distributor organization and its operation. They know that they are far from perfect. They believe they have the right objectives and have a sincere desire to improve.

As distributors welcome criticism and suggestion, they feel at liberty to make a few suggestions to their dealer teammates. For what they may be worth, here they are:

(1) Those dealers who handle multiple lines should reduce the number of lines to certainly not more than two or three. In many cases, one line will suffice. Do this in your interest, for you then will be able to offer your customers a complete range of models in a given manufacturer's line from which to select; you will have better and more effective salesmanship; you will reduce your inventory investment; increase your turnover; reduce your obsolescence losses and increase your profits.

(2) Consult regularly with your banker. Make him a

real teammate in the operation of your business. Don't try to hide unfavorable trends from him or from the credit managers of your distributors. They can help you most when unfavorable trends start to develop.

(3) Take advantage of all of the helpful materials provided by your teammates, the manufacturers.

(4) Be an important account in dollar billings to one or two distributors, so that you will be important to that distributor or those distributors. Don't divide up your business in such a way that you are not important to any distributor. Don't be a fair-weather friend to a distributor. Stick with the one or two distributors you decide are best for you, and you will find that in good times or in bad times these distributors will stand by you. You will find them to be real teammates.

#### Are Distributors Overpaid?

Now, I would like to come back to Mort's original question, which basically was: "Are distributors overpaid for what they do?" To answer that question, let's look at the record:

In the report of the National Assn. of Electrical Distributors on the value added by distributors' functional services for the year 1954, we find that the gross margin of specialty appliance members in large metropolitan cities was 13.60%, operating expenses were 11.08% and profit before Federal and State taxes was 2.52%. For specialty appliance members with headquarters in cities of less than 1,000,000 population, the gross margin was 15.80%, operating expenses were 13.34%, and profit before taxes 2.46%.

To be successful as a specialty appliance distributor requires the constant vigilance of the owners and managers. You can't rest on your accomplishments of yesterday. For if you attempt to do so, you find out that your sales performance has slipped, your profits have disappeared, your banker has reduced his credit line, you have lost dealer support—and if you don't take measures quickly to reverse the trend, you are an ex-employee of your manufacturers and if you own (usually in cooperation with the mortgagor) the buildings you use in your business, you end up by being in the warehousing business instead of the distributing business.

The price of success in our business, as in every business, can be summed up in two words: Eternal Vigilance.



**MARTIN CODEL'S**  
AUTHORITATIVE NEWS SERVICE  
FOR MANAGEMENT  
OF THE  
VISUAL BROADCASTING  
AND ALLIED ELECTRONICS  
ARTS AND INDUSTRY

# Television Digest

with **ELECTRONICS REPORTS**

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## SUMMARY - INDEX OF THE WEEK'S NEWS — August 27, 1955

**MORE VHF STATIONS** via drop-ins, using low power and directional antennas, strong possibility in light of changing FCC allocations philosophy (p. 1).

**FEW 2-SET HOMES** as yet, ARB survey shows, giving added force to last week's Census Bureau survey indicating good first-set market potential, too (p. 3).

**JUVENILE DELINQUENCY** can't be blamed directly on TV, says Senate committee, which sees industry taking "calculated risk" with crime programs (p. 3).

**ZONE I 1250-FT. CEILING** blasted by UHF Committee, WNHC-TV and aircraft interests; NBC & WFIL-TV urge FCC approve their purchases of uhf stations (p. 4).

**MORE TV PRICE HIKES** coming as material and labor costs continue to soar; Motorola next. Philco creates 2 factory service branches (p. 9).

**ELECTRONICS FACES** glowing future, according to Loeb, Rhoades report on RCA, which projects its revenues to \$1.7 billion by 1959-60 (pp. 7 & 12).

**SATELLITE DEAL** revives Stockton, Cal. uhf outlet, now getting programs off-air from Sacramento uhf. Reports on upcoming stations (p. 8).

**ALL-OUT FOR COLOR**, big Philadelphia distributor outlines campaign to sell 150 sets weekly; Tom Joyce sees parallel with TV in 1939 (p. 13).

**ANNUAL TV-RADIO POWER BILL \$650,000,000:** Among the most vigorous proponents of TV in its early days were the electric power companies (Chicago's was one of most active, as we recall) -- and today it's easy to see why. Public's annual power bill for running TV sets comes to a very handsome \$481,000,000. Add to that radio's \$169,000,000 and you get total TV-radio bill of \$650,000,000. That's not counting the power bill of the nation's 3300-odd AM & FM radio stations and 442 TV stations.

Here are the factors used in arriving at those figures: TV set is turned on average of 35 hours weekly (per American Research Bureau); average current, 280 watts (Edison Electric Institute); average rate, 2.74¢ per kwh (Edison); total sets-in-use, 34,500,000 (Sylvania's Frank Mansfield). Average TV set uses \$13.96 worth of electricity a year. Fewer statistics are available for radio, but it's estimated there are about 75,000,000 radios in use (excluding auto & portable) turned on for average of 2½ hours daily. They use about 90 watts each -- \$2.25 worth a year.

TV ranks near top of home appliances as power consumer, according to power companies: Deep freeze consumes \$18.63 annually; refrigerator, \$9.59; washing machine, \$1.23; vacuum cleaner, 68½¢.

Power consumption is but another aspect of TV's direct contribution to the economy -- to be added to set sales volume of \$1.227 billion and servicing volume of \$1.5 billion annually (Vol. 11:25) -- aside from its incalculable contributions as an advertising medium.

**COMMISSIONERS LEAN TOWARD VHF DROP-INS:** Major TV allocations upheaval is a distinct possibility in coming months. Among FCC commissioners, there's accelerating thinking that time is ripe for abandoning present allocations principles -- fixed-mileage separations, full-power, non-directional -- and dropping in vhf channels on whole-sale basis, using protected-contour principles employed in AM.

Chances that majority of commissioners can be mustered to vote for such a move are very strong. Comr. Hyde has shown distinct leanings in that direction (Vol. 11:28), will expound further in Aug. 31 speech before Washington Lions Club. Comr. Lee has little doubt that move is warranted, and he may elaborate his views in Sept. 20 speech at NARTB regional meeting in Chicago. And it's very probable that at least 2 more members will endorse the allocations action.

Turnover in membership of Commission and top staff members has substantial role in the changed thinking. Of members who formulated present allocations plan,

only Hyde and Webster remain -- with Hyde already willing to explore change. Of the staff, ex-Broadcast Bureau chief Curt Plummer, who is said to have had a leading role in planning existing allocations, has been shifted out of the TV picture, is now chief of Safety & Special Radio Services Bureau.

Though Hyde and Lee tend to same ideas on vhf drop-ins, they diverge when it comes to "what to do about uhf?" Lee would put new vhf assignments anywhere they fit physically and there's demand. He'd like to help uhf operators by giving them a preference for the new vhf assignments -- if that's legally possible. Hyde likes what may be termed "two-way deintermixture" -- keeping predominantly uhf areas clear of vhf while adding more vhf to predominantly vhf areas in need of more stations.

\* \* \* \*

There's nothing new about vhf drop-in proposals now being pushed. The idea of an "engineered" plan was broached by many, without avail, when FCC was considering how to end freeze in 1948-52.

Most consulting engineers have always felt that allocation-by-mileage was an arbitrary and unrealistic principle; they've claimed that stations should be made to serve specific markets rather than be given same power-height potential regardless how large or how small a market they serve.

Current proposals have this theme: Assign vhf channels wherever they're applied for -- provided they cause no more interference to existing stations than would stations located at minimum distances now specified in rules. The new stations would generally have lower powers and heights, use directional antennas. One engineer estimates average would radiate 5-kw ERP. First such petition was filed year ago, Aug. 31, 1954 by off-air uhf WFPG-TV, Atlantic City, prepared by its counsel Arthur Scheiner, former chief of FCC Rules & Standards Div. Five other similar petitions have been submitted since then.

Lee feels that drop-ins are good for short-range relief. Long-range, he'd like to get more vhf channels, principally from the military, and he believes that a determined effort might be fruitful.

\* \* \* \*

We've spot-checked a few leading consulting engineers and find they generally believe that careful use of drop-ins would be helpful on short-run basis -- but few think that the 12 vhf channels will satisfy demand for the long pull.

"My pat answer about drop-ins," says one engineer, "has always been this -- 'they're bound to come because they always have, in broadcasting.' As for getting more vhf channels from the military, I don't believe the FCC would have a chance. The military has some very expensive 'hardware' flying in the 225-400 mc band. But I believe quite a competitive system could be built with 3-4 more channels."

Another argues: "I've always claimed that the FCC should have authorized 'controlled power' for stations. Why should a station in Podunk have 316 kw and 2000 ft.? It will never use it. However, some of these drop-in stations wouldn't amount to much -- just a buzz around the transmitter."

"It's a good stop-gap idea," states another, "meaning more stations and better total use of the channel. But it's not a long-range solution; 12 channels are not enough. In the next 10-20 years, I foresee a rough parallel to the growth of radio -- and Lee's idea of getting more spectrum from the military is a good one."

Drop-ins could add some 25% more assignments, another calculated. "It could be helpful in quite a few areas," he says. Chances of getting more vhf channels in addition to present 12 are "pretty poor," he says, adding: "Then you still have a conversion problem. It would cost less to convert to new vhf than to uhf -- but it's still a problem."

Though most attorneys believe rule-making is needed to put drop-in procedure into effect, firm of Welch, Mott & Morgan, who with engineer John Mullaney are the latest to urge drop-ins (Vol. 11:34), claim that rule-making is unnecessary, that years of delay can be avoided. One commissioner, at least, says there's no doubt that rule-making is required, adds that it could be completed in 90 days. Thereafter, applications could be filed, then granted where there's no conflict, set for hearing where competition develops.



**LESS THAN 5% OF HOMES HAVE 2 TV SETS:** The big market potential for TV receivers reflected in last week's Census Bureau report, showing one-third of U.S. households without TV as of June (Vol. 11:34), is reemphasized in nationwide survey by American Research Bureau showing only 4.3% of all TV homes had 2 or more sets as of July.

Taken together, the reports point to a continuing high first-and-second-set sales potential for some time to come. Add color sets, which loom increasingly important, and you have a truly rainbow-hued horizon for TV -- assuming, of course, a continuing favorable national economic climate.

Survey by ARB (National Press Bldg., Washington; James Seiler, director) is one of a continuing series, based on data secured in course of audience studies in all TV areas, and is sold to set manufacturers. In addition to national figures, it gives data for 31 selected markets, and rates the set manufacturers according to their share of those markets and of the U.S. market as a whole. It also provides data on age and screen size of sets-in-use, rate of replacement purchases, and homes having second-hand sets.

Another source of second-set and replacement business, as disclosed by the survey: 38.8% of sets-in-use are 3 years or older, 10.9% have screen sizes under 17-in.; it should be noted, though, that there's probably some duplication in these categories. Survey also shows 44.5% of sets-in-use are 21-in., 36.8% are 17-in., 2.1% are 24-in. -- figures not much at variance with the Sylvania Research tabulations published in our new Television Factbook No. 21 (p. 19).

We were permitted by ARB to use only selected excerpts from the survey, which is replete with valuable data for telecasters and merchandisers alike. For example, multi-set homes are most common in Baltimore, where 8.6 families in every 100 have 2 or more of them. Seattle-Tacoma area has lowest multi-set saturation of pre-freeze markets, with only 2.6% of TV families having 2 or more sets.

Philadelphia led all cities in replacements -- 75.3% of sets bought there going to homes which already had a set. Chicago is next, with 73.9%, then Detroit, 71.8%. Dayton and Los Angeles have greatest percentages of homes with second-hand sets -- 11.8% and 11.1%, respectively.

These markets are covered in survey: Atlanta, Baltimore, Boston, Buffalo, Chicago, Cincinnati, Cleveland, Columbus, O., Dayton, Davenport-Rock Island-Moline, Detroit, Evansville, Jacksonville, Los Angeles, Minneapolis-St. Paul, New York, Philadelphia, Providence, San Diego, San Francisco, Scranton-Wilkes-Barre, Seattle-Tacoma, southeast Florida (Dade, Broward & Palm Beach counties), Spokane, Toledo, Tulsa, Washington, Wichita, Wilmington, Winston-Salem, Youngstown.

Note: ARB has offered to make a one-shot county-by-county census of sets-in-use next spring, to be released in early summer. The proposal will be submitted to Advertising Research Foundation & networks to underwrite estimated \$1,500,000 cost.

**SENATORS WARN OF TV CRIME 'POTENTIAL':** Direct blame for juvenile delinquency cannot be placed on TV -- but the industry is taking a "calculated risk" of contributing to youthful crime by continuing "saturated exposure" of children to telecasts of crime and violence, according to juvenile delinquency subcommittee of the Senate Judiciary Committee, headed by Sen. Kefauver (D-Tenn.). Conclusion is reached in 106-page report released this week, which offers the industry's programmers food for thought.

Anxious to preserve rapport with the TV industry that proved valuable to him in his crime-busting start, Sen. Kefauver carefully points out: "The subcommittee did not concern itself with the excellent children's programs produced by the networks and individual stations, nor the many outstanding public service telecasts suitable for viewers of all ages of which the industry is rightfully proud." At the same time, he risked alienating the industry by recommending FCC program control.

Confuting the do-gooders who have often pounced upon TV, report says subcommittee "has been unable to gather proof of a direct causal relationship between the viewing of acts of crime & violence and the actual performance of criminal deeds."

On the other hand, it says it hasn't found "irrefutable evidence that young people may not be negatively influenced in their present-day behavior by the satu-

rated exposure they now receive to picture and drama based on an underlying theme of lawlessness and crime which depict human violence."

TV is potentially most dangerous of all media investigated, report says. It states: "Attending a movie requires money and the physical effort of leaving the home, so an average child's exposure to films in the theatre tends to be limited to a few hours a week. Comic books demand strong imaginary projections...must be sought out and purchased. But TV, available at a flick of a knob and combining visual and audible aspects into a 'live' story, has a greater impact on its child audience."

\* \* \* \*

Subcommittee is careful to note that there's controversy, even among the experts, as to whether TV contributes to juvenile delinquency -- but it takes the position that there's a dangerous potential which must be minimized. As a program to reduce such danger, the report offers 6 recommendations:

- (1) Formation of more local "listening councils" to induce stations to reduce number of objectionable programs and scenes.
- (2) More FCC control over programs, including the levying of fines and revocation of licenses, for "violating an established code."
- (3) Adherence to NARTB code by all stations.
- (4) Extension of NARTB code to TV film.
- (5) More private and public research on problem.
- (6) Establishment of a Presidential Committee, by legislation, to study the impact of media on juvenile behavior.

Most controversial recommendation, of course, is the one which urges more FCC "control" over programs. In testimony before subcommittee, virtually all witnesses -- including FCC members and even the most vigorous critics of TV programs -- were emphatic in their rejection of the implications of censorship inherent in such a recommendation (Vol. 10:43). Only ex-FCC Comr. Hennock asked for it.

Other members of committee, in addition to Kefauver: Hennings (D-Mo.), Daniel (D-Tex.), Langer (R-N.D.), Wiley (R-Wis.). TV hearings were conducted June 5 and Oct. 19-20, 1954 and April 6-7, 1955. Included in appendix to report are texts of NARTB television and radio codes, movie code, letters from 34 psychiatrists, reproduction of our Jan. 1955 TV Factbook map. Copies of the report are available from the subcommittee -- or we'll get one for you.

**H**IKE OF CEILING for vhf stations in Zone I from 1000 ft. to 1250 ft. (Vol. 11:30) was lambasted from several angles this week. UHF Industry Coordinating Committee, filing petition for reconsideration, was particularly bitter, stating:

"At this crucial moment in the history of TV when the fate of uhf stations all over the country hangs by a slender thread, it is almost incredible that the Commission, by a vote of only 3 of the 7 commissioners, would take an action which would virtually clip that thread and plunge those stations into complete destruction . . . It is inconceivable that the action was taken with full awareness of such possible consequences. The action, moreover, (1) renders sterile the solemn commitments made by the Commission to the U. S. Senate, to the public and the broadcast industry concerning measures the Commission had under consideration for remedying the plight of uhf stations; and (2) prejudices and renders moot other pending rule-making proceedings and petitions."

Vhf WNHC-TV, New Haven (Ch. 8) also asked for reconsideration, noting that CAA limits it to 720 ft. while New York's adjacent-channel WABC-TV (Ch. 7) and WOR-TV (Ch. 9) can increase powers 2-2½ times, creating more interference to WNHC-TV.

Also asking for another look were T. P. Pike, asst.

defense secy., and Air Transport Assn. They asked that things be held up pending conclusion of study of air hazards being conducted by Air Coordinating Committee.

\* \* \* \*

NBC and WFIL-TV, Philadelphia, answering McFarland Letters, urged FCC to approve their purchases of WBUF-TV, Buffalo (Ch. 17) and WLBR-TV, Lebanon, Pa. (Ch. 15), respectively (Vol. 11:9, 11, 15 & Vol. 11:27). NBC argued that "it is perfectly evident that uhf will not survive in Buffalo unless remedial action is taken soon"; that FCC's theory of helping uhf by permitting owners of 5 vhf to acquire 2 uhf is still sound; that pending Justice Dept. anti-trust proceedings against RCA have no bearing on case.

WFIL-TV, answering complaint of WHP-TV, Harrisburg (Ch. 55), said that WLBR-TV won't be a satellite; that uhf will be helped because public will be induced to buy uhf sets when off-air WLBR-TV is resuscitated; that competition will be increased because radio WLBR and *Lebanon News*, now co-owners of WLBR-TV, will compete between themselves and with WLBR-TV after sale.

One allocations change was requested this week: WLBT, Jackson, Miss. (Ch. 3) asked that Ch. 6 be moved from Clarksdale to Cleveland or Ruleville, said it would apply for channel if no one else does. One CP was dropped: KMPT, Oklahoma City (Ch. 19), which quit operating Feb. 4, 1955.

**Personal Notes:** George C. McConnaughey, FCC chairman, returning by ship from month's European trip, is due to reach N. Y. Sept. 2, expected back at desk Sept. 6. Acting Chairman Webster and Comr. Lee have been staying on job full time; rest of commissioners have spent most of month's vacation in Washington, dropping in on offices occasionally . . . Sylvester L. (Pat) Weaver, NBC pres., addresses Institute of Practitioners in Advertising at London's Hotel Dorchester Sept. 27, speaking on American TV; he's going over also to observe start of Britain's commercial TV Sept. 22 . . . Alvin Cooperman promoted to mgr. of NBC-TV program sales, reporting to program sales director Michael Dann . . . George W. Bartlett, ex-radio WDNC, Durham, N. C., named asst. to A. Prose Walker, mgr. of NARTB engineering dept. . . . Arthur J. Underwood Jr. promoted to mgr. of Katz Agency Inc.'s Detroit office, replacing W. Fiske Lochridge, who transfers to newspaper div. in N. Y. to succeed John L. Cross Jr., killed in Aug. 4 airplane accident . . . Al Perlmutter named mgr. of special projects, WRCA-TV & WRCA special events dept.; he's succeeded as promotion coordinator by Al Slep . . . Robert Reed, onetime exec. producer of *Major Bowes' Amateur Hour*, recently with radio WRC, Washington, named program mgr. of WOAI-TV & WOAI, San Antonio . . . Raymond F. Guy, NBC, reappointed chairman of NARTB's engineering advisory committee . . . Ray W. Colie promoted to national TV sales mgr., WWJ-TV, Detroit, as Wendell P. Parmelee becomes TV sales development mgr. and asst. TV sales mgr. Douglas L. Sinn is named local TV sales mgr. . . . Gene Ellerman, ex-radio WJLB, Detroit & WBBC, Flint, named sales mgr. of WWTW, Cadillac, Mich. . . . Ralph Davison Jr. promoted to gen. sales mgr., Mel Wright to national spot sales mgr., KGMB-TV & KGMB, Honolulu . . . Richard Depew handling ABC's closed circuit dept. since resignation of Wm. Balaban . . . Bill Adler, ex-WRCA-TV & WRCA, named director of press & special events, WABD, N. Y. . . . Harlan J. Dunning, ex-BBDO, named CBS Radio network program supervisor . . . Burt Hanft, Screen Gems Inc. business mgr., has new title of director of business affairs; Dan Glass, ex-Louis Nizer law firm, named business mgr.; James Dodd, ex-Columbia Pictures International, named coordinator of international sales . . . Russ Raycroft, ex-v.p., Robert Orr Assoc., heads new N. Y. offices of Roland Reed-Gross Krasne commercial div., 521 Fifth Ave.; Burton Neuberger, ex-Kling, heads Chicago office in Hearst Bldg. . . . Carl Flower, ex-WKNB-TV, Hartford, named TV-radio director, Post, Johnson & Livingston Adv., Hartford . . . Wm. R. Wyatt, Nielsen v.p., appointed central div. mgr., Chicago, with v.p. George E. Blechta heading eastern div. in N. Y. . . . Clarence Hatch, ex-exec. v.p. of D. P. Brother & Co., Detroit and long active in TV circles there, joins Kudner Agency in N. Y. as senior v.p. . . . Henrick Booraem Jr., McCann-Erickson v.p. in charge of new program development, appointed director of TV-radio planning; Frank Gilday promoted from business mgr. to mgr. of agency's N. Y. TV-radio dept.—both reporting to Terence Clyne . . . Dan Seymour resigns as of Oct. 1 as v.p. in charge of TV-radio programming & production, Young & Rubicam, joining J. Walter Thompson Co. as v.p. . . . Ted Oberfelder resigns as v.p.-gen. mgr. of WABC-TV & WABC, N. Y., his duties assumed temporarily by ABC v.p. Slocum Chapin . . . Russ Truesdell resigns as mgr. of KSCJ-TV, Pueblo, Colo. to become operations mgr. of KNTV, San Jose, Cal. . . . Dave Baylor resigns as v.p. of Telerad Inc., management company for KSCJ-TV, Pueblo, and KGA, Spokane . . . Scott McLean promoted to eastern sales mgr., Crosley Bestg. Corp. . . . Walter Koessler, ex-WITV, Ft. Lauderdale, named sales mgr. of Storer's WGBS-TV, Miami . . . Frank Papp promoted to exec. producer of NBC Radio's weekend *Monitor*, replacing James Fleming, resigned.

Fund for the Republic, headed by Robert M. Hutchins, which seeks to promote civil liberties and racial & religious tolerance, has allotted \$300,000 for TV series featuring Herbert L. Block, Pulitzer prize-winning cartoonist of *Washington Post* known as "Herblock." Titled *Herblock Week*, it will comprise 26 films, 15-min. each, with Herblock illustrations and commentaries. Reggie Schuebel Inc., N. Y. has been engaged to place series with stations and sponsors, with 25-30 already committed. Howard Chernoff is TV consultant to the Fund, which this week also announced that top prizes in its TV script-writing contest went to: Burton & James Benjamin, \$5000 for documentary *Pepito*, dealing with adjustment of a Puerto Rican youth to N. Y. life; Mrs. Lillian Schoen Andrews, W. Englewood, N. J., an ex-NBC radio writer, \$5000 for play *The Conspirators*, devoted to Elijah Lovejoy, abolitionist editor. Altogether, \$29,000 in prizes was awarded, and effort will be made to have all the scripts produced on TV. Note: Fund also has famed director Worthington Miner working on half-hour series titled *Challenge*, slated for NBC-TV.

Voice of Democracy contest, industry's annual public-spirited promotion, sponsored by RETMA, NARTB & Junior Chamber of Commerce, gets under way Oct. 1 when high schools start local competitions. High school students write and recite original 5-min. scripts on theme "I Speak for Democracy." Local winners are selected in personal competitions; state & national winners are chosen from recordings. The 4 national winners are entertained in Washington during week of Feb. 22, and are awarded \$500 checks toward college education. All state and national winners receive TV sets, among other prizes, donated by RETMA members. James D. Secrest, RETMA exec. v.p., is chairman of contest committee. Among other committee members are Robert K. Richards, NARTB consultant, Joseph M. Sitrick of NARTB staff, RETMA's Peter H. Cousins.

The O'Neils' General Tire empire—comprising rubber, TV-radio, rockets & synthetics—is subject of Aug. 27 *Business Week* cover story, tracing rise of 40-year-old firm from founding by chairman Wm. F. O'Neil to recent \$25,000,000 purchase of RKO by his son Tom as head of General Teleradio subsidiary (Vol. 11:30).

"A friend of mine recently exposed to a 50-minute Julius Caesar [on TV] is still in a state of shock and goes around muttering, 'This was the most unkindest cut of all.'"—Richard Maney, theatrical agent, substituting for columnist John Crosby.

Chamber of Commerce, Minneapolis, has taken unusual step of publishing handbook, available on request, explaining setups of city's TV & radio stations and how to utilize their facilities.

Tri-dimensional TV "that won't have nearly the impact of color" was foreseen by Dr. Lee DeForest as he celebrated 82nd birthday in Hollywood Aug. 26. He also said he may live to see man travel to the moon.

Its technical equipment destroyed by fire caused by short circuit in transmitter room Aug. 5 (Vol. 11:32-33), WCOV-TV, Montgomery, Ala. (Ch. 20) returned to full-time operation Aug. 20, reports gen. mgr. Hugh M. Smith.

"TV Listener" is device for individual listening produced by Telex Inc., Telex Park, St. Paul, Minn. It comprises headsets, 15-ft. cord and remote-control volume regulator.

Alfred Jackson, WRCA-TV & WRC technical supervisor, is in England on loan to Associated Broadcasting Corp., ITA contractor, preparing for commercial TV.

NARTB changes dates of its Region 1 conference meeting (New England) to Sept. 22-24 at Saranac Inn, Lake Saranac, N. Y.

**Network Accounts:** Auto industry is spending whopping \$83,400,000 on network TV this fall, reflecting fiercely competitive intra-industry struggle. This is increase of \$24,800,000 from the \$58,600,000 auto makers spent last year. Biggest spenders will be General Motors, laying out \$25,400,000 (vs. \$10,400,000 year ago); Chrysler, \$21,400,000 (vs. \$16,750,000); Ford, \$13,900,000 (\$9,200,000). At least one auto-sponsored show will be on network TV every night this fall . . . NBC-TV's answer to CBS-TV's top-rated \$64,000 *Question is Big Surprise*, to be sponsored Sat. 7:30-8 p.m. starting Oct. 8 by Speidel Watch Bands & Purex Corp.; packaged by Louis G. Cowan Inc. (whose pres. recently joined CBS as v.p.), show is novelty quiz in which contestant gets "lifetime ambition" fulfilled on program, with prizes up to \$100,000 . . . Kellogg Cereals replaces Frigidaire as co-sponsor of *Arthur Godfrey & His Friends* on CBS-TV this fall, Wed. 8-9 p.m., thru Leo Burnett; Toni replaces CBS-Columbia as co-sponsor of *Arthur Godfrey's Talent Scouts* starting Oct. 3, Mon. 8:30-9 p.m., thru Tatham-Laird . . . Coca-Cola buys two 15-min. segments per week of *Mickey Mouse Club* on ABC-TV starting in fall, Mon.-thru-Fri. 5-6 p.m., thru D'Arcy; TV Time Pop Corn buys one 15-min. segment, thru Ruthrauff & Ryan; Johnson's Wax & Alka Seltzer share one 15-min. segment, as do General Mills & Vick . . . Armour & Co. (canned meat div.) buys 20 min. alt. weeks of *Perry Como Show* on NBC-TV, Sat. 8-9 p.m., thru Foote, Cone & Belding . . . Standard Brands to be alt. week sponsor of *Topper* on ABC-TV starting Oct. 3, Mon. 7:30-8 p.m., thru Compton Adv. . . Admiral to sponsor Bishop Sheen's *Life Is Worth Living* for 4th straight year, this time on ABC-TV starting Oct. 13, Thu. 8-8:30 p.m., thru Russel M. Seeds Co., Chicago; Admiral will also sponsor the prelate on ABC Radio at different time . . . American Home Products (Anacin, Heet, Freezone) & Procter & Gamble to be alt. sponsors (with Western Union) of *Down You Go* on ABC-TV, shifting to Thu. 9:30-10 p.m. starting Sept. 15, thru Biow-Beirn-Toigo . . . Wesson Oil & Snowdrift Sales Co. to sponsor Tue. segment of *Valiant Lady* on CBS-TV starting Sept. 6, Mon.-thru-Fri. noon-12:15 p.m., thru Fitzgerald Adv., New Orleans . . . Ford Dealers Assn. buys co-op sponsorship in 4 markets of NCAA football series on NBC-TV this fall . . . General Tire to sponsor Detroit Lions-Green Bay Packers football game Thanksgiving Day on ABC-TV starting at 2 p.m., thru D'Arcy Adv., Cleveland . . . Tums to sponsor horse race between Swaps and Nashua from Chicago on CBS-TV, Wed. Aug. 31, 6-6:30 p.m., thru Ruthrauff & Ryan, Chicago . . . ABC-TV starts weekly *Outside U.S.A.* as sustainer Sept. 1, Thu. 10-10:30 p.m., featuring historian-commentator Quincy Howe in documentaries about foreign lands; first is agriculture in Soviet.

Two important affiliates meetings next month may determine future direction of network radio. NBC meeting Sept. 9 in the Waldorf-Astoria, N. Y. will consider proposal to extend commercially successful weekend *Monitor* to 7 days a week, 10 a.m. to 5 p.m., adopting same partic. sales pattern. Affiliates are reportedly divided on local revenue benefits to be derived from such extension. CBS affiliates, meeting Sept. 12-14 in Detroit's Sheraton-Cadillac Hotel, will discuss new partic. formula involving single, uniform charge for 5-min. segments of any 15-min. program, day or night. Plan was evolved by CBS Radio pres. Arthur Hull Hayes when he was gen. mgr. of KCBS, San Francisco.

Another radio casualty: *Lux Radio Theatre* quits this fall after 21 years on NBC, sponsor Lever Bros. continuing *Lux Video Theatre* on NBC-TV, Thu. 10-11 p.m.

**Station Accounts:** Second of series of 5 presentations by TV Bureau of Advertising under general heading of *Pinpoint Concept of Television*, all designed to stimulate local sales, is 24-p. brochure based on Nielsen study and devoted to children's programs, noting that 36% of all homes listen to them regularly; first presentation covered news programs (Vol. 11:31), next will deal with movies, women's programs, weather shows . . . TvB pres. Oliver Treyz also made a pitch this week for more dept. store advertising on TV, telling convention of National Industrial Stores Assn. in Washington that experience of General Dept. Store, Huntington, W. Va. (whose merchandise mgr. Paul C. Jamieson is NISA pres.) demonstrates local sales pulling power of TV; he said firm credits local spot campaign with greatly contributing to 81% sales increase in home furnishings over 1954 . . . Earl Selby's *Mr. Fixit* on WCAU-TV, Philadelphia, Mon.-thru-Fri., 6:25-6:30 p.m., sponsored by Philadelphia Gas Works Co., subject of how-he-does-it writeup in Aug. 29 *Time* . . . Stokely-Van Camp allots \$500,000 of new TV-radio budget to TV spots in 53 markets, thru Calkins & Holden . . . Blatz to test-market a milder beer, "Tempo," with big spot campaign in several cities, thru W. H. Weintraub & Co. . . Among advertisers currently reported using or preparing to use TV station time: Gerity-Michigan Corp., Adrian, Mich. (dishwashers), thru Elwood J. Robinson Co., L. A.; Amen Industries, Beverly Hills, Cal. (Fine Line arts), thru Walter McCreery, L. A.; Phillips Aviation Co., South Pasadena, Cal. (electric monorail toys), thru West-Marquis, L. A.; U. S. Rubber Co., N. Y. (Koylon foam mattresses), thru Fletcher D. Richards, N. Y.; Molson's Brewery Ltd., Montreal (Molson's ale), thru Fay Adv., Albany; Boyer International Laboratories, Chicago (H-A hair arranger), thru Schwimmer & Scott, Chicago; Nestle Co., White Plains, N. Y. (instant chocolate flavor), thru McCann-Erickson, N. Y.; In-Sink-Erator Mfg. Co., Chicago (garbage disposal device), thru Robert Christopher, Chicago; E. L. Bruce Co., Memphis (floor wax & cleaner), thru Christiansen Adv., N. Y.; Albers Milling Co., Los Angeles (Carnation corn flakes), thru Erwin, Wasey, L. A.; Marlowe Chemical Co., N. Y. (Fire Chief home-unit fire extinguisher), thru Kastor, Farrell, Chesley & Clifford, N. Y.; John H. Dulany & Son, Fruitland, Md. (frozen & canned foods), thru Erwin, Wasey, N. Y.; American Sugar Refining Co., N. Y. (Domino sugar), thru Ted Bates, N. Y.; Mid-Continent Petroleum Corp., Tulsa (D-X Sun-Ray oil), thru R. J. Potts, Calkins & Holden, Kansas City.

Rate increases: WBTV, Charlotte, raises base hour rate from \$900 to \$1000, min. \$180 to \$200; WMTV, Madison, hour from \$200 to \$280, min. \$40 to \$56; KTVK, Phoenix, \$300 to \$400 & \$60 to \$80; WBTW, Florence, \$250 to \$300 & \$50 to \$60. KNTV, San Jose, has new rate card at \$350 for Class AA hour (7:30-10 p.m., daily), min. \$70. Rate decrease: WTOM-TV, Lansing, cuts base hour from \$200 to \$150, min. \$35 to \$30.

All-network one-shot "spectacular" is planned by Civil Defense Administration this fall, featuring big-name entertainers. President Eisenhower may film message for show, directed by Nat S. Linden, CDA TV-radio chief.

San Francisco's KRON-TV, NBC affiliate (Harold P. See, gen. mgr.), has purchased 42 one-min. spots on city's NBC-owned radio KNBC, to promote upcoming shows, account placed thru Abbott Kimball, S. F.

DuMont stockholders' special meeting will be held at Clifton (N. J.) plant Oct. 10 to ratify proposed spinoff of TV stations, elect 2 new directors, approve other proposed policy & operational matters (Vol. 11:33-34).

**Telecasting Notes:** Washington correspondent of *London Times*, as prelude to commercial TV starting in Britain Sept. 22, writes in one of series of articles on TV here: "One of the more pointless inventions of American TV is the rating system, devised to reassure the sponsors that their programmes and the commercial pill within them are at least being watched. It can be the bane of the players, who can be at the top of the list one week and nearly at the bottom the next, and the limited telephone canvass on which the system is based often reflects juvenile rather than adult tastes, because the children are probably watching when the man calls" . . . American Research Bureau, for 2nd month, rates \$64,000 *Question* at top (48.4) for Aug. 17; *Toast of Town*, 2nd, 29.4; then *Robert Montgomery Presents*, 28.8; *What's My Line? & Two for the Money*, 28.1; *Best of Groucho*, 27.9; *Climax*, 27.8; *I've Got a Secret*, 27.2; *Four Star Playhouse*, 26.6; Wed. fights & *Lux Video Theatre*, 25.9 . . . New Screen Actors Guild contract (Vol. 11:34), covering extra pay for actors up to 7 re-runs, will add 6%-10% to TV film production costs, in opinion of TPA's Milton Gordon; next demands expected are from Writers Guild of America (West) for same type of agreement . . . Shortage of animators, due to demand for TV filming, is noted by Telefilm pres. Walter Lowendahl, pres. of Film Producers Assn. of N. Y., who urges specialty schools to train more of them; Motion Picture Screen Cartoonists local confirms that there's full employment among its members . . . 20th Century-Fox names Otto Lang, from theatrical staff, as executive in charge of TV productions under v.p. Sid Rogell, with Julian Johnson & David Brown heading story dept. and Alistair Cooke writing portions of *Cavaleade*, due in Sept.; studio has completed *Orbow Incident* for GE's CBS program, is making *My Friend Flicka* for CBS, soon starts *Laura* series based on 1944 film . . . Warner Bros. reports Hugh Benson succeeding Garry Stevens as gen. mgr. for TV film in charge of upcoming *Warner Brothers Presents* on ABC-TV; Jack L.

Warner is boss, with Wm. T. Orr as liaison executive . . . Still hot against what it calls "plug-uglies," Aug. 15 *Advertising Age* again calls down "timid" telecasters and sponsors for permitting "free-loading" on their shows—citing plugs to movies, airlines, etc.; editorial particularly condemns *Arthur Godfrey's Talent Scouts* for giving "3-min. commercials" to American Airlines for free rides it gives talent, noting that 2 transcontinental airline tickets would cost only \$450 to \$650—and "for this skimpy investment, American—according to our clocking—gets just about as much time as did Lipton's on this expensive show" . . . Another flagrant example cited is "unblushing 52-min. commercial" by Jack Webb on *Colgate Variety Hour*, plugging his movie *Pete Kelly's Blues*. Writer sees avalanche this fall "when the smart Hollywood boys, who have outfoxed client and network alike, will graciously let the sponsor have 6 min. of commercial (the shows will cost around \$150,000 an hour for time and talent) while they take 9 min. to talk about their pictures" . . . Titled *President of the United States*, series of 34 one-hour color films, each a dramatic episode in life of a President, is planned by newly formed World Films, Hollywood, headed by Wm. Rowland & Monte Brice; A. B. Guthrie Jr., the author, has been hired as story editor and co-producer, and it's proposed that sponsorships all be institutional and that 20 min. will be added for foreign theatrical releases . . . "Tarzan" slated for TV film series from Sol Lesser-Jack Denove TV Films Inc., Hollywood, with Gordon Scott playing role . . . "Brain trust" set up at NBC-TV, Hollywood, to develop new program ideas for its talent roster: Elliott Lewis, Milton Josephsburg, Merritt Barnum . . . KOVR, Stockton, Cal. (Ch. 13) opens studios & offices in Mark Hopkins Hotel, San Francisco.

KCMO-TV & KCMO, Kansas City (Meredith) sponsoring 3 tours of Europe by farm study groups leaving Nov. 1 under direction of C. W. Jackson, its farm director.

**Financial & Trade Notes:** Carl M. Loeb, Rhoades & Co., New York bankers with heavy interests in DuMont and other electronics firms, this week issued 42-p. printed report on RCA which delves deeply into the outlook for the electronics industry in general (see p. 12) and the financial and technical dominance and prospects of RCA in particular. Tracing RCA's post-war fiscal history, analyzing its capital structure and operations, report concludes:

"Looking ahead 5 years into RCA's future, we project revenues of \$1.7 billion by 1959-60, based upon a 12% annual growth factor compared with a better than 15% average in recent years. During this period the company's pretax profit margin should widen from the current rate of 9% to possibly 12% because:

"(a) The heavy costs of introducing color TV will have been absorbed and volume color receiver production should be achieved.

"(b) The company's NBC subsidiary, one of the nation's 3 major telecasting networks, should become more profitable as time rates and advertising volume increase.

"(c) Transistorized radios, both pocket-size and console models, should reverse the recent downtrend of radio manufacture while radio broadcasting activities should again produce normal profits when program formats have been adjusted and advertising revenues stabilize.

"(d) New commercial and industrial electronics products, serving large markets, should yield the high margins that usually attach to precision equipment; and

"(e) The lucrative replacement parts business will expand with the industry.

"Hence we postulate pretax earnings in the order of \$200,000,000 by 1960 and, if income taxes at that time are 50%, indicated net income of \$100,000,000 calculates to \$7

per common share of which one-half might be disbursed."

As largest single factor in electronics, only company in \$1 billion class whose activities are devoted primarily to electronics as distinguished from electrical equipment, RCA in 1954 accounted for approximately 10% of the industry's \$5 billion manufacturing volume and 40% & 30%, respectively, of network TV and radio broadcasting revenues, report points out. It reprints table below showing postwar growth of electronics industry and RCA compared with gross national product, with no adjustments for price increases and excluding figures for RCA Institutes and RCA Communications; source is RCA reply brief in govt. anti-trust complaint of last March 29, about which the report states:

"We believe that the Govt.'s anti-trust action against RCA will not have any material effect upon future growth because the company's strength is founded on its technological know-how and integrated manufacturing operation and because many of its most important patents and license rights are not affected by the suit."

	Gross National Product Billions	Electronics Industry* Millions	RCA Revenues	% RCA of Industry
1954	\$357.2	\$9,230	\$921	10.0%
1953	364.9	7,940	834	10.5
1952	346.1	6,567	676	10.3
1951	328.2	5,128	581	11.3
1950	285.1	4,445	571	12.8
1949	257.3	2,903	383	13.2
1948	257.3	2,762	343	12.4
1947	232.2	2,487	300	12.1
1946	209.2	1,653	221	13.4

\*Includes broadcasting, services and consumer goods at retail but does not include certain industrial electronic products.

**S**ATELLITE IDEA brought revival this week of off-air KTVU, Stockton, Cal. (Ch. 36) under agreement to transfer control to KCCC-TV, Sacramento (Ch. 40), capital's first TV operation which started 2 years ago and is reportedly one of the more successful uhf stations. Details of sale deal have not yet been disclosed, but CP of KTVU, which went off air last April 30 after some 18 months of operation, was slated to expire Oct. 7. Plan is to have it duplicate all KCCC-TV programs, picking them off air from Sacramento, 45 mi. distant. KCCC-TV is headed by Ashley L. Robison, nephew of late Comr. Harold Lafount, who owns it in partnership with Harry McCart.

On-air total now is 442, of which 107 are uhf. Poised to begin testing momentarily, possibly during present week end but not ready at press time, were 4 new starters: KCRA-TV, Sacramento (Ch. 3); KARD-TV, Wichita (Ch. 3); KTBS-TV, Shreveport (Ch. 3); WCTV, Thomasville, Ga. (Ch. 6)—all originally scheduled for this week.

Only shipment reported was 50-kw RCA transmitter to KTVH, Little Rock (Ch. 11), which left Camden Aug. 23 and is due on air Oct. 15.

\* \* \* \*

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

KTVO, Kirksville, Mo. (Ch. 3), authorized in Dec. 1953 and with CP extension expiring next Feb. 1, now reports RCA transmitter and antenna on way, with Sept. 28 as target for test patterns. Stainless tower has also been ordered. Berg Allison, mgr. of KBIZ, Ottumwa, Ia., is slated to be gen. mgr. CBS affiliation is anticipated as of Oct. 1. Station is 3/4 owned by James J. Conroy, attorney who also controls KBIZ and radio stations in Eau Claire & La Crosse, Wis. Rep not yet chosen.

KHAS-TV, Hastings, Neb. (Ch. 5) will take delivery in Sept. of its 10-kw RCA transmitter, when it will also install 650-ft. Ideco tower. Target date for test patterns now is late Oct. or early Nov., reports gen. mgr. Duane L. Watts, ex-KHOL-TV, Kearney, Neb., who will operate station for Seaton Publishing Co. (*Hastings Tribune*) and other owners. It will be NBC affiliate, starting in mid-Nov. Duane B. Allison is chief engineer. Base rate will be \$200. Rep is Weed.

WITN, Washington, N. C. (Ch. 7), replacing Greenville's WNCT (Ch. 9) as NBC basic affiliate on Sept. 26, now has test target date of Sept. 20, reports pres.-gen. mgr. W. R. Roberson Jr., whose family recently acquired control (Vol. 11:33). Now under construction are 800-ft. Stainless tower, surmounted by 21-ft. Alford antenna, at Grifton, N. C., about 25 mi. southwest of Washington, with 20-kw GE transmitter due to radiate 316-kw ERP for coverage of 756,300 population in heart of state's rich tobacco-growing area. Executive staff will include T. H. Patterson, commercial mgr.; Hal Wilson, program director; L. E. Hiland, chief engineer. Network base rate is \$300, local \$325. Rep is Headley-Reed.

WTWV, Tupelo, Miss. (Ch. 9), originally planned for Sept. debut, now looks forward to beginning of operations sometime in Oct., reports gen. mgr. Frank K. Spain—but conversion of studio-transmitter building and installation of equipment still awaits FCC & CAA approval of new site. Mr. Spain is ex-engineering chief, WHEN-TV, Syracuse, owns 35% of new project; his chief engineer Joseph G. Petit, ex-NBC-TV, N.Y., owns 25%. He plans to use custom-built 5-kw transmitter, GE antenna, 300-ft. tower. Rep not yet chosen.

**F**ARM TV SET count for Oklahoma was released this week by Census Bureau as part of its Oct.-Nov. 1954 Census of Agriculture. Based on 20% sample, Oklahoma was shown to have TV on 41,695 of its 118,979 farms—or nearly 33%—with stations in Oklahoma City, Tulsa, Ada, Enid, Lawton, Muskogee and with out-of-state viewing possible from stations in Kansas, Missouri, Arkansas & Texas.

OKLAHOMA					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Adair	1,590	207	Lincoln	2,257	941
Alfalfa	1,406	575	Logan	1,666	762
Atoka	1,489	235	Love	882	254
Beaver	1,275	91	Major	1,593	430
Beckham	1,572	285	Marshall	563	102
Blaine	1,620	843	Mayes	1,863	637
Bryan	2,117	367	McClain	1,404	784
Caddo	2,888	1,607	McCurtain	2,799	350
Canadian	1,848	1,178	McIntosh	1,565	338
Carter	1,544	442	Murray	572	250
Cherokee	1,798	380	Muskogee	2,387	799
Choctaw	1,617	187	Noble	1,322	697
Cimarron	559	52	Nowata	1,080	342
Cleveland	1,214	582	Okfuskee	1,297	419
Coal	793	165	Oklahoma	2,411	1,655
Comanche	1,477	686	Okmulgee	1,720	765
Cotton	1,041	491	Osage	1,703	1,048
Craig	1,602	572	Ottawa	1,301	488
Creek	1,559	678	Pawnee	1,296	562
Custer	1,619	585	Payne	1,748	761
Delaware	1,974	360	Pittsburg	2,071	379
Dewey	1,193	402	Pontotoc	1,608	667
Ellis	970	99	Pottawatomie	2,163	1,057
Garfield	2,241	1,442	Pushmataha	1,223	53
Garvin	1,860	885	Roger Mills	1,158	107
Grady	2,493	1,443	Rogers	1,929	868
Grant	1,792	734	Seminole	1,614	715
Greer	1,026	120	Sequoyah	1,774	257
Harmon	878	112	Stephens	1,772	675
Harper	694	79	Texas	1,156	125
Haskell	1,271	125	Tillman	1,415	689
Hughes	1,555	514	Tulsa	1,807	1,098
Jackson	1,572	341	Wagoner	1,478	554
Jefferson	909	351	Washington	757	358
Johnston	871	137	Washita	2,447	934
Kay	2,045	831	Woods	1,323	381
Kingfisher	1,658	1,071	Woodward	1,104	169
Klowa	1,642	728			
Latimer	965	59			
Le Flore	2,541	238			
			State Total	118,979	41,695

Note: Previously published tabulations—Nev., N. H., Vt. (Vol. 11:28); Wyo. (Vol. 11:29); N. D. (Vol. 11:30); Ida., Utah (Vol. 11:31); Mont., S. D. (Vol. 11:32); Colo., Minn. (Vol. 11:33); Wis., Kan. (Vol. 11:34).

KBMB-TV, Bismarck, N. D. (Ch. 12), granted in May to John W. Boler interests (KCJB-TV, Minot & KXJB-TV, Valley City), has ordered 10-kw Federal transmitter and Federal 4-bay antenna, due for delivery Sept. 15 when antenna is slated to be installed atop State Capitol. Test target date is Oct. 1, with CBS programming slated to start Nov. 1. Weed is rep for Bismarck station which will operate as satellite of Valley City, with all 3 stations offered at combination rate of \$637.50.

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CJLH-TV, Lethbridge, Ont. (Ch. 7) now aims to test week of Oct. 17, go commercial by Oct. 15, reports Bob Ranson for co-equal owners Norman Botterill, mgr. of radio CJOC, and Hugh Buchanan, publisher of *Lethbridge Herald*. It has ordered Standard Electronics transmitter, first of kind in Canada, shipment by Canadian Westinghouse awaiting completion of new 112x93-ft. studio-transmitter building. Tower is 600-ft. Stainless with 35-ft. Alford antenna. Mr. Botterill will be mgr., with Robt. Reagh as technical director and Douglas Keough, from CBUT, Vancouver, as sales representative. Reps will be All-Canada and Weed.

CKGN-TV, North Bay, Ont. (Ch. 10) has fixed Dec. 10 as target date, having ordered GE transmitter and 373-ft. Stainless tower. Construction has begun at Callendar, Ont. site and staff selection is under way. Licensee company has changed name to Tel-Ad Co. Ltd., is headed by G. A. Alger. Rep not yet chosen.

**MORE PRICE HIKES COMING IN BOOM MARKET:** Another major manufacturer is about to hike TV prices -- Motorola, which reveals the raises are due around Labor Day but won't state extent of increases beyond fact that they won't be across-the-board.

RCA states it has no immediate plans to increase, reiterating that it's trying to hold price line "as long as possible." But a Philco spokesman referred to a recent telegram by pres. James H. Carmine warning of possible price hikes on major appliances (Vol. 11:29) and said situation applies equally to TV. Admiral, Emerson and a few others have already raised TVs average of \$10 (Vol. 11:30, 33, 34).

CBS-Columbia pres. H.C. Bonfig, revealing plans to raise prices shortly after Labor Day, told distributors convention in Chicago that today's TV market is best characterized as "profitless prosperity." He said no manufacturer "can make much profit on any set retailing for under \$200, if any [profit] at all."

Increased costs of labor and materials, plus robust condition of market, are the primary reasons for price hikes. If further justification were needed, it came this week from Anaconda Copper, which raised copper price to record high of 43¢ per lb. -- 4th price increase for this indispensable metal so far this year.

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Standard & Poor's raises only dissent to prevailing industry view that 2nd-half TV business will be as good as, if not better than, record first-half. Its Aug. 25 analysis of electrical products reports: "The normal seasonal improvement in TV production is not expected to develop in the second half of 1955 because of large factory inventories...Inventories at all levels of the distribution pipeline will probably increase by 200,000 units for the year, and should somewhat exceed 2,000,000 sets at year's end." Actually, a leading trade statistician points out that inventories declined in July, are expected to come down further in Aug. to about 2,300,000 on Sept. 1 -- not regarded as excessive for this time of year.

Production in last 6 months of 1955 will total about 3,400,000, or 22% under final half of 1954, Standard & Poor's predicts -- omitting mention of fact that set makers underproduced intentionally in first half of 1954 as means of working off excessive inventories. Consequently, they went full speed ahead in last half.

Earnings of TV manufacturers will generally show moderate improvement over those of 1954," reports S&P, "while leading appliance makers are expected to register substantial year-to-year earnings increases. GE earnings should gain somewhat over those of 1954, but a decline is foreseen for Westinghouse. Dividends may be increased by some TV and appliance manufacturers. Payments by most others should be in line with the 1954 experience."

Brief highlights of other major trade developments this week:

\* \* \* \*

**Philco Service:** Is Philco going to emulate RCA in establishing its own national factory service subsidiary? Company will shortly open factory service branches in Philadelphia and Pittsburgh, supplementing the one which has been operating several months in Chicago -- but officials maintain silence on where they'll go from there. The branches are operated by Philco Service Co., chartered in Ill. & Pa. thus far.

**Discount House Decline:** Further indications that so-called franchised dealers have turned the tide in battle against discount houses, expressed quite freely at last week's NARDA-sponsored Institute of Management (Vol. 11:34), came this week from Wm. Burston, merchandise mgr. of National Retail Dry Goods Assn. In address at Salt Lake City, he said TV-radio-phono sales in dept. stores in May-July period were up 3% over same 1954 months, major appliances up 33%, as 2 examples of commodities in which competition from discount houses is most severe. He said retailers are winning battle by de-emphasizing merchandise sold in discount houses, by deciding to

give shoppers model and serial numbers, by "keeping up a ceaseless barrage of complaints" to manufacturers, by giving service and merchandising trade-ins.

**Growing Markets:** Census Bureau reports number of households has been increasing at rate of about 850,000 a year since 1950, reaching 47,788,000 in April 1955, compared to 43,554,000 in March 1950 and 39,107,000 in April 1947. Urban & rural non-farm households increased by about 1,000,000 a year since 1950, whereas rural-farm households declined about 150,000 a year. Of the 47,788,000 households in April 1955, about 43,243,000 were non-farm. The number of married couples increased from 36,100,000 in 1950 to 37,600,000 in April 1955. Those not maintaining their own households dropped to postwar low of 1,300,000 this year, compared to 2,000,000 in 1950 and 2,900,000 in 1947. In a related report, the Federal Reserve Board bulletin noted that U.S. labor force is growing so rapidly it will probably exceed 80,000,000 by 1956. Titled "The Labor Market in Mid-1955," report said labor force is expected to increase by about 1,200,000 a year during 1960-65, compared with annual increase averaging 750,000 during last 5 years. July employment was at record 64,995,000.

**Economic Outlook:** Still very, very upbeat, judging from time-tested economic barometers and the comments of businessmen. Consensus of 131 firms participating in recent survey by National Industrial Conference Board was that business generally in second half will be as good as, if not better than, first half of year. About 40% expected dollar billings to exceed first 6 months, 33% foresaw reductions, 25% anticipated about same level. More than 50% predicted production increase in second half of year, 25% foresaw decline, 25% about same. Commerce Dept. chipped in with preliminary report noting exceptionally good summer business lifted gross national product to annual rate of \$386 billion in midsummer vs. \$375 billion in March.

**Fair Trade:** GE continues to press its fight -- albeit almost single-handedly -- to strengthen fair trade law enforcement. It filed 18 separate suits this week in Milwaukee against local dealers charged by GE with selling its small appliances at below fair trade prices. And in Providence Federal Court, it won temporary injunction against sale of GE products at cut-rate prices in nearby Pawtucket. Judge said GE had made "an honest effort" to police its fair trade contracts in Rhode Island. Meanwhile, American Fair Trade Council stated that fair trade laws had been upheld by Supreme Courts in 15 of the 20 states where they had been tested. Only Nebraska has invalidated state fair trade laws, according to Council.

**Production:** TV output totaled 180,094 week ended Aug. 19, compared to 154,798 preceding week and 134,959 week ended Aug. 5. It was year's 33rd week and brought TV production for year to date to about 4,720,000 vs. 3,675,000 in same 1954 period. Radio production totaled 255,855 (101,594 auto) week ended Aug. 19, up from 240,148 preceding week and 209,689 week before. For 33 weeks, radio output was estimated at 8,500,000 vs. 6,500,000 in corresponding period of 1954.

DISTRIBUTOR NOTES: Hallicrafters appoints Harrisburg Radio Laboratory Supply Co., 1124 Market St., Harrisburg (Louis J. Zaydon, gen. mgr.); Kerr Tire & Rubber Co., Woodrow Wilson & Bailey Aves., Jackson, Miss. (Robert L. Nickey, sales mgr.); Bell Electronic Supplies Inc., 1835 W. 9th St., Chester, Pa. (James Housman, pres.); Television City, 208 E. North St., Rapid City, S. D. (B. H. Dail, owner) . . . CBS-Columbia appoints King Distributors, 1924 Central, Kearney, Neb. (E. W. King, pres.) . . . Emerson Radio of Pennsylvania takes over Harrisburg area distribution from Dauphin Electric Co. . . . Brown-Rogers-Dixon Co., Greenville, S. C. (Crosley-Bendix) appoints Harold Huffman district mgr. . . . Park Radio Service Inc., N. Y. (Trav-Ler) appoints Moe Zimble Long Island district mgr. . . . Raymond Rosen & Co., Philadelphia (RCA) moves to 51st & Parkside Ave.; its govt. subsidiary Raymond Rosen Engineering Products remains at 32nd & Walnut Sts. . . . Olympic Radio appoints Maloney Distributing Co., 1117 Farnam St., Omaha (James J. Maloney, pres.); firm is ex-Arvin Radio distributor.

Magnavox pres. Frank Freimann, in Aug. 21 interview in *New York Times* business section, foresees "indiscriminate distribution" of TV receivers collapsing as retail price cutters are weeded out. He said some manufacturers sell TVs to as many as 10,000 dealers. His own company, he states, sells directly to 1500. "Very few" of the nation's 100,000 TV dealers are making an adequate profit, he said. Story, by business writer Alfred R. Zipser Jr., traces Magnavox's growth since Freimann took over as a top executive in 1938 (at age 32), tells of his personal interest in music, having served as pres. of Ft. Wayne Philharmonic Orchestra.

TV in 1965, as foreseen by Westinghouse's Dan D. Halpin in address Aug. 28 at Texas Electronics Fair: 85,000,000 sets-in-use in more than 50,000,000 U. S. & Canadian households, 50-60% of them color; many picture-on-the-wall sets; battery-powered portable TVs; average retail price of TV about \$200, slightly higher than at present; annual sales of 8,000,000 sets at over-the-counter value of \$2.25 billion.



**Topics & Trends of TV Trade:** National Radio and Television Week, the big industry-wide promotion Sept. 18-24, shapes up as coordinated merchandising effort—with plans well advanced in more than 100 major markets to push TV-radio sales that week. RETMA, NARDA, NARTB & National Electrical Dealers Assn. are sponsors.

Regional committees—headed by outstanding local dealers, distributors or broadcasters—are in charge of arrangements in each area. Many are planning banquets in municipal auditoriums or hotels, to be addressed by top-flight industry leaders, as means of kicking off promotion. In addition, more than 100 daily newspapers plan to publish special TV-radio supplements, with copy supplied by *Saturday Evening Post* as service to TV-radio industry. Also, *Life Magazine* is furnishing display banners and posters to distributors & dealers.

NARTB is supplying promotion kit to all networks and stations. It includes 67 station breaks, spots and general announcements for use throughout the week, keyed to theme "National Radio and Television Week . . . Dedicated to Better Home Entertainment." Announcements urge listeners to "see the outstanding TV programs on new large-screen TV receivers," also promote radio-in-every-room and radio-for-every-purpose themes.

\* \* \* \*

Indicative of dealer-manufacturer cooperation, NARDA is setting up own consulting service for TV-radio-appliance manufacturers who wish to determine dealer attitudes towards their products. For fee of \$1000 to each manufacturer, NARDA will conduct survey among panel of 300-500 member dealers on how dealers regard competitive strength and weaknesses of lines, pricing factors, styling, etc. Only national surveys will be conducted, though manufacturers will be able to determine regional responses for themselves from the individual replies which NARDA will turn over to them. Two white goods manufacturers have already signed for surveys, said NARDA managing director A. W. Bernsohn.

Crosley will market what it calls Cadillac-class series of 4 higher-priced TV sets in Oct.-Nov. "in order to rid the public of the idea that all we produce are low-priced Custom V sets." Prices haven't been set yet on series, called "El Dorado," which will reportedly include at least one 3-way combination. About 6000 of the sets are to be produced this year.

Wilcox-Gay Corp. and subsidiaries Garod & Majestic Radio, whose Chapter XI hearings are scheduled Sept. 10 in Grand Rapids bankruptcy court, reports balance on hand of \$31,696 as of July 15—covering operations since Jan. 20. Receipts totaled \$1,950,930, disbursements \$1,919,233. Company is offering unsecured creditors 50% of claims, payable over 5 years.

Ray C. Ellis, Raytheon, named chairman of RETMA international dept., replacing Wm. M. Adams, Sprague Electric, who resigned because of illness; Henry A. Correa, Bendix Aviation, appointed vice-chairman of exec. committee; Ernest A. Marx, DuMont, chairman of TV-radio committee; R. A. Parsons, Collins Radio, chairman of electronics committee.

GE is latest with transistorized portable—\$49.95 radio with 5 transistors. With battery, it weighs 15 oz., measures 5 3/8 x 3 3/16 x 1 1/2-in.

CBS-Columbia budgets \$1,750,000 for all media up to end of year to promote new TV line, thru Ted Bates.

Automation developments at MIT's Automatic Control Research Center will be subject of telecast on CBS-TV's *The Search*, Sept. 6, 10:30-11 p.m.

Kenyon & Eckhardt, Whirlpool agency, gets ad account of new Whirlpool-Seeger Corp.

**Trade Personals:** Seymour Mintz, recently pres. of CBS-Columbia Inc., onetime Admiral adv. v.p., joins Kudner Agency, N. Y. as merchandising consultant on Frigidaire and other accounts; he also is consultant to National Co., Cambridge, Mass., plans to open own offices soon . . . James H. Carmine, Philco pres., and Leslie J. Woods, engineering v.p., due back from European business trip Sept. 6 . . . Brig. Gen. David Sarnoff will receive annual Gold Medal of Hundred Year Assn. of N. Y. for outstanding service to community at Waldorf-Astoria dinner, Sept. 29 . . . Norman C. Owen, serving as Zenith mgr. of distributors since his resignation in July as pres. of Webster-Chicago Corp., promoted to v.p. in charge of distribution . . . James A. Frye, mgr. of Stromberg-Carlson's recently-discontinued Chicago factory branch, appointed national merchandise mgr. for TV-radio . . . Lloyd E. Swedlund promoted to mgr. of monochrome tube product engineering, GE cathode ray tube sub-dept., Syracuse . . . Wm. W. Stefany promoted to asst. to L. L. Hardin Jr., research director, National Union Electric Corp. . . . Morris Spector, asst. mgr. of material, DuMont receiver div., assumes added duties of mgr. of cabinet dept., replacing Sidney Schwartz, resigned . . . Arthur J. Richards, Arvin service mgr., appointed chief radio engineer, Arvin electronics div., succeeding Robt. McGreggar . . . Kenneth G. Gillespie, v.p.-gen. mgr. of Jenkins Music Co., Kansas City, and TV-radio chairman of National Assn. of Music Merchants, returns from European tour of Philips of Eindhoven plants . . . Joseph B. Rickard, ex-MacFadden Publications, named adv. mgr. of new Columbia LP Record Club, 165 W. 46th St., N. Y. . . . John P. Doran promoted to asst. to Bendix-Crosley sales mgr. J. L. Armstrong . . . Samuel M. Whisler promoted to Motorola mgr. of customer services, succeeding Richard C. Rowley, now Texas territorial sales mgr. . . . Edwin Freed resigns as sales mgr. of General Instrument Corp. . . . Mrs. Julia Kiene resigns as director of Westinghouse Home Economics Institute, where she had served 17 years, to form own appliance consulting service . . . Roger Mackay named mgr. of Raytheon Atlanta district for equipment marketing, in reorganization of sales & service regions; Edward Kessler named Baltimore and W. J. Monroe Kansas City mgr. . . . John W. Grant promoted to mgr. of product planning, GE cabinet dept. . . . Anthony Dillon, CBS-Columbia midwestern regional mgr., transferred to N. Y. headquarters to work on expansion of distribution . . . Loren Larscheid named Scott Radio sales mgr. for Dakotas . . . Herbert A. Frank, ex-DeWald Radio & Higgers-Galanek Co., named national sales mgr. of distribution divs., Steelman Phonograph & Radio Co., reporting to gen. sales mgr. Paul E. Featherstone . . . Pat J. Morrisey named industrial sales mgr., Gramer-Halldorson Transformer Corp. . . . Frank Freimann, pres. of Magnavox, left for Europe this week, returns at end of Sept.



Hazeltine's Arthur V. Loughren is nominee for 1956 IRE president in mail ballots circulated to membership this week. Herre Rinia, of Philips of Holland, is the v.p. nominee. For directors at large, 1956-58, two to be elected: Lloyd V. Berkner, pres., Associated Universities Inc.; Edward W. Herold, RCA Labs; Theodore A. Hunter, pres., Hunter Mfg. Co.; Prof. John R. Whinnery, U of Calif. Regional directors, 1956-57, one to be selected in each. Region 1—Prof. Charles R. Burrows, Cornell U; Harry F. Dart, Westinghouse tube dept.; Lawrence B. Grew, So. New England Telephone Co. Region 3—Prof. John G. Brainerd, U of Pennsylvania; Prof. Lawrence R. Quarels, U of Virginia. Region 5—Joseph J. Gershon, DeVry Technical Institute; Robert E. Moe, GE receiving tubes dept. Region 7—Lenwood E. French, Neely Enterprises; C. Frederick Walcott, Gilfillan Bros.

**Electronics Reports:** Here's more on the magnitude and potential of electronics as a whole, as discussed in report released this week by N. Y. investment bankers Carl M. Loeb, Rhoades & Co. It's one of the most noteworthy sizeups since speech by Sylvania's finance v.p. W. Benton Harrison, titled "The Electronics Industry: Present Rate and 10-Year Potential," forecasting \$20 billion-a-year by 1965—published by us in full text as a Special Report last March 12 (for digest, see Vol. 11:11). It's part of a financial study [on RCA] designed to set forth "the investment attraction" of electronics; summary-conclusion on RCA in particular will be found on p. 7, but this is the chapter on electronics generally:

"Here is an industry," report states, "based upon the vacuum tube and transistor, that thrives upon the accumulating discoveries of science, whose products reduce the manufacturing costs of industry, lighten the burden of labor, put a sharp edge on our military weapons, and provide entertainment and comfort for the populace.

"Consequently, the manufacturing volume of electronics has expanded 20-fold within 15 years and has almost doubled over the past 3 years to become a major \$5 billion industry in 1954. In addition, there is perhaps another \$5 billion of related volume, allowing for \$1.4 billion of radio-television broadcasting revenues, a \$100 million business in phonograph records, over \$2 billion of retail markups on consumer products, some \$1 billion of service, and the balance in electronic gear that is concealed in non-specified military purchases and in the total figures for office equipment and industrial machinery.

"Each component of today's \$5 billion manufacturing volume is on firm ground:

"(1) Military electronic procurement and sponsored research, estimated at \$2½ billion by trade sources and expected to reach \$5 billion by the 1960's, is consistent with this country's long-range defense program that increasingly must stress electronically controlled weapons and protective devices in an age of supersonic flight, guided missiles and undersea warfare. This program also contributes importantly to the development of new civilian products.

"(2) Television receivers, virtually nonexistent in 1945, produce \$1 billion of manufacturers' sales. The imminent breakthrough of color television should double the industry's volume.

"(3) A \$230 million business in radios is lower than formerly but should expand again in view of normal turnover of some 130 million radios in use and new technological developments.

"(4) Replacement parts and tubes, a \$550 million business, can only grow as the nation's inventory of electronic products builds up.

"(5) Phonographs, high fidelity equipment and home tape recorders yield \$175 million of manufacturers' sales and the trend is upward.

"(6) Industrial electronics, still only a \$600 million business, should expand threefold by 1960 due to large-scale construction of microwave transmission facilities, heavy building of TV stations, growing use of closed-circuit television, and the emergence of 'automation' as a huge market for computers and control devices.

"However, we must also weigh the dramatic potential for electronics in nuclear energy, a heavy overall obsolescence factor for all electronic products, and an ever-widening stream of fundamentally new developments arising from a vast network of research laboratories employing perhaps 25,000 scientists. Some of these major new concepts and products, which have materialized already but are still in their infancy, include the transistor, printed circuitry, and video tape recording. Still in the laboratory but certain of eventual commercial development are electronic household appliances including air conditioning, the

atomic battery that will power transistorized portable equipment, and a true amplifier of light that will make possible 'picture-on-the-wall' TV screens, electronic photography, and devices to see in the dark.

"Hence electronics gives the assurance of a broad industrial base and accelerating growth over future decades—obviously fertile ground to plant the investment dollar."

\* \* \* \*

"Future defense volume," says another portion of the 42-p. Loeb, Rhoades report, "should parallel the development of military electronic procurement which is expected to rise from last year's \$2.5 billion level to \$5 billion by the 1960's. Rather than being tied to the overall rate of defense expenditures, which primarily affects conventional armaments, the projected expansion of military electronics is the product of modern warfare and an inexorable trend to guided missiles, supersonic aircraft, automatic gun fire and bombing control, and reliable countermeasures, all of which are essentially electronic systems subject to rapid obsolescence."

This is why as much as half the cost of modern military aircraft is represented in electronic equipment, according to the report: Fighter plane uses approximately 600 tubes, 900 capacitors & resistors, patrol bomber uses 1200 & 20,000, radar observation 3000 & 60,000, heavy bomber 5000 & 115,000—these in their complex apparatus for communications, navigation, flight planning, gun-fire control, radar, power controls, photography, missiles.

\* \* \* \*

Work on Willys flat tube (Vol. 11:3, 30), to adapt it to color, is being carried on by Hoffman Electronics in conjunction with Willys, pres. H. L. Hoffman disclosed at Western Electronics Show and Convention in San Francisco this week. Inventor of flat tube, Willys' Wm. Ross Aiken, said it would be ready for home TV use "tomorrow, engineering-wise," foresaw no production difficulties.

Transistors: (1) Bell Labs announces experimental "junction tetrode" transistor which can operate over 1000 mc, highest frequency yet. It has sufficient bandwidth to carry TV or numerous telephone conversations. (2) GE cuts prices on 8 types, reductions running 15-50%. (3) Transistor radio has been produced by a Japanese firm, Tokyo Tsushin Kogyo KK.



Magnavox expects \$75,000,000 volume by end of current fiscal year in June, 1956, reports pres. Frank M. Freimann. For fiscal year ended last June 30, it was about \$55,000,000, with net profit after taxes reaching new high of \$2,400,000, or \$3 per share on 800,000 shares outstanding before recent 5% stock dividend. This compares with \$63,000,000 sales and \$2,000,000 profit (\$2.77) for preceding fiscal year. Firm plans to expand into digital computer field, already has govt. contracts for guided missiles, radar, sonar, navigational systems.

Dividends: Sylvania, 50¢ Oct. 1 to stockholders of record Sept. 9; Zenith Radio, 75¢ Sept. 30 to holders Sept. 9; Sprague Electric, 30¢ Sept. 14 to holders Aug. 31; Radio Condenser, 5¢ Sept. 30 to holders Sept. 1; General Precision Equipment, 60¢ Sept. 15 to holders Sept. 7; Sperry-Rand, 16¢ Sept. 30 to holders Sept. 8; Hoffman Electronics, 25¢ Sept. 30 to holders Sept. 15; Wells-Gardner, 15¢ Sept. 15 to holders Sept. 2; Admiral, 25¢ Sept. 30 to holders Sept. 11.

Hazeltine Corp. net sales dropped to \$10,225,000 in first 6 months of 1955 from \$24,350,000 in same period last year. Net income was \$772,000 (\$1.10 a share) vs. \$1,927,000 (\$2.75).

Plans for merger of Nuclear Electronics Corp., Olympic Radio & Television Inc. and Victoreen Instrument Co. have been terminated "pending further study," according to Olympic statement this week.

**Color Trends & Briefs:** One of most aggressive distributors in color field is Raymond Rosen & Co., Philadelphia RCA distributor, whose pres. Thomas F. Joyce predicts: "If the industry really gets behind color, it could easily sell 25,000 sets in our market this fall & winter. We've set a goal for ourselves of 150 a week." Among actions being taken to achieve goal:

(1) Rosen is detailing Edward Burns, "one of its most alert, aggressive promotion specialists," according to Joyce, exclusively to color starting Sept. 1.

(2) Budget of \$45,000 has been set aside for newspapers, TV & radio advertising.

(3) Company executives are making speeches before civic groups. Joyce has already spoken to Norristown Lion's Club, says he knows of 5 or 6 in the audience who now plan to buy sets.

(4) Some 300 dealers are expected to hold open house for big shows, inviting selected customers. Last year, Joyce says, about 200 participated, demonstrating to thousands—"but lack of sufficient programming made it impossible to sustain interest."

(5) Starting Sept. 11, Rosen will co-sponsor, with Upper Darby dealer Mort Farr (who is also NARDA chairman), *Bulletin* columnist Frank Brookhouser's *Man About Town* on WCAU-TV Sun. 11:15-11:30 p.m. It has "a large following in the tavern, night club and restaurant fields." Half of show will be devoted to selling color, half to black-&white.

(6) Extensive joint promotions with all major dept. stores will be conducted.

Joyce is convinced that situation is no different from that prevailing when industry obtained FCC "yellow light" on color in 1939. At that time he was gen. adv. mgr. of RCA. After 4 months of selling, only 81 sets had been moved in New York, reasons for inactivity being similar to those quoted today—high price, few shows, low discounts, no service, insufficient promotion, fear of price reductions, radio-phono competition, etc. RCA team then moved into Newburgh, N. Y. as test area, went into "a specialty selling campaign," sold 100 sets in 10 weeks. Joyce feels that history will be repeated in color.

\* \* \* \*

Reporting that dealers are accelerating interest in color, Joyce relays these comments from several large and small Pa. dealers:

Stanley Frazee, div. mdse. mgr., Gimbel's, Philadelphia: "Just as Gimbel's took the lead in promoting black-&white TV in the Philadelphia market, Gimbel's is now taking the lead in promoting color. We have set up a sales budget for \$50,000 worth of color sales for this fall and expect to reach it."

J. C. Holtby, Lansdowne, who has sold 9 color sets to date: "We wholeheartedly agree now is the time to aggressively build the foundation for our coming color TV business. The color schedule you showed for this week in today's *Inquirer* was impressive and brought home the fact color is no longer just around the corner."

Charles E. Gerhard, Glenside (2 sets sold): "The American public is always ready for a change if that change is an improvement. Look how color conscious we are in our everyday life. Men with their loud clothing; women with colored kitchens and, to top it all, pink automobiles. Some good old home demonstrations and in-store parties will get color TV off the ground this fall."

Louis Pearlman, Doylestown (5 sets sold): "We feel now is the time to go on color TV. The new color sets are beautiful and easy to tune. Programming is improving, which will enable us to move in and close those color prospects we already have. By gradually building that excitement as we did black-&white, we will soon have color

TV rolling. We expect to sell 25 color sets between now and Christmas."

Note: Another indication of dealer attitudes toward color: NARDA chairman Mort Farr's informal survey of 47 top dealers attending NARDA's Institute of Management last week at American U (Vol. 11:34) asked: "Do you handle color TV?" 32 replied yes, 4 no. Then, "How many have you sold?" 26 replied none, 10 had sold from one to 7 sets each. Then they were asked: "Should you promote color this fall?" 19 replied no, 14 yes, 3 didn't answer.

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More big color shows in the works: CBS-TV disclosed that *Ford Jubilee Theatre* will include: Noel Coward's *Blithe Spirit* and *Peace in Our Time*, Coward starring in both; Bing Crosby in *High Tor*; play *The Day Lincoln Was Shot*; *The Big Banjo* (story of American rhythm); *Wonderful World*, a musical; Maeterlinck's *Blue Bird*. *Shower of Stars* will include: Jack Benny in 5 shows; *Nutcracker Suite* with original libretto by Sam & Bella Spewack. CBS is also negotiating for operetta *Porgy & Bess*, now touring South America, to be colorcast in Nov. if agreement is reached. A "jungle spectacular" of *Zoo Parade* is expected of NBC-TV; Marlin Perkins and staff (plus TV columnist John Crosby) have been shooting color film in Africa.

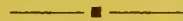
New technique for colorcasting art work will be demonstrated Aug. 31 & Sept. 1 by WTMJ-TV, Milwaukee. Says asst. gen. mgr. Russ Winnie: "One of the problems confronting TV stations throughout the country interested in stimulating the success of color TV has been in the inability of finding the means of transmitting in color art work in its original form . . . As a result of research & development in our engineering dept., a system of transmission of art work in the form of cards or original art has been developed which we think is little short of sensational."

Network color schedules for next 2 weeks: NBC-TV—Aug. 29, last *Matt Dennis Show*, 7:30-7:45 p.m.; Aug. 30, Sept. 1, 6 & 8, *Vaughn Monroe Show*, 7:30-7:45 p.m.; Aug. 29-Sept. 2 & Sept. 5-9, *Home* segments, 11:45-noon; Sept. 11, *The Skin of Our Teeth*, starring Helen Hayes, Mary Martin, George Abbott & Florence Reed, 7:30-9:30 p.m.; Sept. 12-16, beginning of regular *Howdy Doody* colorcasts, 5:30-6 p.m.

Liberty Music Shops, big N. Y. chain, keeping Madison Ave. store open evening of Aug. 22, had audience of 200 on hand to watch NBC-TV color-cast of *The King & Mrs. Candle*, reported interest intense. Bruno-New York, RCA distributor for area, reports some 150 dealers now have color sets on display, says dealers are talking more about color than ever before, adds "we look forward to a pretty good business."

Foto-Video Laboratories Inc., Bloomfield, N.J., reports shipments of color & monochrome equipment to WABD, New York; WCCO-TV, Minneapolis; KTVX, Muskogee, Okla.; KING-TV, Seattle; WSPD-TV, Toledo.

RCA's 22nd technical training program on color & monochrome station equipment, for station engineers, etc., will be conducted in Camden, Sept. 26-30.



Gwilym A. Price elected chairman as well as pres. of Westinghouse at board meeting this week, which promoted v.p. Mark W. Cresap Jr. to exec. v.p., succeeding Latham E. Osborne, now vice chairman. John K. Hodnette promoted from v.p. in charge of apparatus products divisions to v.p.-gen. mgr. in charge of operations of all product groups. A. C. Monteith, engineering-research v.p., succeeds Hodnette, and Dr. John A. Hutcheson, v.p. in charge of research labs, heads all engineering & research.

**N**ORTHEASTERN flood disaster caused millions of dollars damage to TV-radio-appliances of dealers and consumers, destroying or wrecking equipment which will take millions to replace or repair. Difficulty of communicating with badly-hit areas made it difficult to assess total damage as we went to press. All segments of industry joined to extend helping hand.

Philco set up service depots in stricken areas to rehabilitate refrigerators and freezers as first priority among householders and to render necessary services to dealers. RCA's New England office said dealers are being assisted by distributors, with most severe cases referred to factory. NARDA promised to borrow test equipment, service technicians and replacement parts from other Eastern dealers to aid its stricken members.

Floods blacked out WATR-TV, Waterbury, and WGTH-TV, Hartford, on Aug. 19. One radio station in Waterbury, with transmitter and studio at river's edge, was swept away, and several other AM stations were blacked out. Stations won high praise from public officials and press for keeping public informed and for their more direct aid to victims. For example, WKNB-TV, New Britain-Hartford, staged 16-hour all-night telethon, raising \$147,064 for destitute victims.

Avowedly out to acquire 5 TV stations (as are quite a few other and even bigger TV-radio interests) and allowable limit of 7 radio stations, new syndicate called Continental Telecasting Corp., headed by Arthur B. Hogan, pres. of Albert Zugsmith Corp., Los Angeles promoter, movie producer & station-newspaper broker, this week announced its first acquisition was radio KRKD, Los Angeles (5-kw D, 1-kw N, 1150 kc) at price reported around \$500,000. At week's end, however, application for transfer had not yet been filed with FCC. In another radio station deal this week, Bartell Broadcasters, who control WMTV, Madison (Ch. 33) and own radios WOKY, Milwaukee & WAPL, Appleton, bought WBGE, Atlanta (250 watts, 1340 kc) for \$100,000, paying \$15,000 down and remainder over 5-year period at 6%.

Two applications this week: Ch. 7, Redding, Cal., by Shasta Telecasters, headed by Redding mayor George C. Fleharty, publisher of *Anderson Valley News*; Ch. 8, Presque Isle, Me., by Elson TV Co., partnership of Thomas B. Friedman and wife. Friedman is consulting engineer and mgr. of broadcast systems engineering for Adler Communications Labs. Channel is now occupied by Air Force station at Loring Air Base, Limestone, Me., and FCC has told military it must give up channel when commercial station starts in area. Friedman plans to build 420-watt station for \$53,570, operate it for \$72,000 first year.

TV blackout of home night games next season is being considered by N. Y. Yankees and Giants as means of halting slumping attendance—despite survey by research-public relations firm Stephen Fitzgerald & Co. showing that fans are staying away from ball parks primarily because of difficulty in getting to stadium, parking troubles, high prices and poor service on tickets (Vol. 11:34). Both teams air full schedules on WPIX.

To test site for proposed 2003-ft. tower (Vol. 11:8), WHAS-TV, Louisville (Ch. 11) has asked FCC for permission to send aloft balloon with 2-watt battery-operated oscillator operating at top of Ch. 10. Because of air hazard, tests would be conducted by chief engineer Orrin Towner during day, so Ch. 11 can't be used while WHAS-TV is operating. Site is near Mt. Washington, Ky.

Add high towers: Sarkes Tarzian's WTTV, Bloomington, Ind. (Ch. 4) has filed application to build 1649-ft. structure near Trafalgar, Ind., some 20 mi. south of Indianapolis. Present site is at Cloverdale, Ind.

NBC profits are never disclosed separately in RCA financial reports, nor does CBS tell how much of its revenues and profits comes from broadcasting operations. But, intensity of competition between them being what it is, someone at RCA "leaked" these figures to *Variety* this week: NBC profits before taxes in first 6 months of this year exceeded \$14,300,000, will run better than \$6,400,000 after taxes. That's out of net profit of \$22,061,000 for all RCA operations (Vol. 11:31). Accordingly, *Variety* makes comparisons with CBS Inc.'s consolidated net \$14,248,000 before taxes, \$6,328,000 after taxes in same period (Vol. 11:33), observing that NBC alone is earning slightly more than CBS's total operations (including set & tube manufacture) despite fact that CBS TV-radio network billings have consistently led NBC's for last few years. NBC says it's losing some \$2,000,000 this year on radio networking, whereas CBS has claimed it's still making money on radio. Key to anomaly undoubtedly lies in TV profits, which neither is disclosing, and to CBS's difficulties in making its set & tube businesses pay.

Illegal booster operators in Northwest have another champion—Sen. Wayne Morse (Ind.-Ore.), who this week urged FCC to establish new rules to legalize boosters. Previously, Sens. Magnuson (D-Wash.) & Jackson (D-Wash.) made similar requests. Noting booster operations in Oakridge, Princeville & Sheridan, Ore., Sen. Morse stated: "Present rules of the FCC are a stumbling block to the type of inexpensive short-distance booster station needed in many small communities. A set of rules should be written promptly so that small communities can have the service that large communities already have. It is the responsibility of the Commission to make TV service available to everyone, and citizens of small communities should not be penalized."

NARTB's 8 regional conferences will each be addressed by an FCC commissioner, in this schedule: Comr. Lee, Region 4, Sept. 20 at Chicago's Edgewater Beach Hotel; Comr. Bartley, Regions 1 & 7, Sept. 23 at Saranac Inn, N. Y. and Nov. 2 at Broadmoor Hotel, Colorado Springs; Comr. Mack, Region 3, Sept. 29, St. Charles Hotel, New Orleans; Chairman McConnaughey, Region 2, Oct. 13, Hotel Roanoke, Roanoke, Va.; Comr. Webster, Region 8, Oct. 25, St. Francis Hotel, San Francisco; Comr. Hyde, Region 5, Nov. 8, Ft. Des Moines Hotel, Des Moines; Comr. Doerfer, Region 6, Nov. 16, Baker Hotel, Dallas.

First microwave of proposed series to feed community systems in Wyoming (Vol. 11:22) was sought in application filed this week by Pioneer Transmission Corp., Worland, Wyo. (H. B. Van Buskirk & J. R. McKibbin). It seeks to install Raytheon KTR-100E equipment on Boysen Peak, at cost of \$13,165, to relay programs of KOOK-TV, Billings, Mont. to Riverton, Wyo. Aim is eventually to serve additional towns of Worland, Lander, Thermopolis, Rock Springs, Rawlins & Green River.

New York U will use closed circuit-TV to extend lecture-demonstrations in English composition & literature to multiple classrooms, GPL installation being made possible by \$52,359 grant from Fund for the Advancement of Education. Previously, Stephens College, Columbia, Mo., announced similar project.

NBC-TV joined Television Bureau of Advertising this week, bringing membership to 162, annual budget up to \$500,000; Charles R. Denny, v.p. for owned-&-managed stations, goes on board. CBS-TV joined previously, and efforts are being exerted to bring in ABC-TV.

Power increases: WAKR-TV, Akron (Ch. 49), from 18.2 to 213 kw, due latter Sept.; KCOP, Los Angeles (Ch. 13), from 31.4 to 170 kw, due Sept. 12; WSJS-TV, Winston-Salem (Ch. 12), from 40 to 316 kw, due early Sept.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE  
FOR MANAGEMENT  
OF THE  
VISUAL BROADCASTING  
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ARTS AND INDUSTRY

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# Television Digest

with **ELECTRONICS REPORTS**

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## SUMMARY - INDEX OF THE WEEK'S NEWS — September 3, 1955

**5 NEW STATIONS** start, dozen more due in Sept. Wichita, Mobile, Thomasville, Ga. starters, Chicago & Detroit educational, bring total to 447 (pp. 1 & 8).

**PROGRAM TRENDS** of new season include more one-shots & irregular programs, more multiple sponsorships, more movie tieups—and emphasis on color (p. 1).

**BRITISH TV IMAGES** superior for reason they engineer programs more intensively with more men; program plans for Sept. 22 commercial debut (pp. 2 & 7).

**CHANGE IN ALLOCATIONS** again urged by FCC Comrs. Hyde & Lee, in speeches this week—but they differ on how far they'd go with vhf drop-ins (p. 3).

**FIERCE COMPETITION**, stemming from station growth, sparks many complaints, protests and appeals before Commission and Court of Appeals (p. 5).

**PRIME TV SALES MARKETS** once again are big pre-freeze metropolitan centers, buying replacements & second sets. Another blow dealt fair trade (p. 10).

**NARTB PLANS GRASS-ROOTS** campaign among local bar groups to fortify TV's right to cover trials & hearings; ABA demonstration success (p. 5).

**NATIONAL AWARENESS** of TV at unprecedented peak, emphasized by major articles in U. S. News & World Report, Saturday Evening Post, Newsweek (p. 6).

**SELZNICK TO RKO** as executive producer, handling TV as well as theatrical projects; several bid for backlog. TPA-Screen Gems deny merger reports (p. 7).

**SUBSCRIPTION TV** no urgent matter at FCC as Sept. 9 deadline for comments nears; Collier's article notes proponents' plans for foreign countries (p. 14).

**5 NEW STARTERS, OTHER SEPT. PROSPECTS:** Five more new stations are on the air, including 2 educational -- and it looks like a dozen or so others may begin this month to make it the biggest of year for new starters. The 5 latest, which bring count of on-air stations to 447 (108 of them uhf): KARD-TV, Wichita, Kan. (Ch. 3); WKRG-TV, Mobile, Ala. (Ch. 5); WCTV, Thomasville, Ga. (Ch. 6); WTTW, Chicago (Ch. 11, educational); WTVS, Detroit (Ch. 56, educational). [For further details, see p. 8.]

Scheduled for Sept. debuts also, though there's always the possibility of unforeseen delays, are KBMB-TV, Bismarck, N.D. (Ch. 12); KDLO-TV, Florence, S.D. (Ch. 3); WHTN-TV, Huntington, W.Va. (Ch. 13); KTVO, Kirksville, Mo. (Ch. 3); WORA-TV, Mayaguez, Puerto Rico (Ch. 5); WDBJ-TV, Roanoke, Va. (Ch. 7); KCRA-TV, Sacramento, Cal. (Ch. 3); KTBS-TV, Shreveport, La. (Ch. 3); KMVI-TV, Wailuku, Hawaii (Ch. 12); WITN, Washington, N.C. (Ch. 7). Canada also has one Sept. candidate -- CKVR-TV, Barrie, Ont. (Ch. 3).

Most imminent of these are Sacramento and Shreveport outlets. Also previously reporting Sept. starts, but highly uncertain now: WCBI-TV, Columbus, Miss. (Ch. 4); WESH-TV, Daytona Beach, Fla. (Ch. 2); KRBB, El Dorado, Ark. (Ch. 10).

**NEW SEASON—'GOLDEN ERA' OF TELECASTING:** Fall-winter TV season that gets under way immediately after Labor Day looks like a whing-ding from viewers' standpoint -- and it also means good business for all the TV trades.

Besides the hardy perennials, world series and football, the networks have so much top-grade program material on their agendas, new and old, that it may well be that a golden age of home entertainment really is upon us, albeit the industry is a scant 10 years old. One thing is certain:

Network TV is unshackling itself from certain traditions and rigidities that were handed down from radio -- is creating its own entertainment art forms. And the brilliant lineup of stars lends force to CBS's recent statement that "there is no great pool of talent which TV does not reach." Some 35 brand new regular shows are scheduled on the 3 surviving networks this fall. These seem to be the basic trends:

(1) More one-shots and irregularly scheduled programs, less demand on top-rated performers for weekly stints. For example, Ed Murrow's See It Now will go on

for 60 or 90 minutes only 8 or 9 times this season, instead of weekly; Jack Benny will be seen but once monthly (forsaking radio entirely); Orson Welles will be an irregular, also on CBS-TV.

These are simply scattered examples. NBC-TV is canceling one regular commercial period a month for an hour-length public affairs show based on recent history; it also plans several irregular "telementaries," starting with "1776" Oct. 9, Sun. 4:30-5:30 p.m. They're examples of departure from "formula," adding force to recent closed-circuit remarks of CBS-TV program v.p. Hubbell Robinson Jr.:

"Formula is nothing. Execution is everything. You mark down in the book that any producing organization that goes to the same well too often is going to find it dried up." Every show on the air, he went on, will be there "because of its own creative merit and capability to entertain, to inform or to educate."

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(2) More multiple-sponsor shows. High cost of TV time, talent & production make trend to more participating and alternate-week sponsorships inevitable. Having achieved great success with Today, Home and Tonight, NBC-TV reports it's virtually sold out on its Sun. 7:30-9 p.m. Color Spread (at \$71,000 per 1-min. commercial). Single-sponsor shows will drop to about 60 from 80 last season.

Yet it all will add up to very Big Business. If any further proof of magnitude of the network effort is needed, fact that their first 6-mo. billings (PIB, Vol. 11:32) leaped to nearly \$200,000,000 from \$150,000,000 in same period last year can be cited. It's anticipated second half may go much higher -- maybe by as much as 50%, to make year's total a fantastic half billion dollars -- or more than all radio (with 4 networks and 3300-odd AM-FM stations) aggregated in any one of its 35 years.

(3) More movie tieups: Up-&-coming ABC-TV began this trend with its big hit Disneyland, will also have Disney's new Mickey Mouse Club, MGM Parade, Warner Bros. Presents. CBS-TV has the 20th Century-Fox Hour. NBC-TV hasn't joined in yet. All of these programs have other sponsors footing time and talent bills while Hollywood builds the shows and rides one of the sweetest publicity gravy trains of all time. Whether trend is for TV's betterment or for worse, time alone will tell.

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(4) Emphasis on color shows. Most of the NBC & CBS "spectaculars" will be in color -- not only to stimulate color set sales but to add promotional zing. NBC has three once-a-month 90-min. spectaculars on tap: Color Spread, Max Liebman Presents, Producers' Showcase. In color also will be once monthly Maurice Evans Hall of Fame, portions of bi-weekly Wide Wide World, and unprecedented daily live 3-4 p.m. series titled Matinee Theatre which will become dealers' prime showcase for color sets.

CBS is gradually revealing big scope of its "blockbusters" -- disclosing that Ford Jubilee Theatre will include Noel Coward's Blithe Spirit and Peace in Our Time, Coward starring in both; Bing Crosby in High Tor; stories like The Day Lincoln Was Shot, Maeterlinck's Blue Bird, The Big Banjo (story of American Rhythm). Its Shower of Stars will include Jack Benny in 5 shows and an original libretto to Nutcracker Suite written by Sam & Bella Spewack. Most of Omnibus will be in color, as will six 90-min. films produced by Orson Welles. A daytime color series is also planned.

**AMERICANS FIND BRITISH TV IMAGE BETTER:** Why are the British Broadcasting Corp.'s TV signals so apparently superior to most of ours? It can't be merely that there's lots of power behind them, the govt.-owned BBC monopoly being unworried about co-channel or adjacent channel interference. Certainly, fact that British TV is on a 405-line standard as against our 525-line should argue just the opposite. British receivers, craftsmen though the Britons are, can't be that much better.

When we undertook our personal inspection of British TV last autumn -- a visit that has since been followed by a veritable "invasion" of American telecasting executives, technicians, admen, even editors -- we remarked on the fine workmanship of British TV sets and on the vastly superior picture we consistently got on a 14-in. set in our hotel room in the Mayfair district of London (Vol. 10:45).

Nobody disputed those observations; in fact, many who followed confirmed them and the promotion-minded TV trade over there made a lot of to-do about them. There

were all manner of explanations -- but this week, from one of the top American TV research & engineering executives, connected with one of the great laboratories and unconnected with any of the U.S. networks, gave the answer that makes most sense:

"The BBC," said this technician, who has just returned from a periodic visit to England, "has 4 times as many engineers per program as we have at our networks and stations. They keep their equipment up to snuff more intensively than we do, and their personnel is top-grade. They have the manpower and time to keep their equipment in tip-top shape all the time. It's as simple as that." The British technicians, he said, are among the best in the world.

Commercial as well as technical success for British TV was foreseen by this observer. He was also of the opinion, expressed in our stories, that commercial TV will go over big despite political and clerical opposition. And for some reasons:

Britons dislike monopoly no less than we do. They're accustomed to film and slide commercials in their theatres on a scale and with blatancy far surpassing anything of the kind done here. They respond to radio commercials from the Continent, notably from popular Radio Luxembourg. And British industrialists and admen, among the smartest merchandisers in the world, know that commercial TV will be a powerful force for creating wants and moving goods.

How much the new TV system will profit by the American example, good and bad, how many programs and what kind they will import and copy from America, remains to be seen when it gets under way Sept. 22. (For report on commercial plans, see p. 7.)

**COMRS. HYDE & LEE PUSH ALLOCATIONS CHANGE:** Revisions of TV allocations being urged by FCC Comrs. Hyde & Lee (Vol. 11:35) were elaborated on by both in speeches this week -- Hyde at Washington Lions Club, Lee at W.Va. Broadcasters Assn. meeting in White Sulphur Springs, W.Va. As indicated last week, both favor changes in standards to permit drop-ins of more vhf stations -- but they differ greatly in degree.

Here's how Hyde put it: "I would suggest the judicious application of less rigid separation standards than those of the Sixth Report, more emphasis on market areas and the use of such engineering techniques as directional antennas where such would contribute to the objective of the overall re-examination. The ultimate purpose of course would be to encourage the larger and more effective use of available TV channels. The ultimate full development of TV in this country should not be hamstrung by having been limited to 12 channels in its pioneer stages."

Hyde frowns on "indiscriminate" drop-ins, however. He said: "The squeeze-in or shoe-horn technique, if experience in other fields is to be relied upon, can be expected to cause interference in outlying areas, the cumulative effect being to provide additional services in population centers at the expense of outlying areas where it is most needed. Any such move would, of course, inevitably undermine present incentive to development of ultra-high channels."

Amplifying on his speech later, Hyde told us: "Drop-ins all over the map, with no overall objective, would take us back to before the freeze. We need deintermixture both ways -- to preserve competition in uhf markets, add competition to vhf markets. You can't get a reasonable amount of deintermixture without some flexibility in allocations. We need more stations rather than reduced coverage."

Lee expounded on his thesis that best solution is to get more vhf channels from the military, but that partial answer is to fit more stations into present 12 channels -- through reduced powers & mileages and directional antennas. He doesn't feel that deintermixture is answer to uhf problems; he'd let uhf operators get vhf. Among portions of govt.-used spectrum Lee has in mind is 132-152 mc, and he feels that military equipment in this band could work just as well in uhf.

Interference which might be created by vhf drop-ins has been worrying FCC staff. One argument against them, they say, is that they'd bollux up the offset carrier situation, a major factor in reducing interference. On the other hand, some consulting engineers claim new offset carrier plan can be devised.

FCC staff is cautious about drop-ins, generally. One member states: "If the Commission concludes that uhf should be forgotten and that we should try to make the most of only 12 vhf channels, it's my belief that we should reexamine the whole

allocation plan, to make it most efficient. The technique of just dropping in low-power vhf stations here and there is only a minor help."

A former FCC staff member, influential in setting up present plan, says: "During the freeze, I told the Commission that the plan would serve only 2-3 years, enough to set the pattern, after which it could be dropped. Well, that's what it has done -- and it looks as if the time is ripe for a change."

**Personal Notes:** Sydney Rubin, ex-mgr. of NBC licensing div., appointed CBS-TV director of licensing, handling all subsidiary program rights to live & film shows . . . Frank Stanton, CBS pres., returns from short European trip immediately after Labor Day . . . William Grant, attorney, businessman & 5.5% owner of KOA-TV & KOA, Denver, as well as pres. of the licensee corporation in which actor Bob Hope owns 39%, has succeeded Don Searle as gen. mgr. . . . Sylvia Kessler, ex-chief of FCC Office of Opinions & Review, recently with Cohn & Marks, has opened own law offices in Tower Bldg., Washington (District 7-2805) . . . John S. Auld promoted to mgr. of technical operations for DuMont's Electronicam system . . . Charles Singer resigns as MBS chief engineer; John H. Burnett, producer-director of Harry Wismer's TV-radio *General Sports Time*, named sports director, replacing Paul Jonas, resigned . . . Ross Donaldson promoted to mgr. of NBC-TV writing services, buying and developing scripts . . . Barton L. Griffith, TV-radio instructor at U of Michigan, named director of distribution activities, Educational TV & Radio Center, Ann Arbor; Wm. A. Harper, ex-Wittenberg College publicity director, named director of information services . . . Frank Barron promoted to local sales mgr., John Garfield to national sales exec., WXEL-TV, Cleveland . . . Bill Adler, DuMont press & promotion director, promoted to program director . . . Wynn Nathan, MCA-TV sales v.p., announces appointment of these new v.p.'s: Tom McManus, eastern sales mgr., N. Y.; Ray Wild, southwest sales mgr., Dallas; Henry Long, western sales mgr., Beverly Hills, newly named to mideastern sales mgr. at Cleveland under v.p. D'Arv G. Barton and succeeded by v.p. Robert Greenberg . . . Herb Jaffe elevated to exec. v.p., Herman Rust to sales v.p., Official Films Inc. . . . Edward F. Ryan, from parent *Washington Post & Times Herald*, named director of news & public affairs, WTOP-TV & WTOP, Washington . . . Freeman Mann promoted to chief engineer, Dresser-Ideco Co. (towers) . . . Hugh O. Kerwin, ex-KTVI, St. Louis, named TV mgr. of Petry's St. Louis office, succeeding George Stevens, shifted to Chicago office . . . Josephine Maggio, ex-traffic mgr. CBS-TV Spot Sales, joins Petry as head of special services traffic div. . . . Jack Thompson promoted to asst. eastern sales mgr., Free & Peters . . . Albert B. Shephard, ex-Empire Coil Co., recently Forjoe-TV sales mgr., and Richard C. Landsman, ex-Harrington, Righter & Parsons, join Katz . . . Edward Cahn, ex-Avery-Knodel, onetime exec. v.p. of George H. Hartman Co., Chicago agency, heads new Pulse Inc. branch office at 6399 Wilshire Blvd., Los Angeles . . . Guy S. Warren Jr. promoted to exec. v.p., D. P. Brother & Co., Detroit, succeeding Clarence Hatch, now Kudner senior v.p. . . . Norman Heyne resigns as Ruthrauff & Ryan TV-radio production v.p. to become partner in new Wesley, Heyne & Cuca Adv. . . . Robert P. Mountain, Young & Rubicam v.p., takes over as director of TV-radio dept., replacing Dan Seymour, now J. Walter Thompson; Nat Wolff, as v.p. & director of program development, to concentrate on creating new program ideas; David Bradshaw continues as operations mgr. of TV-radio dept. . . . George Haight promoted to west coast TV-radio programming director, McCann-Erickson; Mary Harris promoted to mgr. of TV-radio production, N. Y. . . . Richard W. Bowman, TV copy supervisor, elected v.p., Norman, Craig & Kummel Inc.

Associated Press Radio & Television Assn., by mail ballot announced Sept. 2, added these 9 members to its board, whose next meeting is scheduled for Sept. 19: Albert Larsen Jr., WALL, Middletown, N. Y.; Ted Jaffe, WAAM, Baltimore; Jack Knell, WBTV & WBT, Charlotte; Duane Hatch, WSAV, Savannah; Lester Lindow, WFDF, Flint; John A. Engelbrecht, WIKY, Evansville; H. J. Chandler, KFLW, Klamath Falls, Ore.; James H. Connolly, KGO-TV & KGO, San Francisco; Pat Cullen, KHQ-TV & KHQ, Spokane. Seven holdovers, comprising original association, are Daniel W. Kops, WAVZ, New Haven; Tom Eaton, WTIC, Hartford; Joe H. Bryant, KCBD-TV & KCBD, Lubbock, Tex.; Matthew Bonebrake, KOCY, Oklahoma City; Jack Krueger, WTMJ-TV & WTMJ, Milwaukee; Jack Shelley, WHO-TV & WHO, Des Moines; Les Mawhinney, KHJ-TV & KHJ, Los Angeles (president pro tem).

Robert W. Sarnoff, NBC exec. v.p., named chairman of Advertising Federation of America's committee for National Advertising Week, Feb. 19-25, with Foote, Cone & Belding (Roger Pryor, TV-radio v.p.) serving as task force agency. Committee of 23 top-level admen from all media, as named by Ben R. Donaldson, Ford director of institutional advertising and chairman of AFA, includes from TV-radio: Ted Cott, DuMont; Robert E. Kintner, ABC; Kevin B. Sweeney, Radio Advertising Bureau; J. L. Van Volkenburg, CBS.

FCC Comr. E. M. Webster is in Gothenburg, Sweden, heading group of U. S. observers at Baltic & North Sea Radiotelephone Conference on maritime safety. Others in delegation to 3-week sessions: C. M. Jansky Jr., Jansky & Bailey; John Cross, State Dept.; Austin Bailey, AT&T; Capt. G. C. Graves, Coast Guard.

Paul A. O'Bryan, a senior partner of Dow, Lohnes & Albertson, elected chancellor of Delta Theta Phi law fraternity, highest ranking post, at Washington convention this week. Alfred C. Cordon Jr., with same firm, chosen associate justice of the fraternity's supreme court.

Oliver M. Presbrey, of the agency family, with his wife Martha Rountree, who used to be co-owner and moderator of *Meet the Press*, have applied for 5-kw daytime radio station on 1420 kc in Warrenton, Va., where they now make their home.

Charles F. Nelson promoted to AT&T long lines dept. asst. v.p. in charge of revenue requirements & regulatory matters.

Commercial Film Producers Assn. has been formed in Hollywood with Ray Patin, of Ray Patin Productions, 6650 Sunset Blvd., as pres.

Graphic Consultants, 40 E. 51st St., N. Y. has been formed by Phil Hirsch, ex-mgr., NBC graphics dept.

William G. Butts, 64, FCC examiner, died Aug. 28. Native of Dearborn, Mo., he joined Interstate Commerce Commission in 1929, moved to FCC in 1934, became an examiner in 1952. He had 11 radio and common carrier cases, no TV, pending in various stages of hearing at time of death.

E. Lansing Ray, editor & publisher, *St. Louis Globe-Democrat*, which he sold to Newhouse last March and which owns 23% of KWK-TV & KWK, died suddenly at Rye Beach, N. H., on his 71st birthday, Aug. 30.



**TIGHTER COMPETITION**, as number of stations increases, was much in evidence this week—in FCC actions and in complaints filed with Commission. They covered great variety of situations:

(1) Responding to complaints following recent decision lifting Zone I vhf stations' ceiling to 1250 ft. (Vol. 11:35), Commission postponed effective date of decision from Aug. 31 to Oct. 1.

(2) Commission turned down request that it issue cease-&-desist order to stop KTVX, Muskogee, Okla. (Ch. 8) from identifying itself as Tulsa station. Complaint was by KVOO-TV (Ch. 2) & KOTV (Ch. 6), Tulsa. Commission said that it "is not inclined to inject itself into commercial situations involving competing broadcast interests," but it noted that KTVX conceded failure to use Muskogee station identification and that it had exaggerated coverage claims in ads. This pattern of operation, Commission said, "has given it pause" in considering case. However, Commission concluded that it would put station on best behavior, "imposing a condition that its future operations will be further reviewed."

(3) WESH-TV, Daytona Beach, Fla. (Ch. 2) was advised, via McFarland Letter, that hearing appears necessary on its application to change site to spot 22 mi. from city toward Orlando and to increase power from 1.26 to 100 kw. Commission also received opposition from upcoming WHTN-TV, Huntington, W. Va. (Ch. 13) to application of WCHS-TV, Charleston (Ch. 8) to move closer to Huntington, increase height to 1218 ft.

(4) Broadcast Bureau recommended hearing on WWSW-WJAS grant of Ch. 11, Pittsburgh, unless stations remove "infirmities" of merger agreement "which run athwart Commission policy and may involve a violation of Section 310(b) of the Communications Act." Objections to grant were raised by WENS (Ch. 16).

(5) Miami-Ft. Lauderdale's WGBS-TV (Ch. 23) and WITV (Ch. 17) asked Court of Appeals to enjoin FCC from finalizing Miami Ch. 7 & 10 decisions before acting on their deintermixture petitions. WFDF, Flint and Butterfield Theatres filed briefs supporting their appeals against grant of WJRT, Flint (Ch. 12).

(6) WNHC-TV, New Haven, Conn. (Ch. 8) requested hearing on sale of WGTH, Hartford (Ch. 18) to CBS; WHUM-TV, Reading, Pa. (Ch. 61) sought hearing to explore sale of WLBR-TV, Lebanon (Ch. 15) to WFIL-TV, Philadelphia; WIRK-TV, W. Palm Beach, Fla. (Ch. 21) protested sale of WEAT-TV (Ch. 12) to General Tele-radio.

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Rule-making on several allocations was begun: (1) Shift of WKST-TV's Ch. 45 from New Castle, Pa. to Youngstown. (2) Move of Ch. 6 from Indianola to Clarksdale, Miss. (3) Shift of Ch. 13 from Calumet, Mich. to Marquette, replacing it with Ch. 5. (4) Move of Ch. 10 from Roswell to Artesia, N. M., requested by KSVP which plans 100-watt station.

Eugene P. O'Fallon, former owner of KFEL-TV, Denver (Ch. 2), filed opposition to shift of Ch. 3 from Pueblo to Alamosa, Colo., stating he plans to apply in Pueblo. Uhf grantee WOBS-TV, Jacksonville, Fla. (Ch. 30) amended its deintermixture proposal to request addition of Ch. 8 to Brunswick, Ga.

One CP was dropped, WBCK-TV, Battle Creek, Mich. (Ch. 58), and one was revoked—WSHA, Sharon, Pa. (Ch. 39). Latter was first TV revocation. Grantee Leonard J. Shafitz had been charged with misrepresenting finances, failed to show up for hearing or communicate with Commission.

**NARTB PLANS** grass-roots campaign among state bar associations as next step to convince legal groups that TV can unobtrusively cover public courtroom trials and legislative sessions. Its freedom of information committee is setting up arrangements for live coverage of state bar meetings, similar to handling of American Bar Assn. convention last week by the 3 Philadelphia stations, which Judge Justin Miller, ex-NARTB pres., now its consultant, called "highly successful."

Possible guidance for local coverage came from P. A. (Bud) Sugg, exec. v.p. & mgr. of Oklahoma City's WKY-TV. Reporting to NARTB pres. Harold Fellows on his station's demonstration of TV cameras at district judge's meeting July 14 at Grand Lake, Okla., Sugg stated some jurists feared TV stations would not cover trials in full, or would edit films to give biased version. They also felt news media only wanted to cover "sensational" trials.

"Our answer [to the first objection] was that neither the spectators nor the reporters were required to sit through the entire trial, nor is the newspaper required to print each word of testimony," wrote Sugg. As to the "sensational" aspect, he said news cameras at any trial "would provide the public a picture of a dignified judge, presiding over an orderly meeting, and not a mob of citizens crying for vengeance as might be portrayed by some Hollywood movies, or even the newspapers." He said a number of judges were so impressed they invited WKY-TV to cover their courts.

Freedom of information committee chairman Robert D. Swezey, WDSU-TV, New Orleans, said volume of favorable reports and comments about ABA meeting in Philadelphia "indicates the ability of TV and radio to cover public sessions without jeopardizing the dignity and decorum of such proceedings." He said Philadelphia example "illustrates the tremendous advances that have been made in the art of radio and TV news coverage."

Distinct fear of censorship over TV and other mass communications media is reaction of newspaper editorial opinion to Kefauver subcommittee's report on juvenile delinquency (Vol. 11:35). Most agree that the cure (censorship) for excessive violence and crime on TV would be worse than the "disease." Objecting to any form of censorship, *Washington Post* endorses idea of presidential study commission, commenting: "We know far less than we need to know about a matter that cannot fail vitally to influence the whole shape of the American future." *Washington News* rejects all recommendations, calling each a kind of censorship which would create a "three-headed bureaucracy to impose, directly and indirectly, a censorship—not only on TV but on all 'mass media,' meaning radio, magazines, newspapers and whatever." *St. Louis Post-Dispatch* says proposals skirt censorship and, praising high quality of some children's TV shows, asks: "Are other good children's shows . . . too much of a strain on producers? Is the crime show just the result of laziness?" Meanwhile, NARTB code review board, under chairman G. Richard Shafto, WIS-TV, Columbia, S. C., meets in Washington Sept. 8-9, will review Senate report. Each NARTB regional conference will include workshop session on "The Challenge of the TV Code," conducted by Edward H. Bronson, director of TV code affairs.

A one-shot estimate of sets-in-use, county-by-county, may be released late this year, projected from information now available. Representatives of networks, NARTB, Advertising Research Foundation & Television Bureau of Advertising conferred in N. Y. Aug. 31, agreed such an estimate might be feasible and agreed on "exploratory investigation" for a few weeks. It would be based on data from Census Bureau, Nielsen, RETMA, other sources.

CONSCIOUSNESS of TV has reached all-time peak, as the medium enters its "golden age" with start of great fall programming schedules (see p. 1). Nowhere is this more evident than in the intense coverage being given TV in the general magazines.

Suffering as much as any medium from TV's assaults on its advertisers and readers, magazines seem to be engaged in a sort of "join 'em if you can't lick 'em" program by catering to public's fascination with TV.

Examples: 15-p. cover story "What TV Is Doing to America" in Sept. 2 *U. S. News & World Report*; major feature on KDUB-TV, Lubbock, Tex. in Sept. 3 *Saturday Evening Post*; cover-story analysis of "The \$64,000 Question" in Sept. 5 *Newsweek*; cover story on General Tire in Aug. 27 *Business Week*, prompted by subsidiary General Teleradio's recent \$25,000,000 purchase of RKO (Vol. 11:35).

We've read all of them and, a vital part of our job being to cull and digest for busy executives, who are our readers, here's a summary of what they say:

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"The greatest new force in American life" is what *U. S. News & World Report* calls TV, but it concludes that it will be at least a generation before anyone knows just what its sociological effect has been—good or bad. Trying to get at TV's impact statistically, magazine comes up with these findings:

(1) Viewing time is rising—average set being turned on 4 hours & 50 min. daily, up 4% from 1954. Viewing hits peak just after set purchase, falls off temporarily, then builds up toward new peak, height yet unknown.

(2) Before buying TV, average person spent 2 hours & 58 min. daily with radio, newspapers and magazines, one hour & 34 min. after buying.

(3) Women watch more than men do, both viewing more than do children. Those low in income, education or job status spend more time with TV than those at higher levels.

(4) Among families with no children, 54% own sets; those with one or 2 children, 79%; with 3 or more, 83%.

Opinions are sharply divided as to sociological impact. One group feels children are losing ability to read and play physically. Some think there's definite connec-

tion between TV and juvenile delinquency, or at least the "calculated risk" seen by Senate committee in report last week (Vol. 11:35). Many parents think most programs are "grossly inappropriate for children" while others say "exposure to a reasonable amount of TV does increase vocabulary, word recognition and general knowledge."

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Small-town TV is paying off for KDUB-TV, Lubbock, Tex. because of showmanship and an uncanny knack of catering to "off-beat" neighborhood needs and tastes, according to article in *Saturday Evening Post*, by Joe Alex Morris. Much credit is given to station's colorful pres. Wesley De Wilde (Dub) Rogers Jr., who started show business as a top-notch clarinet player. First post-freeze station in medium-sized market, starting in Nov. 1952, "Kay-Dub," as it's known locally, immediately began operating like a country newspaper—featuring everything from hill-billy bands to town symphony.

KDUB-TV's rival KCBD-TV is also successful, article reports, stressing a more formal approach (e.g., announcers wear ties), but management of both attribute prosperity to tremendous population growth and natural wealth of area. Coverage area has 400,000 people, per capita income of \$1818 (highest in U. S. for its size), 18,700 farms with annual income of \$316,718,000, world's third largest inland cotton market, 12,000 producing oil wells, etc.

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Excellent analysis of "The \$64,000 Question" in *Newsweek* examines impact on public, contestants, sponsor & competitors, lists 5 fabulous new quizzes now being offered sponsors, concludes:

"In the light of all this furious and munificent activity, the imaginary quizmaster might well ask his enormous and at least temporarily spellbound audience: 'How long will this current quiz craze last?'"

"Thinking back on the long history of short-lived national fads from mah-jongg, flag-pole sitting, miniature golf, and open galoshes to bank night, the mambo, and raccoon hats, the quizzee would probably greet him with a blank and puzzled look and hesitantly give the only possible answer: 'We don't know.'"

Note: Sept. 16 *Collier's* is out with article on subscription TV titled "Will You Pay for TV?" by Bill Davidson (see p. 14); *Saturday Evening Post* article on same subject, by Milton Lehman, due shortly.

Crusading isn't forte of NBC or its stations—but WRC-TV, Washington, has launched a public service campaign that has community and its newspapers buzzing. It's film series titled *Our Beautiful Potomac—Progress Report*, carried in prime time, showing how waste and filth are polluting one of the country's liveliest and most precious rivers and rendering it a menace to health to the shame of the nation's capital. "Putrid Potomac," the narrator and planner Stuart Finley boldly calls it, with visual proof. "We're going to stay with this until something is done about it," says v.p.-gen. mgr. Carleton Smith, who started the whole thing.

FCC turned down protest by Ted Granik and Wm. Cook, major stockholders in WJNO-TV, Palm Beach, against recent approval of \$40,000 sale of radio WMFJ, Daytona Beach, by W. Wright Esch to Harold Kaye & Emil J. Arnold (Vol. 11:25, 27). Granik and Cook seek to block sale in Florida courts on grounds that Esch broke contract to sell them station and CP for WESH-TV, Daytona Beach. FCC said it's up to courts to determine whether Esch violated any agreement and that Granik and Cook were not "parties in interest." WESH-TV has announced plans to get on air in Sept., though FCC is questioning proposed site move.

Control of KALB-TV, Alexandria, La. (Ch. 5) & KALB goes from W. H. Allen to T. B. Lanford, FCC approving deal whereby Lanford pays \$150,000 for Allen's 52% to bring holdings to 97.2% (Vol. 11:32). Lanford also owns 1/2 of KPLC-TV & KPLC, Lake Charles, La.; 13.8% of WJTV, Jackson, Miss.; has interest in 3 other southern radio stations. Also approved was transaction whereby Seaton Publishing Co. (Fred A. Seaton, asst. to President Eisenhower) transfers CP for KHAS-TV, Hastings, Neb. (Ch. 5) to new Nebraska Television Corp., with more than 100 new stockholders. Seaton retains control of new firm, with 56%; only other stockholders with more than 1% are Mission Quirk Grain Corp. and D. H. Mires, each 3.6%.

Denver's KBTB (Joe Herold, mgr.) distributing to timebuyers and friends total of 25,000 shares of Liberty Oil & Uranium Co., prospecting firm.

B. P. (Tim) Timothy, one of founders of Avery-Knodel rep firm, has purchased 75% of KMBY, Monterey, Cal. (250 w, 1240 kc) for \$50,000 from Fred Gwyn; Blackburn-Hamilton handled deal.

TV sets sold within 50-mi. radius of Chicago up to July 31 totaled 1,977,919, up 281,400 in year, reports Chicago Electric Assn.

**Telecasting Notes:** David O. Selznick becomes executive producer for RKO, his company committed to produce at least one feature a year as well as TV shows, under 3-year agreement made this week with General Teleradio's Tom O'Neil, board chairman of RKO which he recently bought for \$25,000,000 (Vol. 11:29-30). One of Selznick's first chores will be to come up with a TV show, presumably along lines of those of other major movie producers that are making network debuts this season (see p. 1) . . . RKO thus reestablishes itself in movie production, Selznick thus returns to company where he served as production chief, 1931-33. RKO also takes over redistribution of some Selznick productions (*Rebecca, Tom Sawyer, The Third Man, Spellbound, The Paradine Case*)—which presumably sets at rest rumors Selznick is about to release 11 of his features to ABC-TV, although there's no formal agreement on that score . . . Adaptation of TV filming principles to movies is part of RKO "master plan" being discussed by Selznick with RKO exec. v.p. Charles L. Glett, according to *New York Times'* Thomas L. Pryor, who states there's a gentlemen's agreement that Selznick "will assume direct overall operation of the company's theatrical and TV projects" . . . RKO backlog of some 650 films, meanwhile, is reported by *Billboard*, which specializes on TV films, as subject of "spirited bidding"—and it states that price is between \$10-\$14,000,000 plus profit participation plus another \$4,000,000 to clear rights and for selling expenses; MPTV and an unnamed theatrical distributor are said to be chief bidders, latter proposing theatre rereleases ahead of TV . . . "The RKO features," says *Billboard*, "were pitched at the networks but neither CBS-TV nor NBC-TV was interested. ABC-TV has shown some spark, but it doesn't need as many films as the package contained. Whoever gets the features, it is fairly certain that some of them will appear on the networks, certainly in daytime periods and perhaps nighttime" . . . Television Programs of America, which claims to be one of the Big 3 (with Ziv-TV & MCA-TV) of the TV film syndication business, isn't for sale and isn't being sold, according to pres. Milton I. Gordon. "Absolutely nothing to it," says Screen Gems pres. Ralph Cohn; that's their retort to published reports of a merger. Gordon admitted, however, that there have been several approaches by various companies with proposals to consolidate . . . TPA's Mr. Gordon this week announced what he said was "largest transaction of its kind in TV film distribution"—purchase from Chertock Productions Inc. of negatives of 104 episodes of *Private Secretary* starring Ann Sothern. They will be syndicated under new title *Susie*, new Chertock productions under old title continuing for American Tobacco Co. on CBS-TV. Price was stated as \$1,000,000 down plus percentage of gross receipts . . . Locally filmed programs may soon be as important to TV as taped programs in radio, in opinion of rep Joe Weed; he thinks syndicated series and feature-length films, important for national spots, can be enhanced with locally-produced inserts giving "hometown" salesmanship touch . . . Unusual program: WDSU-TV, New Orleans, on its weekly *Sunday Supplement*, telecasts ceremonies of young woman taking vows as nun of the Carmelite Order.

Kiesewetter, Baker, Hagedorn & Smith Inc. goes out of business at end of year, with H. M. Kiesewetter, who founded 25-year-old agency, retiring; S. S. Baker joining Donahue & Co.; H. B. Smith entering another business.

Ad volume of \$15 billion by 1965 is forecast by Foote, Cone & Belding exec. v.p. Elwood Whitney, projecting from *Printers' Ink* 1954 estimate of close to \$8.2 billion (Vol. 11:34).

**COMPETITION**—it's wonderful, evidenced already by fact that British Broadcasting Corp., longtime TV-radio monopoly, is increasing its service by 15 programs a week as of Sept. 22, debut date for commercial TV. With £1,000,000 (\$2,800,000) added to his budget, BBC program controller Cecil McGivern has announced expansions designed to retain its 12,000,000 audience against the commercial upstart which can claim only about 22% of TV homes (in London area) as yet equipped with dual-band sets capable of receiving the second signal.

BBC promises more sports (Oxford-Cambridge boat races, Wimbledon tennis matches, Ascot races, soccer championships); more light entertainment (including a giveaway show); more drama (in which it excels); more documentaries and children's shows, and even one show a week from the Continent via Eurovision. It has already, as a competitive measure, signed up with UP-Movietone News to compete with extensive news coverage projected by ITA.

When commercial TV begins in London at 7 p.m., Sept. 22, it will be hailed with banquet speeches by the Lord Mayor of London, Sir Seymour Howard; the Postmaster-General, Dr. Charles Hill; the director general of ITA, Sir Kenneth Clark—and there's some talk that Prime Minister Anthony Eden, whose Conservative Party put through ITA against Labor opposition, will participate.

First on "new TV" screens will be panorama of the "face of London"; then the Guildhall ceremonies until 7:45, interspersed with overture conducted by Sir John Barbirolli. Then, at 8 p.m., drama with John Clements, Kay Hammond, Alec Guinness, Pamela Brown, Edith Evans and Sir John Gielgud appearing in 10-min. excerpts from famous plays; 9:10, Terence Murphy-Lew Lazar middleweight championship bout from Shoreditch; 10, news; 10:15, interviews with famous stars, cabaret & fashion show from Mayfair Hotel; 10:50, trailer of shows to come; 11, sign-off.

Schedule for next day starts at 10:45 a.m. with opening installment of *Sixpenny Corner*, Britain's first daily TV serial; then morning magazine show for women. Children's *Tea-V-Time* is from 5-6 p.m. By agreement, both BBC & ITA shut down 6-7 p.m.—it's time for supper and for the youngsters to prepare for bed. From 7-8, there will be news, romantic singer Sheila Matthews, *Sports Club* and *Pets Parade*; 8, *Take Your Pick*, quiz show; 8:30, *Dragnet*; 9, *Confidentially*, family sketches; 9:30, 'Round the World with Orson Welles; 10, news & newsreels, followed by *Out of Town*, featuring Leslie Perrins as a townsman with an inquiring mind; 10:50, *And So to Bed*.

That gives you an idea. Number of U. S. shows is limited by fiat; *I Love Lucy* & *Dragnet* have been bought and there will be others. Quite a few American entertainers will appear on the live and British-produced film shows. Family shows, cookery, beauty hints, music, news will dominate the daytime. Commercials will be interspersed like our spots, but with the advertiser in no way identified with the program.

"We are not offering people something which they have to accept," said Associated-Rediffusion's program controller Roland Gillett, handling Mon.-thru-Fri. London programs, obviously referring to the lack of choice on BBC. "We are offering them the power to switch. We are offering them something which we hope they will like."

Entire first-night profits will go to charity, advertisers paying double card rates and artists performing free. Capt. T. M. Brownrigg, gen. mgr. of Associated, estimates that not less than £10,000 (\$28,000) will go to charity.

**L**ATEST STARTERS (see p. 1) include one opening up virtually new market—WCTV, Thomasville, Ga. (Ch. 6), located on Fla. border and 64 mi. distant from nearest other station, in Albany, Ga. Test patterns began Sept. 1, and on Sept. 15 it becomes CBS primary non-interconnected, taking some NBC shows, too. It has 35-kw GE transmitter, located halfway between Thomasville & Tallahassee, with 5-bay antenna on 669-ft. tower. Owner is John H. Phipps, who acquired CP from ex-Gov. E. D. Rivers, Jr. and who operates radio stations in Tallahassee & Marianna. Herschel Graves is gen. mgr.; Joe Hosford, program director; Wm. Snowden, chief engineer. Base rate is \$200. Rep is Meeker.

WKRG-TV, Mobile, Ala. (Ch. 5) begins CBS programming Labor Day, having tested from Aug. 29; it's second vhf in city, has 35-kw GE transmitter with 4-bay antenna. Kenneth R. Giddens heads owners, holds 20%, with local Spring Hill College holding 6.66%. C. P. Persons is v.p.-gen. mgr.; Frank Conwell, asst. mgr.; Bob Johns, production mgr.; James Evans, chief engineer. Base hour is \$400. Rep is Avery-Knodel.

KARD-TV, Wichita, Kan. (Ch. 3) began programming Sept. 1 as an independent after 2 days of tests. It's 4th outlet in area—other being one uhf, 2 vhf. It has 25-kw RCA transmitter, 6-bay antenna on 1000-ft. Stainless tower. Principals are George M. Brown family, local merchants, with v.p.-gen. mgr. Wm. J. Moyer holding 6.8%. Dale W. McCoy Jr., ex-KFBI, is sales v.p.; Tom Maloney, program v.p.; Robert Marie, chief engineer. Base hour is \$350. Rep is Petry.

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Chicago's 5th vhf is WTTW, (Ch. 11), 17th non-commercial educational on air, and it begins regular operation Sept. 6 after short test period, with supt. of schools Benj. Willis addressing city's 14,000 teachers. On Sept. 19, it goes to twice-a-week 4-10 p.m. programming, with more extensive schedule planned later in year after studios-offices move into Chicago Museum of Science and Industry. It is using 5-kw GE transmitter in Field Bldg., with rooftop antenna 617 ft. above ground. It's backed by 60 civic organizations as members of Chicago Educational TV Assn., whose exec. director is John W. Taylor, ex-deputy gen. of UNESCO. Other top executives: James Robertson, ex-WTMJ-TV, Milwaukee, program director; Colby Lewis, ex-WGBH-TV, Boston educational, production mgr.; Duane Weise, ex-U. of Missouri's KOMU-TV, chief engineer.

WTVS, Detroit (Ch. 56, educational) is now testing and aims for Oct. 2 regular programming. It's 4th educational uhf, others being in E. Lansing, Mich., Cincinnati, Madison. It has 12-kw GE transmitter with 5-bay antenna on 500-ft. Stainless tower located at city's board of education headquarters. Studios are at U of Detroit and Wayne U as well as at headquarters. It's operated by Detroit Educational TV Foundation Inc., comprising 18 local organizations. Wm. E. Stirton is exec. secy.; C. Allen Harlan, pres.; Mrs. Frank Couzens, treas.

Next educational stations on air, according to Joint Committee on Educational TV's Ralph Steetle, will be in Denver, New Orleans, Oklahoma City, Atlanta, Columbus, Memphis, Monroe, La. & Andalusia, Ala. All should be on air by next June 30, he believes.

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

KBST-TV, Big Spring, Tex. (Ch. 4) now has Nov. 15 target, according to pres.-gen. mgr. Wm. J. Wallace. Con-

struction of studio-transmitter building has begun. GE 5-kw transmitter, 3-bay antenna and vidicon film chain, studio camera and other gear are to be shipped in 30 days. Owners include Robert W. Whipkey, publisher of *Big Spring Herald*, and Lewis O. Seibert, who owns San Angelo radio KGKL and 45% of KPLT, Paris, Tex. Joining CBS Extended Market Plan, it will have \$150 rate. Rep will be Pearson.

KOKE, El Paso, Tex. (Ch. 13), planned by Gordon McLendon as a specialized station, with emphasis on Spanish-language programs, has moved forward projected starting date to Dec. 15, plans Standard Electronics transmitter, has fixed no rates as yet. Meanwhile, McLendon, who operates radio KLIF, Dallas, is on tour of stations around country to study TV operations.

WJRT, Flint, Mich. (Ch. 12) may be delayed until sometime in 1956, reports v.p.-gen. mgr. Worth Kramer, who states economic injury protests filed with FCC by WKNX-TV, Saginaw, WTOM, Lansing and WWTW, Cadillac prevent WJRT from building at site near Chesaning, northwest of Flint, until final decision is issued. WJRT has leased former uhf WTAC-TV facilities, plans to use Emsco tower, already has RCA 50-kw transmitter and 12-bay antenna on hand. Signed with CBS, it has stated base rate will be "at least \$450." Rep will be Harrington, Righter & Parsons.

WNYC-TV, New York (Ch. 31), granted in May 1954, is still in "indefinite status", reports Seymour N. Siegel, mgr. of municipally-owned WNYC. Last week he asked City Planning Commission for 1956 budget of \$446,485, most of funds to be used for new uhf TV station. Among other public services, he cited televising of Police Dept. lineups as way of saving some 400 man-hours per week.

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CKRS-TV, Jonquiere, Que. (Ch. 12) has ordered 2-kw RCA transmitter for delivery first week in Oct., is already working on new transmitter house and 250-ft. wavestack antenna, has set Oct. 10 as target date for test patterns, Oct. 15 for programs, according to mgr. Tom Burham. It will cover headquarters of Saguenay River area. Rep will be Joseph A. Hardy & Co.

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W. Walter Tison is selling WALT, Tampa (1110 kc, 1-kw) for \$100,000 plus lease of building for \$400 monthly, according to application filed with FCC this week. Sale was made to fulfill commitment made during hearing preceding grant of Tampa's Ch. 13 to WTVT, of which Tison is v.p.-gen. mgr. & 20% owner. WALT's new owners are admen Harold Kay & Emil J. Arnold, who together own 50% of WORC, Worcester, Mass. and recently acquired radio WLOW, Portsmouth, Va. and WMFJ, Daytona Beach (Vol. 11:20, 27).

Equipment shipments: From GE—5-kw transmitter this week to KLEW-TV, Lewiston, Ida. (Ch. 3), due on air in Nov.; 35-kw amplifier to KRLD-TV, Dallas (Ch. 4); 12-bay batwing antenna to WSJS-TV, Winston-Salem (Ch. 12). From RCA—12½-kw amplifier Aug. 26 to WCOV-TV, Montgomery, Ala. (Ch. 20). GE also reports orders for 1-bay helical antenna to be shipped in Oct. to WIIC, Pittsburgh (Ch. 11), due in mid-Nov.; 12-kw transmitter for Nov. shipment to WTSK-TV, Knoxville, Tenn. (Ch. 26).

FCC denied request of KOTA-TV, Rapid City (Ch. 3) to intervene in hearing on competing applications of Bartlett & Reed Management and Blackhills Video Co. to build microwave to serve Rapid City community antenna system. At same time, it granted request of AT&T to join in hearing because it might help determine need for such microwaves. It denied KOTA-TV on grounds that microwave wouldn't compete with station.

**Network Accounts:** Pontiac, further demonstrating auto makers' affinity for network TV, on which they will spend estimated \$83,400,000 in coming season (Vol. 11:35), this week bought 2 and took option on 4 of Ed Murrow's 90-min. See *It Now* programs on CBS-TV, and bought entire series of hour-long "Project 20" telementaries on NBC-TV, thru MacManus, John & Adams. Both series will be spotted irregularly throughout prime evening time. First 2 Murrow shows, in late Oct. and mid-Nov., will cover job of U. S. Vice President and a profile of N. Y. The first 3 "telementaries" will be *Nightmare in Red*, depicting rise of communism; *Jazz Age*, covering 1920s; *Rise and Fall of a Dictator*, story of Hitler's life . . . Chevrolet to sponsor filmed drama series, *Crossroads*, based on true experiences of clergymen, on ABC-TV starting Oct. 7, Fri. 8:30-9 p.m., thru Campbell-Ewald . . . Lettuce Inc., Salinas, Cal. is latest (and 14th) sponsor of *Mickey Mouse Club* on ABC-TV starting Oct. 3, Mon.-thru-Fri. 5-6 p.m., thru John Cohan Adv., Salinas; it bought 15 min. segment for 26 weeks . . . Helene Curtis replaces Speidel Watch Bands as 20-min. sponsor of *Caesar's Hour* on NBC-TV starting Sept. 26, Mon. 8-9 p.m., thru Earle Ludgin Inc. . . . Hazel Bishop to sponsor *Arthur Murray Party* on NBC-TV starting Oct. 2, Sun. 10:30-11 p.m., thru Raymond Spector, following cancellation of *Louella Parsons Show* in that time period by Brown & Williamson and Toni . . . Quaker Oats to sponsor *Sgt. Preston of the Yukon* on CBS-TV starting Sept. 29, Thu. 7:30-8 p.m., thru Wherry, Baker & Tilden . . . Necchi Sewing Machine Co. & Quality Goods Mfg. Co. to be co-sponsors of *Stop the Music* on ABC-TV this fall, Thu. 8:30-9 p.m., thru Grey Adv. . . . State Farm Insurance Co. to sponsor *Red Barber's Corner* on NBC-TV starting Sept. 2, Fri. 11:30-11:45 p.m., thru Needham, Louis & Brorby . . . Lever Bros. (Liquid Lux & Rinso Blue) to sponsor Fri. 10:15-10:30 a.m. segment of *Garry Moore Show* starting Oct. 7, thru J. Walter Thompson; Scott Paper moves to Fri. 11:15-11:30 segment . . . Amana Refrigeration Co., one of 4 sponsors of NCAA football on ABC-TV last fall, buys half of Big 10 and Pacific Coast regional schedule on CBS-TV starting Sept. 24, thru Maury, Lee & Marshall, N. Y. . . . Charles Antell (Lanolin hair preparation) to sponsor 3 segments of Ern Westmore's *Hollywood Backstage* on NBC-TV this fall, Mon.-thru-Fri. 10:30-11 a.m., thru T.A.A. Inc., Baltimore . . . GE's *20th Century-Fox Hour* will start Oct. 5, instead of Sept. 21, on CBS-TV Wed. 7-8 p.m., because of production delays.

Good idea for tiding over time lag before networks return to standard time schedules: WMAR-TV, Baltimore, will program different first-run *Sherlock Holmes* films 6 nights a week, 10-10:30 p.m., from Sept. 25, when Maryland returns to EST, to Oct. 29, when networks do so. After that, show will be moved to once-weekly after 11 p.m. V.p. E. K. (Jack) Jett explains that plan is designed to establish the film series strongly in Baltimore, while providing local sponsor with prime evening time and high-rated network adjacencies. Each episode will be sold to single or 3 partic. sponsors.

Walter Winchell has sued ABC for \$7,000,000 for alleged breach of "lifetime" contract, terminated last March 10. Network says it would fight suit to finish, claiming Winchell had negotiated to take his Sun. night program to another network and had asked to be released. Later, ABC stated, he asked to be reinstated but the network declined. Note: Winchell now scheduled to start on MBS Sept. 11, Sun. 6-6:15 p.m.

New network affiliation: WTTV, Indianapolis area outlet (Ch.4) becomes fulltime ABC affiliate Sept. 15; it has been sharing NBC with WFBM-TV.

**FARM TV SET** count for Nebraska was released this week by Census Bureau as part of its Oct.-Nov. 1954 Census of Agriculture. Based on 20% sample, Nebraska was shown to have TVs on 33,661 of its 100,846 farms—or about 33%—with stations in Omaha, Kearney, Lincoln & Scottsbluff and with out-of-state viewing possible from stations in Iowa, Missouri, South Dakota & Wyoming.

NEBRASKA

County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Adams	1,271	319	Johnson	1,042	520
Antelope	1,758	309	Kearney	958	546
Arthur	107	1	Keith	594	9
Banner	254	77	Keya Paha	377	7
Blaine	178	2	Kimball	463	106
Boone	1,531	494	Knob	2,074	590
Box Butte	707	12	Lancaster	2,351	1,430
Boyd	703	32	Lincoln	1,596	88
Brown	518	2	Logan	211	12
Buffalo	2,000	677	Loup	224	4
Burt	1,321	941	Madison	1,731	663
Butler	1,685	883	McPherson	166	7
Cass	1,597	1,065	Merrick	1,130	303
Cedar	1,948	1,035	Morrill County	854	43
Chase	612	20	Nance	890	201
Cherry	812	20	Nemaha	1,178	673
Cheyenne	953	149	Nuckolls	1,172	149
Clay	1,079	272	Otoe	1,833	1,143
Colfax	1,313	635	Pawnee	1,024	318
Cuming	1,801	971	Perkins	685	8
Custer	2,625	214	Phelps	998	447
Dawes	676	10	Pierce	1,491	461
Dawson	1,759	578	Platte	1,892	662
Dakota	688	21	Polk	1,242	571
Deuel	411	33	Red Willow	828	130
Dixon	1,321	792	Richardson	1,562	714
Dodge	1,641	1,238	Rock	397	9
Douglas	1,432	1,204	Saline	1,644	525
Dundy	527	23	Sarpy	801	541
Fillmore	1,377	448	Saunders	2,203	1,359
Franklin	908	203	Scotts Bluff	1,741	163
Furnas	1,003	282	Seward	1,674	845
Frontier	873	113	Sheridan	1,018	19
Gage	2,274	862	Sherman	1,021	117
Garden	528	17	Sioux	525	29
Garfield	371	8	Stanton	1,150	561
Gosper	559	167	Thayer	1,369	297
Grant	70	0	Thomas	123	5
Greeley	800	87	Thurston	914	545
Hall	1,386	551	Valley	1,038	80
Hamilton	1,343	400	Washington	1,309	1,026
Harlan	764	308	Wayne	1,393	800
Hayes	436	8	Webster	1,013	178
Hitchcock	683	23	Wheeler	272	46
Holt	1,873	137	York	1,563	571
Hooker	78	0			
Howard	1,201	191			
Jefferson	1,357	306			
			State Total	100,846	33,661

Note: Previously published tabulations—Nev., N. H., Vt. (Vol. 11:28); Wyo. (Vol. 11:29); N. D. (Vol. 11:30); Ida., Utah (Vol. 11:31); Mont., S. D. (Vol. 11:32); Colo., Minn. (Vol. 11:33); Wis., Kan. (Vol. 11:34); Okla. (Vol. 11:35).

FCC approved sale of WTRY, Troy, N. Y. for \$500,000 this week to Providence broadcasters George Taylor & Robert Engle, 28% each; adman Maury Lowe, 22%; ex-mgr. Ken Cooper of WORC, Worcester, 22%. Sellers are Col. Harry C. Wilder and 19 others (Vol. 11:19) who retain 50% interest, with Stanley Warner Theatres, in now-silent WTRI, Troy (Ch. 35), whose CP is being transferred to National City Bank of Troy as trustee pending litigation with CBS over shift of affiliation to WROW-TV, Albany (Vol. 11:6, 9).

Rate increases: KABC-TV, Los Angeles, Sept. 15 raises base hour from \$1500 to \$1750, min. \$275 to \$400. WBEN-TV, Buffalo, has raised base hour from \$800 to \$950, min. \$140 to \$175; KVDO-TV, Corpus Christi, hour from \$150 to \$200, min. \$30 to \$40; CHCH-TV, Hamilton, Ont., from \$400 to \$450, & \$90 to \$100.

"Big-name" authors' works will be adapted for weekly *Pontiac's Playwright Hour* on NBC-TV starting Oct. 4. First will be Philip Wylie's "The Answer," followed by other adaptations from Faulkner, Hemingway, F. Scott Fitzgerald and others.

New reps: KEDD, Wichita, Kan. to Adam Young (from Petry); KTVW, Tacoma-Seattle to Hollingbery (from Adam Young); KTVQ, Oklahoma City to McGillvra.

**BACK-TO-THE-BIG-CITY TRADE MOVEMENT:** The trend to replacements and second sets -- plus the slower pace of new market openings -- is once again making primary sales markets out of big pre-freeze metropolitan centers, which were the biggest sources of initial sales in TV's earliest days.

Monthly RETMA county-by-county tabulation of shipments to dealers, not made available for publication, give statistical support to fact that the industry's best markets are again the highly-saturated metropolitan centers.

So does American Research Bureau's recent 31-market survey (Vol. 11:35) showing highest replacement purchases in such centers as Philadelphia (75.3%), Chicago (73.9%), Detroit (71.8%), Dayton (71%), New York (70%). National replacement rate is 44.4%. ARB defines "replacement rate" as "the percentage of sets sold in last 15 months to homes already having a TV set." Advertest Research found in June survey of N.Y. TV homes that more than 12% have more than one set -- much higher than the national ARB average of 4.3% for second-set ownership.

RETMA exec. v.p. James D. Secrest, addressing Franchised Appliance Dealers Assn. of Atlanta Aug. 31, said: "One out of every 5 TV receivers sold so far this year has gone to a second-set customer. As this trend is rising, the ratio is expected to be one out of 3 by the end of the year." A RETMA spokesman later said the bulk of second sets were sold in metropolitan centers.

"Older sets are wearing out faster than many of us realize," said one major manufacturer. "Inasmuch as the older sets are mainly in metropolitan areas, it's only natural that they're getting the most replacement business. In a few years the newer, smaller markets will get the big replacement business, and then it will shift back again to the big cities. You can expect those marketing waves for some time."

Scrappage figures compiled by Sylvania Research, published in TV Factbook No. 21 (p. 19), give further documentation. They show steadily rising discard rate in the 18 months ended June 30, totaling 600,000 sets scrapped in first half of 1955 -- and it seems sure that rate will continue to rise. Sylvania figures give no indication of where the scrappage was highest -- but spokesman said it was "entirely logical" to assume it was concentrated in pre-freeze metropolitan centers.

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Westinghouse's decision to abandon fair trade prices on electric housewares and other small appliances dealt a shattering setback to concept of fair trade. It left field almost entirely to GE and Sunbeam to police -- with whatever aid state courts give them, since Justice Dept. has ruled it's powerless to help enforce such laws (Vol. 11:14). How long they can continue the battle is anybody's guess.

Willard H. Sahloff, GE v.p. & gen. mgr. of small appliance div., commented: "We intend to continue our vigorous fair trade policy as far as is legally practicable in all states where the laws permit. This division has already invested a considerable amount of money in its fair trade program and has filed 1274 legal actions against alleged violators of our fair trade prices." He said the sales gains of his div. this year were attributable in great measure to "effectiveness" of fair trade.

Westinghouse's action was frank acknowledgement that fair trade laws weren't working, according to John J. Anderson, mgr. of portable appliances. He said: "It is our belief that the public will recognize the value of a quality product that is displayed attractively and priced fairly. Actually, we believe in fair trade, but under the present conditions it is not workable."

Electrical housewares affected: roaster ovens, frying pans, mixers, toasters and coffee makers, grill and waffle irons, hot plate rotisseries, heating pads. TV sets are not generally fair traded, except by a few smaller manufacturers.

Brief highlights of other major trade developments this week:

**Philco Service:** Philco plans to establish factory service branches in those cities where adequate service is not being provided by dealers -- but at the moment has no plans to create a national service subsidiary a la RCA. That's official word from company spokesman, though admitting "situation is very fluid and could change overnight." He said company's purpose in establishing service branches in Chicago, Philadelphia & Pittsburgh (Vol. 11:35) was to "supplement the efforts of independent servicemen." He wouldn't say where company would move next.

**Selenium Shortage:** A selenium recovery program for TV-radio industry has been launched by Commerce Dept.'s Business & Defense Services Administration. Shortage of selenium, needed for rectifiers and other TV-radio components, resulted mainly from recent copper mining strike (Vol. 11:33-34). Set makers and service firms have been urged to return to rectifier producers all used or defective rectifiers from which metal can be extracted and re-used. RETMA is cooperating in drive, sparkplugged by Harry Sharpe, director of BDSA miscellaneous metals & minerals div. TV-radio industry uses about 1,000,000 pounds of selenium a year, or half of U.S. supply. Meanwhile, Sarkes Tarzian disclosed he's giving 10¢ credit on each rectifier turned in.

**Consumer Credit:** Still going up -- but is it dangerously high? Shortly after Federal Reserve Board reported installment credit rose another \$562,000,000 during July, reaching all-time high of \$32.896 billion as of Aug. 1, Research Institute of America concluded that installment obligations are not out of line with consumer income. Said exec. director Leo Cherne, one of nation's top economists: "We find no significant increase in repossessions. There is less wild credit than generally believed. In our judgment, it is fringe stuff -- not enough to rock the boat. A.W. Zelomek, of International Statistical Bureau Inc., generally sides with Cherne. He points out that disposable income is rising rapidly -- and, as a result, consumers will be able to support a continually higher level of installment debt. Some experts in govt. disagree. This bloc sees an inflationary spiral resulting from the high installment buying, wants to establish tighter monetary controls. But National Foundation for Consumer Credit, declaring installment purchasing is in healthiest condition since World War II, reported credit delinquencies lowest in several years.

**Texas Taxes:** Set manufacturers and distributors are carefully studying, for its possible industry-wide implications, a new Texas tax law requiring any distributor who sells or gives away a set to a consumer to classify himself as a retailer, and to get a retailer's permit and pay sales tax. New law was advocated by dealer groups to prevent unfair competition and curb "back-door" selling. Some set makers have expressed belief privately that law goes too far and industry will suffer if other states adopt similar legislation. They say it's common practice for distributors to sell or give sets to friends or to customers for special occasions.

**Production:** TV output totaled 167,471 week ended Aug. 26, compared to 180,094 preceding week and 154,798 week ended Aug. 12. It was year's 34th week and brought TV production for year to date to about 4,890,000 vs. 3,875,000 in same 1954 period. Radio production totaled 239,401 (96,538 auto) week ended Aug. 26, down from 255,855 preceding week and 240,148 week before. For 34 weeks, radio output was estimated at 8,740,000 vs. 6,750,000 in corresponding period of 1954.

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"The Vice-President Problem" titles sometimes-serious sometimes-amusing article by Perrin Stryker in Sept. *Fortune Magazine*. Conclusion is that production of v.p.'s has gone on at such a vigorous rate that the title is beginning to have a "tinny ring." Most profligate with the title are ad agencies, McCann-Erickson being most brass-laden--84 v.p.'s, with average of 27 employees each--compared with, for example, General Motors' 31 who average 18,602 employees. Among largest industrial companies, range is from U.S. Steel's 93 to DuPont's 10. In TV-radio field, article says CBS pres. Frank Stanton gives as one reason for 19 v.p.'s in TV & radio divisions the "contamination by advertising agencies, since one vice president has to take another vice president to lunch." CBS has 27 more in other divisions. NBC lists 25 all

told, ABC has 17. RCA has 32. There seems to be 6 categories of v.p.'s, largest of which embraces "those who have been knighted for the sake of customer relations." Banks are most notable example of category; Bank of America leads with 149 v.p.'s.

TV-radio retail business failures declined in first 7 months to 122, with liabilities of \$3,000,000, from 185 failures & \$5,717,000 liabilities in first 7 months of 1954, reports Dun & Bradstreet. In July, 20 failures representing \$546,000 in liabilities were reported, compared to 27 & \$769,000 in June and 39 & \$1,010,000 in July 1954.

RCA Service Co. to be host Sept. 7-8 to about 75 independent local service organizations from all regions, to bring them up to date on color developments and to tour Camden, Cherry Hill & Princeton facilities.

**Topics & Trends of TV Trade:** Record industry has been thrown into turmoil by Columbia Records' newly-formed record-of-the-month subscription club (Vol. 11:34), with dealers either heartily endorsing or violently opposing—few taking middle ground. Extremes impelled pres. James B. Conkling to issue statement explaining club's formation as (1) necessary to prevent raiding of Columbia's talent, and (2) best means of creating new customers.

In New York, for example, one prominent dealer reported signing up 300 subscribers, while another said he was canceling all Columbia orders because of his opposition. In Philadelphia, many dealers were reported enthused; but Raymond Rosen & Co., RCA distributor, sent letter to dealers warning that mail order business in records "eventually eliminates the retailer, and while you may not be interested, the wholesaler, too!" Washington dealers generally favored plan, judging from reports. Opposition was said to be strongest in Los Angeles.

Conkling said Columbia was on verge of losing to opposition record clubs such contract properties as N. Y. Philharmonic, Philadelphia and Cleveland symphonies & Andre Kostelanetz. He said such "raids" would have raised hob with company's classical catalogs and depreciated dealers' inventories. He said further that record clubs are far better way than lowering prices to create demand among those who buy no records. He observed:

"The entire program is man-made and as such was certain to have a number of flaws . . . However, we will make refinements in its operation as we go along, as we ourselves see some of its shortcomings and as our dealers point them out to us."

\* \* \* \*

GE offers new finance plan to enable service dealers to sell picture & receiving tubes and installations on credit and be reimbursed in full immediately by GE tube distributor. Under plan, announced by tube distributor sales mgr. J. T. Thompson, customer pays minimum of \$5 and is given 6 months to pay balance. It covers tubes themselves, all parts needed for installation, dealer's labor costs & complete TV overhaul. GE Credit Corp. assumes all bookkeeping problems from dealers. Said Thompson: "Our surveys show that a great deal of dealer capital is tied up all times in sets which are fully repaired but unclaimed because their owners are without the cash to pay for the service performed. The new GE plan will enable dealers to eliminate this problem, and use all their capital for the development of their business." Another advantage, he said, lies in new service business to be created by more liberal financing. "We know as many as 1,000,000 TV sets are inoperative because of money problems," he said. "Now this dormant business will come to life and new service dollars will be created."

Britain's TVs, dominantly 14-in. with some 17-in. among the newer models, may trend to 21-in. soon as result of agreement this week whereby Sylvania and Thorn Electrical Industries Inc. will set up new company, Sylvania-Thorn CR Tubes Ltd., with investment of about £1,000,000, to produce them at expected rate of 500,000 annually. Thorn is Britain's largest producer of electric lighting products; is parent of Ferguson Radio Corp. Ltd., said to be country's largest TV set producer; has long had tieup with Sylvania in connection with lighting items, last year joined with Sylvania in setting up color TV labs. New project may mean Sylvania's entry on bigger scale into export field, with British plant handling some of present export business of U. S. firm. **Note:** While in London, Sylvania pres. Don G. Mitchell disclosed that Sylvania last year manufactured 2,500,000 CR tubes, said it's aiming to exceed that total this year.

**Trade Personals:** John Stevens promoted to director of engineering & manufacturing, Hoffman Radio div. of Hoffman Electronics; Charles Nichols, ex-Packard-Bell, named director of engineering activities under Stevens, Robert Unger continuing as director of industrial relations; Marvin Whitney promoted to new post of administrative asst. at Los Angeles headquarters . . . Emanuel Sacks, RCA staff v.p., off for Europe on business on the *Queen Elizabeth* Aug. 31 after 3 weeks delay; he returns Oct. 2 . . . Nathaniel B. Nichols, mgr. of Raytheon research div., promoted to mgr. of commercial equipment engineering activities . . . Edward Kantrowitz, Emerson Radio adv. mgr., promoted to asst. to Lester Krugman, v.p. in charge of marketing . . . Lewis D. Spencer, Motorola legal director, elected to board of Tax Executives Institute Inc. . . . Benjamin C. Bowker, onetime gen. mgr. of radio WLIB, N. Y., heading own public relations firm in Toledo recently, named public relations mgr. of DuMont manufacturing divs., succeeding Jacob H. Ruiter, now adv. & promotion mgr. of technical products div. . . . George S. Peterson, ex-Chicago district mgr. of GE TV-radio dept., named western sales rep for TV cabinets, headquartering in Chicago . . . Orville Barnes, ex-Philco Detroit, named Bendix Radio's Great Lakes regional mgr., Detroit . . . Frank Loring resigns as DuMont midwest regional sales mgr. . . . Robert Barnard promoted to Arvin service mgr., succeeding Arthur J. Richards, now chief radio engineer of electronics div. . . . Ed Manzo, from Atlanta office, named eastern sales mgr., General Precision Labs, headquartering at Pleasantville, N. Y. . . . Richard Johnson promoted to mgr. of Syracuse sales office, International Resistance Co.

\* \* \* \*

**DISTRIBUTOR NOTES:** Admiral appoints Tarbell-Watters Co., 144 Chestnut St., Springfield, Mass. (L. H. Tarbell, pres.), replacing own Boston factory branch . . . Emerson West Coast opens factory branch at 234 NW 14th Ave., Portland, Ore. (Ralph Sachs, mgr.) . . . Olympic Radio organizes Cardinal Distributors, 7155 Manchester Ave., St. Louis, as factory branch (Maurice L. Krieger, mgr.) . . . Graybar Buffalo (Crosley-Bendix) appoints Dwight Slade mgr. of major appliances . . . American Elite Inc., exclusive U. S. agent for German Telefunken radios, appoints Aaron Lippman & Co., Newark . . . Almo Radio Co., Philadelphia parts distributor, appoints Moe Eisenberg, ex-mgr. of Emerson Radio of Pennsylvania, as asst. to pres. & sales director . . . Lyon & Healy, Chicago, one of nation's largest music retail chains, appoints Donald Broman mgr. of TV-radio-phonos, replacing Gerald Ward, resigned.

Hoffman factory branches on west coast will start distribution of ABC laundry line this month, but pres. H. L. Hoffman insists company does not plan to manufacture laundry equipment or merge with any white goods producer. In message in company publication, he said: "However, we do believe that it makes sense for our sales corporation to distribute a top quality laundry line."

RETMA's fall meetings at New York's Plaza Hotel Sept. 13-15 to consider: Federal Trade Commission's new trade practice rules for TV-radio merchandising (Vol. 11:27); pending excise tax legislation; plans for National TV-Radio Week starting Sept. 18; military specifications for electronic components. All divisions and committees meet first 2 days, board final day.

Bendix Radio was hit by strike Sept. 1 as 4-week walkout at parent Bendix Aviation in Cleveland spread to TV-radio plant in Towson, Md. Some 3000 members of International Assn. of Machinists (AFL) rejected company's proposal for 18¢ hourly pay hike, spread over 3 years.



**Financial & Trade Notes:** United Business Service, Boston, in tabulating 200 stocks with "above-average growth prospects" on Aug. 29, lists these 17 under category of Electronics & Radio-TV:

	Recent Price	1954 Earnings	Price-Earnings Ratio	Div. Rate	% Yield
Allied Control	†14	\$1.31	10.7	\$0.80	5.7
American Electronics	†13	0.57	22.8	0.50	3.8
Beckman Instruments	†22	0.85	25.9	Nil	Nil
Clark Controller	†18	2.09	8.6	1.00	5.6
Collins Radio A	†19	1.77	10.7	0.35	1.8
Columbia Broadcasting A	26	1.56	16.7	0.80	3.1
Consolidated Engineering	†22	0.95	23.2	0.40	1.8
Daystrom, Inc.	27	2.61	10.3	1.20	4.4
Electronics Corp. of America	†14	0.23	60.9	Nil	Nil
Hazeltine Corp.	†42	3.99	10.5	2.00	4.8
Hoffman Electronics	22	2.08	10.6	1.00	4.5
International Tel. & Tel.	28	2.80	10.0	1.20	4.3
Motorola, Inc.	49	3.91	12.5	1.50	3.1
Norden-Ketay	†12	1.01	11.9	Nil	Nil
Radio Corp.	49	2.66	18.4	1.35	2.8
Sylvania Electric	44	2.93	15.0	2.00	4.5
Zenith Radio	123	11.53	10.7	3.00	2.4

† American Stock Exchange. ‡ Over-the-Counter. All others N. Y. Stock Exchange.

RCA may shortly borrow additional finances to cover "expanding business in electronics in the military and civilian fields," according to statement by chairman David Sarnoff following board meeting Sept. 2. "The issuance of \$100,000,000 of subordinated convertible debentures in anticipation of these future needs was discussed," he said, "but final decision as to the amount or the manner in which these funds would be raised has not yet been made. The corporation is carrying on discussions with Lehman Bros. and Lazard Freres & Co. with respect to its financing program."

RCA's capitalization now consists of \$200,000,000 in long-term notes held by insurance companies, 900,824 shares of preferred stock (\$1.50 div.), 14,031,016 shares of common. Its 1954 gross was record \$940,950,220, net after taxes \$40,525,459 (\$2.66 per share) vs. \$853,054,003 & \$35,021,778 (\$2.27) in 1953 (Vol. 11:9); for first 6 months this year gross was \$488,510,000, net \$22,061,000 (\$1.46), up from \$444,369,000 & \$19,268,000 (\$1.26) in same 1953 period (Vol. 11:31). Net assets were \$234,865,104 at end of 1954, up from \$130,902,127 at end of 1950.

Philco borrowed \$15,000,000 from John Hancock Mutual Life Insurance Co. this week through sale of 25-year 3½% sinking fund notes, financial v.p. Courtney Pitt stating it was to finance "expanded volume . . . in the advanced electronic and appliance fields, particularly with the coming of color TV and the mass production of transistors." It also took option to borrow another \$10,000,000 on same terms within next 18 months.

Teleprompter Corp. gross revenues went up to \$420,435 during first half of 1955 vs. \$217,886 in same 1954 period and \$533,661 for all 1954. Net earnings were \$34,081 vs. \$11,889; for all 1954 they were \$49,421. Chairman-pres. Irving B. Kahn, in Aug. 30 report, forecast "continuation of this excellent trend," noted that goal of 21 new installations per month has been exceeded so far in 1955, gave details of proposed merger of Teleprompter National Sales Corp. into parent firm, depending on stockholder approval at Sept. 8 annual meeting.

**Dividends:** Bendix Aviation, 50¢ payable Sept. 30 to stockholders of record Sept. 10; Canadian Westinghouse, 50¢ Oct. 1 to holders Sept. 15; Canadian GE, \$1 Oct. 1 to holders Sept. 15; WJR The Goodwill Station, 10¢ Sept. 16 to holders Sept. 6; Columbia Pictures, 30¢ Oct. 31 to holders Sept. 30; Loew's Inc., 25¢ Sept. 30 to holders Sept. 9; RCA, 25¢ Oct. 24 to holders Sept. 16.

American Electronics Inc. earned \$144,161 (29¢ per share) on sales of \$3,074,878 for 6 months ended June 30 vs. \$138,325 (27¢) on \$2,073,002 in same 1954 period.

**Color Trends & Briefs:** Distributors' attitudes on color prospects aren't deviating much from policies expounded by their manufacturer-suppliers, we find in a spot-check survey—following up on our recent poll of manufacturers (Vol. 11:33-34). RCA's distributors are among most optimistic, e.g., Raymond Rosen & Co., Philadelphia (Vol. 11:35). But distributors of GE, Philco & Admiral, who responded to our query, range from cautious to downright resentful about color.

John P. Stewart Jr., mgr., Southwest Radio & Equipment Co., Oklahoma City (Philco), sees color as eventual "very big boost" but not this year. He feels that price and stability of sets must improve before mass market emerges. W. G. Medaris, pres., Medaris Co., Dallas (Philco), calls current color push "premature," says it can lead to confusion and loss of black-&-white sales.

K. V. Martin, radio-TV-appliances sales mgr., GE Supply Co., states: "We are a very small and newer market with very little of the 'Cadillac trade' that RCA plans to hit." A. A. Demarest, appliance div. sales mgr., Stratton-Baldwin Co., New Orleans (Admiral), also called current color promotion "premature." "We all realize and agree," he says, "that color is inevitable and it does add to the enjoyment of TV, but why muddy the waters now? I think color TV should be looked upon as something for the immediate future only after prices and service problems have been dealt with."

Color Balop "that works" is the new device reported last week by WTMJ-TV, Milwaukee (Vol. 11:35). Developed by staff under chief engineer Philip B. Laeser, new "Colorbal" permits direct colorcasts from "live" art work, bypassing process of making 2x2-in. color transparencies. Advantages of device, as listed by Laeser:

- (1) Permits use of larger art work, reducing possibilities of faulty reception as color screens become larger.
- (2) Eliminates cost of making transparencies, which run \$4-\$5 each.
- (3) Avoids loss of color fidelity through aging of transparencies.
- (4) Employs very stable equipment.

"Colorbal" uses flying-spot scanner and 3 photoelectric cells, picking up 7½x10-in. cards. In addition to art work, unit also handles small and relatively flat packages or products, and it can be used for black-&-white. One limitation is that ambient light in rooms must be quite low.

Network color schedules for next 2 weeks: NBC-TV—Sept. 5-9, *Home* segments, 11:45-noon; Sept. 6 & 8, *Vaughn Monroe Show*, 7:30-7:45 p.m.; Sept. 11, *Color Spread*, "The Skin of Our Teeth," starring Helen Hayes, Mary Martin, George Abbott & Florence Reed, 7:30-9:30 p.m.; Sept. 12-16, beginning of regular *Howdy Doody* colorcasts, 5:30-6 p.m.; Sept. 17, NCAA football game, Miami vs. Georgia Tech, 3:30-6 p.m.; Sept. 19, *Producer's Showcase*, "Our Town," starring Frank Sinatra, Eva Marie Saint & Paul Newman, 8-9:30 p.m.

Market for some 250,000 color sets in New York area, at \$750, is implied in survey reported by Advertest Research. June poll of 751 owners of black-&-white sets shows: (1) "Less than 7%" willing to buy color now. (2) More than 20% have seen color. (3) About 70% know color sets are on the market. (4) "Most" feel it will be 4-5 years before they own color set. Applying the "less than 7%" figure to 4,000,000-plus TV homes in area gives market potential of approximately 250,000.

GE reports order from WJIM-TV, Lansing, Mich. (Ch. 6) for continuous motion color projector with dual projectors and dual slide equipment.

Newly leased Ziegfeld Theatre will be used by NBC-TV to originate N. Y. color programs in about year.

**W**ITH DEADLINE for pay-as-you-look comments up next week, Sept. 9, FCC has little sense of urgency in disposing of the matter—being much more concerned with uhf-vhf-allocation problems (see p. 3). Formerly quite eager for quick action on pay-TV, Comr. Lee is now much more active in pursuit of solution to allocations matters. Only other commissioner who seemed anxious for speed was Comr. Hennock, no longer in office. At staff level, too, most would like to see allocations problems made first order of business.

Major parties to subscription-TV fight, meanwhile, are prepared to unload on FCC their summer's work of seeking loopholes in opponents' arguments. However, there won't be quite the deluge of paper that snowed FCC under when first comments were filed last June 9 (Vol. 11:24). Attorneys for parties generally indicate that their briefs will be considerably slimmer—though several will run 50-100 pages.

There have been few formal filings with Commission since June 9. One was request of off-air WFMZ-TV, Allentown, Pa. (Ch. 67) for permission to be "guinea pig" (Vol. 11:31). This week, theatre exhibitors' Joint Committee on Toll TV asked FCC not to grant request, stating that a grant would be "a premature determination of the matters at issue . . . and would moot some of the issues raised by the Commission."

Sept. 16 *Collier's Magazine* is out with article on toll TV by Bill Davidson, nicely timed with FCC deadline. After quoting principals' arguments, author says he noted lack of opinion from viewers who participated in tests conducted several years ago by Zenith in Chicago and Telemeter (Paramount Pictures) in Palm Springs, Cal.

He said he interviewed dozens, "found that out of 103 people from all walks of life, only 2 would not welcome toll TV on a permanent basis." He says that Earle Strebe, an exhibitor who cooperated in Palm Springs test, claims more than 50 other exhibitors have asked him how they can get in on the ground floor of pay TV. Davidson also reports Zenith hopes to get started within a year in Great Britain, Australia & New Zealand; that Skiatron has similar plans for Cuba; that Telemeter aims to start soon in Canada—in addition to starting wired systems in 2 U. S. cities.

Signs of the TV times: ABC-TV reports \$69,737,937 time sales (71 sponsors) on books for this year, which would compare with \$34,713,098 in 1954 (PIB figures; *TV Factbook No. 21*, p. 32). Of 1955 total, \$44,835,995 (52 sponsors) represents new business . . . It's news worth releasing, thinks So. Calif. Broadcasters Assn., when radio set sales exceed TVs; Electric League figures for 7 counties showed 59,673 radios (31,700 auto units) sold during July vs. 23,655 TVs . . . Radio Advertising Bureau, in new study by Fact Finders Associates Inc., shows 83% of all 1955 cars (totaling 7,000,000) are leaving dealers radio-equipped; that 5,800,000 new ones will go into service this year; that as of July 1 there were 31,000,000 autos with radios; that auto radio market alone comprises 27.5% of nation's total working radios . . . NBC's 5 owned-&-managed TV stations increased local sales 13% in July over year ago—with KRCA, Los Angeles, up 62% for that month alone and 22% for 7 months; 5 radio stations were up 27%, WMAQ, Chicago, leading with jump of 59%.

Power increases: WNCT, Greenville, N. C. (Ch. 9) went from 93-kw to 316-kw visual ERP; WMTV, Madison, Wis. (Ch. 33) from 17.1-kw to 209-kw visual ERP.

Aid to northeastern flood victims continued from all levels of trade this week, as consumers and dealers began enormous task of rehabilitation amid multi-million dollar disaster. Following Philco's emergency repair-replacement program for appliances (Vol. 11:35), Westinghouse instituted plan whereby major appliances would be returned to operating condition at nominal cost to consumer. Many dealers offered to suspend temporarily time payments on purchases of TV-radio-appliances; others provided delayed down-payment terms and special discounts. A Trenton dealer offered all merchandise to disaster victims at cost, with no down payment and up to 3 years to pay. One Philadelphia discount house offered free service for all flood-damaged merchandise bought at store. Meanwhile, TV-radio stations continued to win praise of public officials for their fund-raising programs. Red Cross chairman E. Roland Harriman said: "The entire broadcasting industry—both network and local—has rallied magnificently in support of the Red Cross campaign for flood relief."

DuMont applied to FCC this week for authority to transfer WABD & WTTG to projected new subsidiary, DuMont Broadcasting Co. (Vol. 11:33), stating as reason that "local TV broadcasting has constituted a business that is a separate and distinct part of this corporation's activities." Pro forma statement indicates 1,000,000 shares will be issued at \$1 par for 1-for-2½ distribution to present stockholders, does not state how many more will be marketed for new capital. Narrative statement accompanying application says DuMont "has been obliged to terminate and liquidate its TV broadcast network operations because they could not be operated profitably under the existing system of allocations and control of TV broadcast stations and affiliations." Besides the 2 stations, DuMont Tele-Centre at 205 E. 67th St., N. Y. will be taken over by subsidiary which is incorporating with present DuMont officers and directors.

Six new station applications, most in months, were filed with FCC this week. They include 3 by Video Independent Theatres Inc., Oklahoma City (Henry S. Griffing, pres., 50%), for Hot Springs, Ark., Ch. 9; Clovis, N. M., Ch. 12; Santa Fe, N. M., Ch. 2. Firm operates 140 theatres in 48 Okla. & Tex. towns, also owns 12½% of KWTU, Oklahoma City. Others filed: Minot, N. D., Ch. 10, by owners of KFVY-TV, Bismarck; Youngstown, O., Ch. 73, by WFAR, Farrell, Pa.; Arecibo, Puerto Rico, Ch. 13, by WCMN.

U. S. Office of Education, Dept. of Health, Education & Welfare, has released its biennial *Directory of College Courses in Radio & Television 1954-55*, prepared again by Gertrude G. Broderick. Out of 1851 institutions surveyed, 857 responded, 334 reporting at least a radio and/or TV workshop and 2 courses, 81 reporting radio and/or TV majors leading to undergraduate and graduate degrees. Copies of the directory are available on request from Washington headquarters.

Opposition to studio boxing matches of WEWS, Cleveland by International Boxing Managers Guild is being explored for anti-trust angles by Justice Dept., which will place case before grand jury next week. Guild has been picketing station and reportedly warning studio boxers they'll be denied positions on other fight cards. Station has been staging Sat. 10-11 p.m. fights, sponsored by Pilsener Brewing Co., before audiences of 100 guests of sponsor.

TV film makers paid \$1,014,600 in royalties into Music Performance Trust Fund during 1954, while 852 recording companies contributed \$2,303,000, according to annual report just released. Since fund was established by American Federation of Musicians in 1948, it has allocated \$11,600,000 for local concerts designed to provide employment to members, \$9,000,000 from recordings.

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FOR MANAGEMENT  
OF THE  
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# Television Digest

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## SUMMARY - INDEX OF THE WEEK'S NEWS — September 10, 1955

**PAY-TV BATTLE** narrows to 9 major participants in comments filed with FCC; arguments remain unchanged, but barbs get sharper (p. 1).

**ALLOCATIONS CHANGES** to be discussed by FCC soon, Bartley urging 8 more vhf channels be sought, Doerfer doubting value of deintermixture (p. 3).

**INDUSTRIAL TV BOOM** anticipated by industry, seen as \$10-\$20,000,000 business in next 5-10 years; 2 dozen manufacturers planning to supply equipment (p. 3).

**CBS RECOMMENDED FOR GRANT** in St. Louis Ch. 11 case over 3 locally owned applicants in initial decision praising experience, programs, management (p. 5).

**"MIX" OF TV PRODUCTION** changed upward by some set makers as alternative to direct price hikes. Motorola and DuMont increase list prices (p. 10).

**PULITZER PRIZE FOR TV** writing proposed by producer Worthington Miner to help keep medium vigorous and free, resist pressures to ape "movie standards" (p. 6).

**NEW STATIONS BEGIN** in Shreveport, La. and Sacramento, Cal., as Worcester, Mass. uhf suspends after 21 months; reports on upcoming stations (p. 8).

**CODE REVIEW BOARD** hits back at Kefauver recommendations for outside control of programs, saying they smack of unnecessary regulation (p. 16).

**SUBSCRIPTION-TV ADVERSARIES SHARPEN AIM:** Another step in the long toll-TV battle, which is still probably years from an end, was reached this week when major participants in FCC's proceedings filed "reply comments" aimed at tearing apart each other's arguments first broached formally in briefs filed June 9 (Vol. 11:24).

Struggle has simmered down to a matter of attrition among those parties whose pocketbooks are most directly affected. Compared with 30-odd who filed June 9, there were only 9 this week -- but they're the big ones. The dropouts apparently feel that major contestants are doing good job of stating their cases for them -- or they've simply lost interest in the whole business.

Still slugging it out is hard core of contestants who will probably stick it out to the end: Proponents -- Skiatron, Paramount's Telemeter, Zenith. Opponents -- ABC, CBS, NARTB, exhibitors' Joint Committee on Toll TV. In a class by itself is Jerrold Electronics Corp., vigorous opponent of scrambled telecasting, but an ardent proponent of pay-as-you-look via wired systems. Single station filing was KGUL-TV, Galveston, Tex., also an opponent. Notably absent is NBC -- though it did file vigorous opposition June 9, in statement by chairman David Sarnoff.

Basic arguments made by all are substantially same ones they advanced in original June 9 comments -- but with aim sharpened. Particularly noticeable is the fact that pay-TV proponents are concentrating fire on networks, charging monopoly, playing up FCC's and Congress' concern with plight of marginal stations.

Next move is up to FCC, which doesn't seem to find the matter very urgent (Vol. 11:36). Staff will now collate material, await decision on whether case will require oral hearings, demonstrations, etc. And there's distinct possibility that Congress, which finds issue a wonderful political football (Vol. 11:26), will take over. This would prevent FCC from making any really final decision. Following is essence of briefs filed this week:

\* \* \* \*

ABC (30 pages) -- (1) Pay TV would take most current program fare away from those least able to pay for it. (2) Congress should decide. "It is clear that the question of the authorization of subscription TV involves a major policy decision about a highly controversial matter and must in the long run be determined by political processes. The orderly procedure to accomplish this end is for the Commission to seek the guidance of Congress." (3) A special board should conduct "full inquiry," transmit findings to Congress.

CBS (61 pp.) -- (1) Toll TV, "if successful, would spell destruction of the best values of free TV" by blacking out free channels, dividing audience, siphoning off best talent. (2) Program promises of toll TV proponents are "vague and meaningless," while "limitations and safeguards" offered are illusory and futile. (3) FCC should hold full hearing. (4) "All that [a test of subscription TV] would prove is that if someone got the right to charge admission to what had been a public picnic ground, enough hungry people might need a place to eat badly enough to make the enterprise of charging admission a highly profitable one. This would be true even though fewer people could use the picnic ground and even though the people excluded might be those who needed it most." (5) FCC should dismiss whole business -- now.

JERROLD (40 pp.) -- (1) Scrambled telecasting is economically and technically unsound; coded signals can be "bootlegged with ridiculous ease." (2) Wired systems are secure, can be installed more cheaply than decoders can be distributed. (3) The 3 proponents are challenged to FCC-supervised demonstration of the vulnerability of their systems to code-breaking, using facilities of WCAU-TV, Philadelphia. (4) Announced plans to start commercial tests of wired pay system over community antenna systems, starting in March-April, in Casper, Wyo.; Tyler, Tex.; Muscle Shoals, Ala.; Key West, Fla. -- with cooperation of movie exhibitors and unidentified producers.

JOINT COMMITTEE ON TOLL TV (86 pp.) -- (1) Authorization of pay-as-you-look TV "inevitably would lead to substitution of fee for free TV." (2) FCC doesn't have legal authority to approve toll TV without further legislation by Congress. (3) In any event, full FCC hearings are required. (4) Toll TV offers little in programming not offered by free TV. (5) Pay-TV systems are technically deficient.

KGUL-TV, Galveston (11 pp.) -- (1) Subscription TV has characteristics of a public utility, would require FCC rate regulation. (2) FCC proceedings should be halted, matter turned over to Congress. (3) Public would end up paying for what it now gets free. (4) Systems may not be able to handle color.

NARTB (16 pp.) -- (1) FCC should stop now, turn proceedings over to Congress. (2) Pay TV would doom free TV. "This Assn. has no hesitancy in asserting [that] the economic power inherent in a subscription TV system will, in short order, afford a monopolization of every area of worthwhile talent." Telecasters would be forced to join pay-TV ranks. (3) Industry is "not in dire straits," needs no help from pay TV.

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SKIATRON (29 pp.) -- (1) Networks confuse self-interest with public interest. "It is only natural that these networks, now in secure possession of enormous captive audiences utilizable by them for their advertising sponsors, should see any competition for audience time as a threat to themselves and seek to translate that threat into a threat to the public whom they claim to represent." (2) There's relatively little opposition to subscription TV from individual station operators.

TELEMETER (18 pp.) -- (1) Everyone stands to gain from pay TV -- public, advertisers, stations. (2) Toll TV revenues will support several hundred more stations. (3) Industry is "dominated by NBC & CBS" and toll TV offers "a new competitive force from which the public will benefit."

ZENITH (53 pp.) -- (1) "Is the Commission obligated to deny, or can it justify denial of, an opportunity for subscription TV to gain public acceptance on the speculative grounds that it may have an adverse economic effect upon the networks and motion picture theatres?" (2) Telecasters are in "urgent need" of more revenues, which pay TV can supply. (3) Toll TV offers new competitive source of programs, to dilute "power and control of NBC & CBS over the industry...It is shocking that this great medium -- and the power to mold public opinion and to dictate what the public can or cannot see -- should rest in the hands of 2 or 3 network officials in New York City." (4) Free TV won't suffer, because subscription TV can succeed "only if it offers unique and high quality programs which are beyond the economic reach of producers of advertising sponsored programs." (5) "In the final analysis, all subscription TV asks is that the public itself be permitted to use the air it owns for the purpose of carrying programs it desires but which are not now available."

(Full texts of comments are available from principals or their attorneys, whose addresses are included in Special Digest of June 9 comments in Vol. 11:24).

**FCC MEMBERS PONDER UHF & ALLOCATIONS:** Willingness to explore allocations changes is evident among all FCC commissioners. Like Comrs. Hyde & Lee, who have already indicated direction they believe Commission should go (Vol. 11:35-36), others are urging quick consideration of all proposals, but they differ in emphasis.

Comr. Bartley was probably first to claim that more vhf channels, in addition to present 12, are the long-range answer. He states that 8 channels more would turn the trick. "They won't make a fully competitive system," he says, "but they'll at least give the local advertiser some sort of break." Possibility of obtaining such channels from other services, notably military, is not remote, he believes. "If Congress were made as aware of the problem as we are," he states, "I believe we'd get the channels." Bartley is somewhat leery of getting more vhf assignments from present 12 channels by cutting mileages, powers, etc. "We'd better be careful not to mess up what we have," he warns. "Besides, you can't get much relief that way, not where you need it most -- in Zone I."

Comr. Doerfer is ready to plunge into full-scale discussions of matter, but he also cautions: "This time, let's be careful. Let's not make a decision that will find us meeting ourselves coming back in a year or 2. The Commission can't be blamed for its allocation plan. It didn't have much information to go on then. We've got a little something now -- but we'd better have a good idea where we're going."

Acquisition of more vhf from the military isn't quite as enticing to Doerfer as to some other commissioners. "You still have a conversion problem," he says. "It's not as great as with uhf but there's a natural inertia of public to convert."

Deintermixture is still no panacea, as far as Doerfer's concerned. "Making a little dent with a few markets is no substantial solution," he says. "I don't think you need to move every one to uhf to do some good, but you've got to do more than create a few little uhf islands."

Commission won't begin discussions of problem for several weeks, has given staff no instructions on how it intends to proceed. However, staff has been busy working up material, ready to move in any direction dictated by Commission.

**INDUSTRIAL TV—IS THE GIANT AWAKENING?** Closed-circuit industrial TV is still pretty small potatoes in the electronics field -- but the manufacturers of ITV equipment foresee a boom market beginning this year or next and mushrooming for 10 years.

ITV field is now 10 years old, and there are only some 800-1500 installations now in use -- mostly relatively simple single-camera setups, though there are some elaborate systems using color and even 3-D. Total cost of equipment now in use is estimated at somewhere between \$4-\$8,000,000, including accessories.

This is small when you consider the virtually infinite number of uses in every field of industry, commerce, government, education and even agriculture; when you consider ITV's low cost and reliability; when you consider the number of important companies anxious to manufacture and sell the equipment.

Industry-wide prediction that the boom is near at hand is based on proven experience with the cheap and sturdy vidicon camera tube, and on the fact that nearly every current ITV installation is saving money, increasing efficiency or eliminating danger for its owner. Equipment manufacturers believe industrial TV could become a \$10-\$20,000,000 business within 5-10 years. But today it's still a sleeping giant.

Biggest user is the utility industry, with railroads, banks and steel industry believed to be runners-up.

Some 2 dozen companies are now manufacturing ITV equipment or plan to do so (they're listed on p. 313 of the Fall-Winter TV Factbook). But most of the business to date has been done by a handful of firms: Diamond Power Specialty Corp., DuMont, RCA, Dage div. of Thompson Products, Kay Lab Inc.

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Pioneer in ITV and still largest producer is Diamond Power Specialty Corp. of Lancaster, Ohio, whose main products are industrial soot blowers, gauges and water columns for utility industry. Diamond brought out its rugged Utiliscope in 1946 -- when the established electronics manufacturers were thinking only of entertainment

TV--and sold it to power companies for distant observations of gauges, smokestacks, boiler furnace interiors, etc.

Utiliscope was built around Philo Farnsworth's image dissector tube, is still the durable "Model T" of the ITV industry, with only 300 lines resolution. Tube is guaranteed for one year's continuous service, but some have been on 24-hour duty for 7 years without a failure, according to electronic sales mgr. W.I. McCord. Diamond has added new vidicon cameras to its line, but still has demand for "old reliable."

Diamond has over 600 installations in use--"twice all the rest put together," claims McCord, who sees ITV really beginning to snowball, with 1956 due to be "the first real big year." Diamond's ITV production line is now working round-the-clock.

Particularly proud that it's expanding beyond the power industry, Diamond points out that just a few years ago 85% of its customers were utility companies, but now the percentage is 65. Company recently ran ad in Wall Street Journal inviting inquiries about ITV; tabulation of response showed greatest number of inquiries from banking institutions, then railroads, steel industries, food processing and material handling concerns, in that order.

ITV installations range in price from \$975 (for simplified single-unit outfit without monitor, offered by several companies) to about \$4000, the median being \$2000-\$3000 for camera & controls, power supply and monitor. Cost of accessories, installation and engineering often exceeds cost of camera chain itself. For example, Diamond was asked to install camera gear on remotely controlled car stationed on an overhead track, so camera could look down into any of a number of silos.

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How do other manufacturers size up the future of ITV? R.T. Silberman, gen. mgr. of Kay Lab Inc., San Diego, Cal., which claims to have supplied 180 ITV installations, says: "The ultimate potential is limited only to one's imagination. It's hard to estimate how the market will expand but I believe it will increase in some sort of a geometrical progression. New sales each year could equal the total sales of all previous years combined. Technical improvements will probably feed impetus to this pace until the first sales plateau is reached in approximately 5 years."

Philco, a newcomer to ITV, offers this size-up by its industrial sales mgr. G.A. Hagerty: "I estimate that 1955 sales of industrial TV systems will top the \$4,000,000 figure. Since the uses of ITV are so varied and its effect in raising the level of operational efficiency so significant I am of the opinion that the surface has barely been scratched in this field. I anticipate a most healthy annual incremental gain in sales with volume reaching \$20,000,000 in the early 1960's."

RCA's theatre & industrial equipment mgr. J.F. O'Brien was recently quoted as saying: "The industry is enjoying its best year. I wouldn't be surprised if sales for 1955 came close to equaling everything the industry sold from 1946 through 1954."

Adds another ITV producer: "It's reasonable to expect that within 3, 5 or 10 years this will be a multi-million dollar business with annual volume of \$10,000,000 per year." The sales mgr. of another company which claims to have installed 100 of ITV systems now in use expects the field to become much larger market than broadcast equipment "simply because there are practically no limitations on ITV."

In addition to companies mentioned above, these others have shown ITV equipment: GE & CBS-Columbia (field-sequential color TV for medical demonstrations) General Precision Laboratory, Farnsworth Electronics (IT&T), Kaye-Halbert.

Note: American Institute of Electrical Engineers will devote entire broadcast session of its 1955 fall meeting to papers on closed-circuit TV (see below).

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AIEE's committee on TV & aural broadcasting this week announced these officers for 1955-56 term: J. B. Epperson, Scripps-Howard TV, chairman; C. M. Braum, JCET, vice chairman; Carl E. Smith, consulting engineer, secy. TV-radio session at AIEE's fall meeting will be held Oct. 4 at Chicago's Hotel Morrison and will be devoted to closed-circuit TV, covering industrial, medical, research, education, large-screen and color phases, with papers by Jerrold's Max Kraus, AT&T's C. A. Bartlett,

Kay Lab's John Day, U of Kansas' Dr. Michael Klein, National Institute of Health's Dr. Murray C. Brown, Iowa State U's Carl H. Menzer, GE's C. L. Ellis.

New network affiliation: WGTH-TV, Hartford (Ch. 18) becomes basic CBS affiliate Oct. 1, following switch of WKNB-TV (Ch. 30) to NBC (Vol. 11:27); both stations are being sold to their respective networks, pending FCC approval (Vol. 11:2, 22, 26, 28). Pre-freeze WNHC-TV (Ch. 8), area's 3rd outlet, signed as ABC primary.

**Personal Notes:** Sylvester L. Weaver, NBC pres., flies to London Sept. 21 for start of commercial TV Sept. 22 and to address Institute of Advertising Practitioners Sept. 27; he will stay at the Savoy Hotel, may go to Rome before returning for his appearance on "1976" telementary Oct. 9 . . . Glenn Jackson elected a Storer v.p., continuing as managing director of WAGA-TV but relinquishing same duties for radio WAGA to station mgr. Claude Frazier, in separation of TV-radio functions . . . Frank Elliott Jr., ex-WCAU-TV, Philadelphia, named director of CBS-TV spot sales development, succeeding Jack Mohler . . . M. Franklyn Warren, gen. sales mgr. of KULA-TV & KULA, Honolulu, elected sales v.p. . . . Edward Stockman promoted to asst. NBC-TV sales mgr., Chicago, specializing in *Today, Home & Tonight* . . . Richard A. Moore, pres. of KTTV, Los Angeles, returned Sept. 6 from month's European tour . . . Walter E. Christenson, v.p. & editor, elected pres. of *Omaha World-Herald*, holding initial decision for Ch. 7 there; he succeeds Henry Doorly, who moves up to chairman . . . Walter L. Dennis, ex-WJNO-TV, Palm Beach, named mgr. of KCSJ-TV & KCSJ, Pueblo, replacing Russ Truesdell, now operations mgr. of KNTV, San Jose, Cal. . . . Danny Kirk, ex-WCHS-TV, Charleston, W. Va., named operations mgr. of KTRF-TV, Lufkin, Tex. . . . A. Fred Gibson promoted to asst. sales mgr., WSJS-TV, Winston-Salem, reporting to gen. sales mgr. Harry B. Shaw . . . Richard W. Bowman, TV copy supervisor of Norman, Craig & Kummel, in charge of Revlon's commercials on \$64,000 *Question*, promoted to v.p. . . . Jerry Molfese, ex-TV-radio timebuyer, Warwick & Legler, joins H-R Television Inc. . . . Gunnar Rugheimer, ex-national TV news service mgr., named CBC-TV senior sales rep . . . Wm. B. Colvin, ex-Aveco electronics div. & WLWA, Atlanta, joins sales promotion dept. of Television Bureau of Advertising . . . Wm. B. Rodgers, ex-KKTV, Colorado Springs, named merchandising & marketing consultant, Bradley Lane Adv., Denver . . . Donald Tykeson promoted to sales mgr., KPTV, Portland, Ore., replacing Charles White, now gen. mgr. of upcoming KLEW-TV, Lewiston, Ida.

John K. Herbert, onetime NBC v.p. in charge of network TV sales, serving since Jan. 1954 as exec. publisher of Hearst's *N. Y. Journal-American*, promoted to publisher of *American Weekly* and *Puck*, replacing Robert D. Levitt, resigned.

Colorado Gov. Edwin C. Johnson, former Democratic chairman of Senate Commerce Committee and long-time Senate expert on TV-radio-communications, was reported in satisfactory condition Sept. 7 after heart attack.

Gene L. Cagle's sale of 1/3 of KTOK, Oklahoma City (1000 kc, 5-kw, ABC) for \$37,000 to KTOK Inc., leaving Wendell Mayes and C. C. Woodson as equal partners, was approved this week. Cagle sold to devote time to Texas State Network, of which he is pres. & 20% owner. TSN operates KFDA-TV & KFDA, Amarillo; KFJZ-TV & KFJZ, Ft. Worth; and radio WACO, Waco & KRIO, McAllen. Mrs. Cagle owns 1/4 of KRBC-TV & KRBC, Abilene.

Georgia's ex-Gov. E. D. Rivers Sr. is principal in Dalworth Bestg. Co., Miami, buying Ft. Worth's independent KCUL (1540 kc, 10-kw D, 1-kw N) for \$400,000 from J. G. Ulmer, payments to be made over approximately 15 years. Rivers also operates WMIE, Miami, recently acquired WWPG, Palm Beach. Earlier, he disposed of TV interests by selling 3 CPs (Vol. 10:51, 11:20, 27).

Transfer of WPFH, Wilmington, Del. (Ch.12) and Philadelphia radio WIBG & WIBG-FM to one parent corporation, WPFH Bestg. Co. was approved this week. Firm takes over some \$2,000,000 in TV obligations from Paul F. Harron, who retains control of corporation (Vol. 11:33).

**CBS WON INITIAL DECISION** over 3 locally owned applicants this week in bitter contest for St. Louis' Ch. 11. Despite fact that networks are generally regarded as having toughest job of winning competitive grants outside of key origination points, examiner Thomas H. Donahue held CBS's qualifications superior on all major points.

In background and experience in broadcasting, Donahue called CBS "a giant among pygmies." As to programming, he also gave nod to CBS because of its "vast experience in TV programming," and he indicated the network also had the edge in management and operation proposals. "Except for policy consideration that may favor local applicants," the examiner said, "there are no preferences established by CBS's adversaries that have any noticeable effect on the very substantial conclusions of superiority drawn in its favor."

Defending his choice of a network over local non-radio applicants, he praised CBS for seeking station via competitive proceeding "and laying its record on the line." At conclusion of hearing, he noted, "it is apparent that, ironically enough, its only significant weakness is its size." In previous decisions Examiner Donahue has shown strong preference for broadcasters with long history of good operations. In Sacramento case last year he decided in favor of McClatchy interests because of their excellent broadcasting record, was reversed by Commission on "diversification" grounds. McClatchy has appealed to court.

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FCC just isn't having much luck in court cases these days. It was slapped down again this week by Appeals Court, which in effect ordered it to reinstate application of Jefferson Amusement Co. in hearing for Ch. 4 in Port Arthur, Tex. Commission had dismissed Jefferson's application after finding interlocking ownership with Lufkin Amusement Co., a previous applicant for same channel which had been dismissed with prejudice for allegedly "defaulting" on its application. Court held that Lufkin did not actually default within meaning of Commission rules, since applicant had petitioned to withdraw its application, and because FCC held no hearing on proposal to dismiss application with prejudice.

Commission started rule-making this week on allocations proposal which would permit Buffalo's WGR-TV (Ch. 2) to apply for uhf satellites in Clymer, N. Y. and Shinglehouse, Pa. (Vol. 11:25). It asked comments by Oct. 14 on changes which would add channels to the 2 towns and substitute Ch. 62 for 37 in Meadville, Pa.

Eugene P. O'Fallon, former owner of Denver's KFEL-TV (Ch. 2), this week withdrew opposition to shift of Ch. 3 from Pueblo to Alamosa, Colo. (Vol. 11:36), saying that his plans to file for Pueblo had changed.

Eldon Morrison petitioned Commission to add Ch. 71 to Cle Elum, Wash., stating he plans to apply for channel. KACY, Festus, Mo. (Ch. 14), off air since April 1954, dropped its CP this week.

Preliminary report on "Videotown" (New Brunswick, N. J.) 1955 TV viewing habits by Cunningham & Walsh (full study due in Nov.) reveals: (1) Women have switched maximum viewing time from morning to afternoon. (2) Average set is on 5 1/4 hours per day, 4 of them evening. (3) Father rules set when home, having first choice of programs. (4) TV seems to have wiped out back fence gossip and evening neighborhood bridge parties. (5) Viewers have found more time for reading without reducing TV time.

**Telecasting Notes:** Why not a Pulitzer Prize for TV writing? We agree heartily with producer Worthington Miner, who this week urged Pulitzer Prize Committee to treat TV writing as seriously as newspaper and dramatic writing. Said Miner: "TV is young—scarcely 8 years old—yet in that time it has encouraged more original, more creative and more courageous thought than motion pictures have in a half-century. But it is in a critical position; strong forces are being mustered to dampen that creativity and courage to enforce conformity, not with the standards of a national press or a free and vigorous theatre, but with the emasculated standards of motion pictures. Nothing could more effectively oppose the pressures exerted on TV today than a recognition by the Pulitzer Prize Committee of the best that TV has to offer" . . . Release of oldies from Columbia Pictures' vaults may be implied in the reports of merger talks between Columbia's Screen Gems and TPA, Sept. 7 *Variety* believes. Despite denials by both parties of any consolidation plans (Vol. 11:36), *Variety* says the mere fact that TPA was approached by Screen Gems indicates something in the wind. "Columbia has been held back in the past by virtue of the fact that Screen Gems, with its small sales force, wasn't set up to handle a large feature block property," it says, "while TPA, with its 35-man force and its track record on Edward Small's Peerless package, a gross to date of \$95,000 per picture on the average, would be ideal for the purpose" . . . Mergers of TV film distributors definitely are in prospect, trade press predicts. Sept. 10 *Billboard* reports it queried heads of 6 distribution firms (unnamed), found that all conceded time was ripe for mergers; 4 of them "admitted their own doors were open to any sound proposition." Sept. 7 *Variety* says "something's going to pop," reports virtually all major independent distributors feeling each other out for possible get-togethers . . . Conflicting reports on Tom O'Neil's immediate TV plans for RKO backlog continue to come with every issue of the trade press. *Billboard*, which last week reported "spirited bidding" by TV film distributors for RKO's vault features (Vol. 11:36), this week speculates that RKO will keep out of TV entirely until it has won its way back into good graces of movie exhibitors by releasing some good films. Hollywood *Daily Variety* reports O'Neil raising another \$15-\$20,000,000 to get theatrical production and distribution rolling, with vaults now being screened for reissue material . . . More new-to-TV features to be shown this fall on General Teleradio's KHJ-TV, Los Angeles, and presumably chain's other outlets; of the 25-film package, some were foreclosures acquired from Bank of America, others are property of M. & A.

Story of *TV Guide* gets feature play in Sept. 12 Time's press section under heading, "The Successful Upstart." Although profits aren't disclosed, mail & newsstand circulation is estimated at 3,000,000 weekly (2,378,000 stand sales make it biggest weekly seller). With company collecting 9¢ per copy, total gross revenue is estimated at \$270,000 per issue and advertising is expected to hit \$1,750,000 this year. Owned by Walter Annenberg, 47 (WFIL-TV, *Philadelphia Inquirer*, et al.), *TV Guide* employs 367 to produce 35 "local" editions (standard national section with local program & news insert). *TV Guide* seems completely unworried about competition. Publisher James Quirk says of Curtis' short-lived *TV Program Week*: "They put out all this publicity about how every TV owner ought to buy a TV magazine. And the public went out and bought *TV Guide*."

Network interconnections: WDXI-TV, Jackson, Tenn., Sept. 1; WKRQ-TV, Mobile, Ala., Sept. 5. AT&T lines now link 371 stations in 246 cities.

Alexander. Included are *Strangers* (Ingrid Bergman, George Sanders), not yet being shown in U. S. theatres, *Man on the Eiffel Tower* (Charles Laughton, Franchot Tone, Burgess Meredith), *Ramrod* (Joel McCrea, Veronica Lake), *Casanova Brown* (Gary Cooper, Teresa Wright), *Tomorrow Is Forever* (Claudette Colbert, Orson Welles), *Woman in the Window* (Joan Bennett, Edward G. Robinson, Raymond Massey) . . . Large-scale film production planned by NBC-TV for its full-hour daytime color series *NBC Matinee Theatre*. Current plans call for filming, in color, of at least 2 shows beginning next month, with 10 more to follow if first efforts prove successful. Most of the *Matinee* shows are slated to be telecast live, however . . . "Spectacular"—in its TV sense—has made the dictionary, according to *Variety*, which reports publishers of Webster's Collegiate Dictionary requested verification from NBC pres. Pat Weaver for definition of the noun form of the word as a big, lavish TV production; *Variety* says NBC officials credit it with originating usage . . . CBC has spectaculars, too; its weekly *First Folio* series beginning Sept. 25 Sun. 10-11:45 p.m. with new production of "Macbeth," will be followed in subsequent weeks by original comedies, musicals, documentaries and live performances of at least 2 operas . . . First prize in TV film category at Venice Film Festival has been won by London-produced "The Gallant Little Tailor," one of series of *Animated Fairy Tales*, distributed in U. S. by General Teleradio . . . When polio epidemic postponed opening of Milwaukee schools, WTMJ-TV offered time to public and parochial schools for TV classroom sessions. Public schools began with four 15-min. daily sessions, Lutheran schools with 2 periods, to continue until schools open . . . Britons will see these U. S. programs via their new commercial TV service, which begins Sept. 22: *I Love Lucy*, *Liberace*, *Ford Theatre*, *My Hero*, *Ray Milland Show*, *Eddie Cantor Theatre*, *I Led 3 Lives*, *Dragnet*, *Lassie*, *4 Star Playhouse*, *Roy Rogers*, *Person to Person*, *Ozzie and Harriet*, *Inner Sanctum*, *Amos 'n' Andy*, *Range Rider*, *Science Fiction Theatre*, *Mr. District Attorney*, *Hopalong Cassidy* . . . Running simultaneously in U. S. and England will be *Adventures of Robin Hood*, *Scarlet Pimpernel*, *Lilli Palmer Theatre* . . . NBC-TV spectaculars may go to England in film or kine versions in exchange for filmed *Wide Wide World* pickups from England, according to one industry report . . . DuMont's WABD, N. Y., unveils its "new look" next week with addition of "more than 30 new programs." Also coming up is Sept. 25 debut of Sun. noon-6 p.m. children's spectacular *Wonderama* and opening of "highbrow" show *The Lively Arts* early next month, Sun. 7-9 p.m., featuring opera films, live chamber music, discussions of painting and literature, etc.

New 35mm version of Electronicam, DuMont's live-film camera system, is now in use, having hit the big time as filming started for Jackie Gleason's new series, *The Honeymooners*, at New York's Adelphi Theatre. "Our results already are so good that I'm sure the Electronicam will revolutionize our whole approach to simultaneous telecasting and motion picture filming," said Gleason. His half-hour show is filmed before live audience of 1200 in just a little more time than it takes to view it, following 2-hour rehearsal period. Other current and upcoming Electronicam projects: Lambert Pharmacal's 105 *Les Paul-Mary Ford* 5-min. shows; first 2 of 13 one-hour TV films for Disabled American Veterans; second 90-min. film in Warren Wade's *Broadway TV Theatre* series; films in *Modern Romances* series.

Controlling interest in Green Mt. TV Corp., operator of community antenna system in Burlington, Vt., has been taken over by Butcher & Sherrerd, Philadelphia investment firm.



**Network Accounts:** Spiraling cost of network TV shows is pinpointed by Sept. 5 *Sponsor Magazine*, reporting at least 13 shows this fall will cost more than \$100,000 each for talent and production alone—whereas 2 years ago \$40,000-\$50,000 per show was considered very high. Highest-priced show is NBC-TV's *Color Spread*, estimated at \$265,000 for 6 sponsors; highest weekly show is NBC-TV's *Caesar's Hour* (\$112,900); lowest-priced weekly show is CBS-TV's *Uncle Johnny Coons* (\$3500) . . . **General Motors**, for its United Motors, AC Spark Plug & Guide Lamp divs., extends sponsorship of 90-min. bi-weekly *Wide Wide World* to one hour starting Oct. 16, Sun. 4-5:30 p.m., thru MacManus, John & Adams; first of 20 programs will cover 11 geographical areas, showing underwater swimming, attempt of Donald Campbell to break own speedboat record and other attractions . . . **Morton Salt** bought last remaining segment of *Mickey Mouse Club* on ABC-TV starting Oct. 3, Mon.-thru-Fri. 5-6 p.m., thru Needham, Louis & Brorby; show represents \$15,000,000 in gross billings . . . **Whitehall Pharmacal Co.** to sponsor *Midwestern Hayride* on NBC-TV starting Sept. 21, Wed. 10:30-11 p.m., thru Biow-Beirn-Toigo . . . **Herbert Tareyton** cigarettes to sponsor *Justice* on NBC-TV starting Oct. 2, Sun. 10:30-11 p.m., thru M. H. Hackett Co., N. Y. . . **Kellogg Co.** to be alt. sponsor (with Campbell Soup) of *Lassie* on CBS-TV starting Sept. 11, Sun. 7-7:30 p.m., thru BBDO . . . **Serta Mattress Co.** buys alt. Mon. 10-10:15 a.m. segment of *Garry Moore Show* on CBS-TV, Mon.-thru-Fri. 10-10:30, thru Bozell & Jacobs . . . **Maxwell House Coffee** buys 51 partic. in Sept. and Oct. on NBC-TV's *Today*, *Home & Tonight*, thru Benton & Bowles . . . **International Shoe Corp.** (Peters shoes) buys 13 weekly partic. on *Pinky Lee Show* on NBC-TV starting next Feb., Mon.-thru-Fri. 5-5:30 p.m., thru Henri, Hurst & McDonald

**Station Accounts:** More evidence of TV sales pull from June survey of 745 N. Y. TV homes by Advertest Research, as part of its continuing series, *The Television Audience of Today*: More than 40% purchased products in June as direct result of seeing them advertised on TV; **Lucky Strike** commercials were best-remembered and best-liked, with Westinghouse's second in both best-remembered and best-liked categories, **Chesterfield** third in best-remembered, **Kraft** third in best-liked . . . **Schlitz** is first sponsor to contract for ABC Film Syndication's entire "Anniversary Package" of 15 feature films, many J. Arthur Rank productions; it bought series on WTMJ-TV, Milwaukee, starting in fall, thru Lennen & Newell . . . **Latin American** sponsorship for Ziv syndications: **Sears Roebuck** buys *Science Fiction Theatre* in Mexico City & Monterey; **Philips of Eindhoven** sponsors *Favorite Story* in Monterey and upcoming Guadalajara; **Uppmann Tobacco** buys *Mr. District Attorney* on Havana stations . . . **Bowman Biscuit Co.** buys *Dr. Hudson's Secret Journal* in 16 southwestern markets, thru Ball & Davidson Inc., Denver . . . **Bethlehem Steel** buys Harry Wismer's sport roundup, *Bethlehem Sports Time*, on WRCA-TV starting Sept. 14, Wed. 6:30-6:45 p.m., thru Radio Reports Agency, N. Y. . . **WLWT**, Cincinnati, to carry 53 Redlegs' baseball games next year, sponsors **Hudepohl Beer** & local **Ford Dealers Assn.** switching from WCPO-TV, thru Stockton, West & Burkhardt, Cincinnati; **Berger Beer** continues on radio via WSAI . . . **Ideal Toy Corp.**, N. Y., allots \$375,000 to fall TV campaign, sponsoring programs in 20 markets and preparing "TV time table" promotion kit for dealers, thru Grey Adv. . . **Sealy Mattress Co.** plans New England saturation campaign with sponsorship of filmed 30-min. *Waterfront* on several stations, thru Tarler & Skinner Inc., Boston . . . Among advertisers currently reported using or preparing to use TV station time: **Twin City Shellac Co.**, Brooklyn (Dan Dee floor polish & wax),

. . . **Lionel Toys** buys 7 *Paul Winchell-Jerry Mahoney Shows* on NBC-TV in pre-Xmas campaign, Sat. 10:30-11 a.m., thru Grey Adv. . . **Trans World Airlines** to sponsor **Walter Winchell** commentary on MBS in all cities served by airline, starting Oct. 2, Sun. 6-6:15 p.m., thru BBDO . . . **NBC-TV** drops **Arlene Francis' World at Home**, Mon.-thru Fri. 10:45-11 a.m., following purchase of *Hollywood Backstage*, 10:30-11 a.m., by **Charles Antell**.

Rate increases for 9 CBS-TV affiliates in smaller markets under Extended Market Plan (Vol. 10:49) were announced this week by station relations director Edward P. Shurick. Under EMP, top network programs are extended to small markets at minimum cost as means of building circulation. Shurick said increased rates were justified by rising set circulation. He added that 35 national advertisers are currently buying some or all of the 22 EMP stations, which he declared have aggregate of 368,000 sets in use. Stations whose EMP rates will be increased Oct. 1: **WDXI**, Jackson, Tenn., increased from \$100 to \$125 an hour; **KVEC-TV**, San Luis Obispo, Cal., \$50 to \$60; **WBOC-TV**, Salisbury, Md., \$50 to \$70; **KGVO-TV**, Missoula, Mont., \$50 to \$60; **KVOS-TV**, Bellingham, Wash., \$70 to \$100. Increases effective Oct. 9: **WTVY-TV**, Dothan, Ala., \$50 to \$100; **KLAS-TV**, Las Vegas, \$75 to \$85; **WKNY-TV**, Kingston, N. Y., \$65 to \$100; **WJDM-TV**, Panama City, Fla., \$50 to \$70.

Old problem of agency men taking accounts with them cropped up again this week with resignation of Don Paul Nathanson as Weiss & Geller v.p. Effective Dec. 1, he sets up own Chicago agency, taking with him the big Toni account, estimated at \$5,000,000 a year. Nathanson was Toni adv. director for 5 years before joining Weiss & Geller in 1952.

thru Weiss & Geller, N. Y.; **Selchow & Righter Co.**, N. Y. (games & puzzles), thru Norman, Craig & Kummel, N. Y.; **American Pencil Co.**, N. Y., thru Doyle Dane Bernbach, N. Y.; **Pharma-Craft Corp.**, N. Y. (Fresh stick deodorant), thru J. Walter Thompson, N. Y.; **Custom Paint & Chemical Co.**, Pennsauken, N. J. (Yearlon floor finish), thru Fiore & Fiore, Jersey City, N. J.; **Kimco Mfg. Co.**, Portland, Ore. (auto accessories), thru Wilson-Markey, San Francisco; **West Disinfecting Co.**, Long Island City, N. Y. (Prompt disinfectant), thru Paris & Peart, N. Y.; **Golden State Co. Ltd.**, San Francisco (dairy products), thru Guild, Bascom & Bonfigli, S. F.; **Samuels Shoe Co.**, St. Louis (DeLiso Debs women's shoes), thru Marjorie Wilten Adv., Clayton, Mo.; **Food Specialties Inc.**, Worcester, Mass. (Appian Way pizza mix & sauce), thru John C. Dowd, Boston, and Dowd, Redfield & Johnstone, N. Y.; **Carac Co.**, Freeport, N. Y. (fertilizers & insecticides), thru Mann-Ellis, N. Y.; **Tony Downs Foods Inc.**, St. James, Minn. (Duncan Hines frozen poultry), thru Alfred Colle Co., Minneapolis; **Hesmer Foods Inc.**, Evansville, Ind. (Hesmer's potato chips), thru General Adv. Assoc., Evansville; **Brunswick-Balke-Collender Co.**, Chicago (bowling equipment), thru McCann-Erickson, Chicago; **Arnold, Schwinn & Co.**, Chicago (Schwinn bicycles), thru Ted Fenberg & Assoc., Chicago; **Avochem Inc.**, Minneapolis (Softize for laundry), thru Olmsted & Foley, Minneapolis; **Reading Plastics Co.**, Reading, Pa. (Kwik-Fix glue), thru Ted Black Adv., Reading; **Pressman Toy Corp.**, N. Y., thru Ehrlich, Neuwirth & Sobo, N. Y.; **Western Tool & Stamping Co.**, Des Moines (**Homko** power mowers), thru Rothbardt & Haas Adv., Chicago.

One-day spot drive will be used by *New York Times* Sept. 24 to publicize its serialization of Harry Truman memoirs starting following day, buying 7 spots on WCBSTV starting at 5 p.m. and running thru *Late Late Show*.

**T**WO NEW VHF OUTLETS have gone on the air—in Shreveport and Sacramento—and long-established uhf WWOR-TV, Worcester, Mass. suspended operation Labor Day to stop continuing losses.

KTBS-TV, Shreveport, La. (Ch. 3), city's second outlet, began NBC programming Sept. 3, wires pres.-gen. mgr. E. N. (Newt) Wray, whose family owns station. It has DuMont 25-kw transmitter, RCA antenna on 1051-ft. Truscon tower near Mooringsport, La. Charles Saltsgaver is production mgr., with remainder of staff transferred from radio KTBS: Patrick J. White, station mgr.; Mrs. Marie Gifford, commercial mgr.; C. H. Maddox, chief engineer. Base hour is \$400. Rep is Petry.

KCRA-TV, Sacramento, Cal. (Ch. 3) started test patterns Sept. 2, using temporary single-bay antenna sidemounted 200-ft. above ground on Ideco 450-ft. tower, authorized by STA to permit special Calif. State Fair telecasts. Station will beam NBC programs with full 100-kw ERP as soon as 6-bay RCA antenna can be erected. It's city's 3rd outlet, 2nd vhf. Pres.-gen. mgr. Ewing C. Kelley owns 50%, remainder held by v.p. C. Vernon Hansen and family. Frank M. Devaney is station mgr.; Robert E. Kelly, program mgr.; W. Herbert Hartman, chief engineer. Base hour rate is \$650. Rep is Petry.

WWOR-TV (Ch. 14) is 18th uhf station to leave air this year (though 3 have resumed operation), making total of 48 formerly operating uhf outlets now dark. Pres. John Z. Buckley indicates station will retain its license, which expires April 1957, and resume if climate becomes more favorable to uhf. Commercial mgr. Leonard V. Corwin says outlet had built up about 40% conversion (110,000 sets), in its 21 months of operation, is up-to-date on current obligations, having spent about \$750,000 to build and operate station. Principals are investment firm Fox, Wells & Co. (which also controls San Diego's KPFD-TV and several community antenna systems), with v.p.-gen. mgr. Ansel E. Gridley and woolen manufacturer Ralph K. Hubbard holding smaller interest. ABC-affiliated outlet was bucking competition of 2 Boston vhfs.

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

WUTV, San Juan, Puerto Rico (Ch. 6, educational) is still surveying site but has not ordered equipment as yet and does not expect to get started before Jan. 1956, reports R. Delgado Marquez, TV-radio mgr. for Puerto Rico Dept. of Education, located at Hato Rey. A civil engineer and ex-mgr. of Puerto Rico Communications Authority, Senor Marquez was recently gen. mgr. of WKAQ-TV. He reports also that FCC has been asked for change in call to WIPR-TV.

WHTN-TV, Huntington, W. Va. (Ch. 13), with 5-kw RCA transmitter due shortly, now plans Sept. 25 test patterns, Oct. 2 start as ABC interconnected, writes v.p.-gen. mgr. Fred Weber, ex-WFPG and now-silent WFPG-TV, Atlantic City (Ch. 46). With custom-built RCA 18-gain antenna due Oct. 25 at Eighth St. Hill site, WHTN-TV will operate for first few weeks with temporary antenna. Control is held by A. B. Hyman, pres., and head of local theatre group. Base rate will be \$450. Rep will be Petry.

WOSU-TV, Columbus, O. (Ch. 34, educational), though it has its 12-kw RCA transmitter and completed Ideco 550-ft. tower and antenna over year ago, still has

no target date, reports WOSU director Robert C. Higgy. It was last reported preparing for "late fall" debut.

CFCY-TV, Charlottetown, P.E.I. (Ch. 13) does not expect to begin operation until spring of 1956, reports CFCY mgr. R. F. Large. Equipment has not yet been ordered, but 500-ft. site has been selected and construction of studio-transmitter building started. Reps will be All-Canada and Weed.

Equipment shipments: From RCA, 25-kw transmitter Aug. 31 to KTVO, Kirksville, Mo. (Ch. 3), due late this month, and 25-kw amplifier Sept. 2 to KFDX-TV, Wichita Falls, Tex. (Ch. 3); from GE, 3-bay antenna this week to KLEW-TV, Lewiston, Ida. (Ch. 3), with Nov. 1 on-air target. GE reports order from WSM-TV, Nashville (Ch. 4) for 2 studio camera chains, for Oct. 1 delivery.

WTSK-TV, Knoxville, Tenn., plans to change call to WTVK as it enters new 3-story studio-transmitter building on Sharps Ridge and boosts ERP to 314-kw in Nov.

"Whither UHF and the VHF-UHF Allocation Situation" will be major panel topic during IRE symposium in Washington's Hotel Hamilton, Sept. 23-24; participants will be FCC Comr. Webster, consulting engineer C. M. Jansky Jr. and an experienced vhf-uhf broadcaster to be selected. Other TV subjects: vhf & uhf propagation, by FCC engineers Edward W. Allen, Wm. C. Boese, Harry Fine & Edward W. Chapin; color studio switching, by H. W. Morse, GE; WFAA-TV & KRLD-TV candelabra antenna, by L. J. Wolf, RCA; 50-kw transmitter, by John Ruston, DuMont; color-monochrome integration, by Philip B. Laeser, WTMJ-TV, Milwaukee. Also included will be several papers on TV-radio automatic programming and remote control—by R. A. Isberg, Ampex; A. C. Goodnow, Westinghouse stations; Roger E. Peterson, WNBC-TV, Binghamton; Edgar F. Vandivere Jr., Vandivere, Cohen & Wearn. Chairman of steering committee is Oscar Reed Jr., 1735 DeSales St. NW, Washington.

Rate increases: WMAR-TV, Baltimore, Oct. 1 raises base hour from \$1100 to \$1250, min. \$200 to \$275; WSPD-TV, Toledo, has added new Class AA hour (7-9:30 p.m. daily) at \$1000, min. at \$225, Class A hour remaining \$850; KPTV, Portland, Ore., base hour from \$550 to \$700, min. \$110 to \$120, having added new Class AA min. only rate (7:29-10:31 p.m. daily) at \$180; WGTH-TV, Hartford, hour from \$350 to \$500, min. \$70 to \$100; WTVT, Tampa, Oct. 1 raises base hour from \$400 to \$500, min. \$80 to \$100; WATE, Knoxville, raises hour from \$400 to \$500, min. \$80 to \$100; KIMA-TV, Yakima, has raised hour from \$300 to \$400, min. \$60 to \$80; WIS-TV, Columbia, S. C., has new Class AA hour (7:30-10:30 p.m. daily) at \$400, min. \$100, Class A hour remaining \$350.

"Completely packaged closed-circuit TV broadcasting systems for small community TV stations" is being offered by Paramount's Telemeter Corp. through its Ampli-Vision community antenna equipment subsidiary. Equipment includes camera chains and low-powered transmitters for wired systems, distributed by Graybar. "Extensive plans for opening new avenues to profitable local TV stations on a wired rather than broadcast basis will shortly be announced," says Ampli-Vision.

New rep offices: McGillvra has opened Atlanta office at 267 East Pace's Ferry Rd. NE, with Edward T. Newton as mgr. (Exchange 1490); Burke Stuart Co. has new Chicago office at 75 E. Wacker Dr., with Edward Paro, v.p. (Dearborn 2-0826).

Hazeltine's Bernard D. Loughlin will be presented SMPTE's 1955 David Sarnoff Gold Medal Award for outstanding contributions to field of color TV at 78th semi-annual convention Oct. 4 at Lake Placid Club, N. Y.

**N**EARLY 55% of Iowa's farms have TV sets—the heaviest penetration of farm TV in any of the 16 states for which 1954 figures have been tabulated to date by U. S. Census Bureau (Vol. 11:28 et seq.). County-by-county figures are being compiled in govt.'s current Census of Agriculture, with TV statistics based on 20% sample in Oct.-Nov. 1954. Of Iowa's 192,933 farms, 105,809 are TV equipped. Some 16 stations are receivable in various parts of the state. The county-by-county farm TV census for Iowa:

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County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Adair	1,932	990	Johnson	2,244	1,238
Adams	1,355	722	Jones	1,959	1,272
Allamakee	1,898	383	Keokuk	2,140	1,077
Appanoose	1,692	507	Kossuth	3,070	1,226
Audubon	1,661	1,100	Lee	1,751	781
Benton	2,434	1,596	Linn	3,133	2,152
Black Hawk	2,199	1,427	Louisa	1,119	858
Boone	2,174	1,576	Lucas	1,345	593
Bremer	1,917	730	Lyon	1,878	740
Buchanan	2,218	1,080	Madison	1,857	1,131
Buena Vista	2,019	962	Mahaska	2,320	746
Butler	2,236	915	Marion	2,106	1,071
Calhoun	1,930	1,090	Marshall	2,151	1,755
Carroll	2,045	1,307	Mills	1,209	936
Cass	1,984	1,316	Mitchell	1,658	758
Cedar	2,101	1,663	Monona	1,825	1,314
Cerro Gordo	1,988	1,032	Monroe	1,317	436
Cherokee	1,765	1,112	Montgomery	1,397	967
Chicksaw	1,948	695	Muscatine	1,713	1,362
Clarke	1,260	626	O'Brien	1,948	1,030
Clay	1,783	655	Osceola	1,268	451
Clayton	2,715	910	Page	1,824	1,110
Clinton	2,518	2,045	Palo Alto	1,833	475
Crawford	2,364	1,363	Plymouth	2,722	1,887
Dallas	2,123	1,498	Pocahontas	1,907	770
Davis	1,535	364	Polk	2,329	1,788
Decatur	1,561	412	Pottawattamie	3,330	2,610
Delaware	2,177	1,030	Poweshiek	1,991	1,157
Des Moines	1,394	817	Ringgold	1,544	584
Dickinson	1,204	318	Sac	1,894	1,125
Dubuque	2,042	981	Scott	2,030	1,590
Emmet	1,199	396	Shelby	1,978	1,427
Fayette	2,818	1,195	Sioux	2,842	1,151
Floyd	1,766	716	Story	2,123	1,663
Franklin	2,076	1,306	Tama	2,537	1,446
Fremont	1,321	1,118	Taylor	1,839	912
Greene	1,914	1,461	Union	1,376	489
Grundy	1,765	1,066	Van Buren	1,532	491
Guthrie	2,045	1,193	Wapello	1,610	516
Hamilton	2,046	1,518	Warren	2,081	1,305
Hancock	1,974	835	Washington	2,057	1,110
Hardin	2,021	1,391	Wayne	1,618	386
Harrison	2,152	1,609	Webster	2,463	1,806
Henry	1,703	875	Winnebago	1,629	685
Howard	1,661	435	Winneshiek	2,580	615
Humboldt	1,410	910	Woodbury	2,784	1,930
Ida	1,403	996	Worth	1,463	632
Iowa	1,939	1,165	Wright	1,855	1,256
Jackson	1,992	1,235			
Jasper	2,696	1,802			
Jefferson	1,601	555			
			State Total	192,933	105,809

Note: Previously published tabulations—Nev., N. H., Vt. (Vol. 11:28); Wyo. (Vol. 11:29); N. D. (Vol. 11:30); Ida., Utah (Vol. 11:31); Mont., S. D. (Vol. 11:32); Colo., Minn. (Vol. 11:33); Wis., Kan. (Vol. 11:34); Okla. (Vol. 11:35); Neb. (Vol. 11:36).

Jewish Theological Seminary of America is sponsoring formation of a national TV committee to "seek to utilize TV to its fullest to visually develop a greater awareness of religion as a vital part of everyone's daily lives." Chairman is George Friedland, vice chairman of Food Fair Stores.

Radio WBEN, Buffalo celebrated silver anniversary this week by playing host to all in listening area who were born Sept. 8, 1930, at special 45-min. audience show and luncheon. Owner *Buffalo News* began operating WBEN-TV May 14, 1948.

Jessel-Roberts Production Corp. is new TV film organization formed by toastmaster George Jessel and producer Robert L. Roberts. First series is *Guest of Honor*, featuring Jessel presiding at dinners honoring various people.

Television Bureau of Advertising schedules first annual convention Nov. 11 at Ambassador East, Chicago.

NBC radio affiliates this week heard network's 3-point plan to extend weekend *Monitor* format to all daytime programming—then returned home to consider plan in light of what affiliates chairman Robert D. Swezey, WDSU, New Orleans, called "individual operating situations." NBC offered this proposal: (1) Extend concept of commercially successful *Monitor* with its partic. sales patterns, to all daytime programming Mon.-thru-Fri. 10 a.m.-6 p.m. (2) Open top-rated evening programs such as *Dragnet*, *Great Gildersleeve*, *Radio Fan Club* & *One Man's Family* to partic. sponsorship (only *Fibber McGee and Molly* now has partic. sponsors). (3) Provide 25% "revenue adjustment" to affiliates to make compensation competitive with CBS. New daytime programming would be tailored to women listeners. NBC next week will forward necessary contracts to affiliates incorporating its ideas, with possibility that new plan will be launched Nov. 7. After NBC pres. Sylvester L. Weaver outlined programming plans of new service, exec. v.p. Robert W. Sarnoff gave sales pattern. He said there would be substantial increase in local availabilities for station sales, with 9 min. of commercial time daily between noon-3 p.m. for stations' local sales. Network will make available to stations 4 additional min. of commercial network time per hour. Swezey conducted own survey of affiliates' sentiment in advance of meeting, reported overwhelming support of plan.

TV nosed out newspapers in 1954, was very close second to magazines, as favorite medium of national advertisers who spent more than \$1,000,000 each, according to study in Sept. 9 *Printers' Ink*. Of \$1,137,477,388 spent by the "millionaires," 27.1% went to magazines, 25.9% to TV, 25.2% to newspapers. In 1953, respective percentages were 28.3%, 19.7% & 27.1%. TV was also most heavily dependent on biggest advertisers for its national revenues, getting 92% from that source, vs. 88.2% for radio, 54% for magazines, 48.3% for newspapers. Study covers 1950-54, shows number of millionaire advertisers increased from 222 to 259, their expenditures rising from \$839,471,253 in 1951 to \$1,137,477,338 last year. Stating that "Today's booming advertising business depends more than ever on its millionaires," magazine notes that group's share of all national advertising in 7 major media rose from 50.8% in 1951 to 54.3% last year.

Course for TV-radio timebuyers is planned by committee of Radio-TV Executives Society, co-chaired by Frank Pellegrin, H-R Television Inc., and Mary McKenna, radio WNEW. Weekly courses are scheduled to begin in Oct. U of So. Cal. also offers TV-radio timebuyer course this fall, instructed by Frank Crane, managing director of S. Cal. Bcstrs. Assn., aided by Wallace Hutchinson, Weed & Co.

Broadcast ratings are confused and "not worth a hoot," Lawrence Nolte, adv. mgr. of White King Soap Co., told Hollywood Ad Club last week. He presented chart comparing ARB, Pulse & Nielsen ratings, charging variations up to 300% between services. Nolte urged broadcasters, advertisers & agencies to "research the research" to get facts—then to set up one standard system.

Russia is still trying to jam Voice of America broadcasts with 1000 full-time transmitters despite apparent thaw in cold war, director Theodore C. Streibert reported last week. Voice plans no basic policy change and could use more money, he said after visit with the President.

Seagoing TV station, under consideration by South African technical experts & businessmen, would beam signals from ship 3 miles offshore to Durban, Capetown, East London & Port Elizabeth.

NARTB's TV transmission tariffs committee (Richard Salant, CBS, chairman) meets Sept. 13 at N. Y.'s Waldorf-Astoria.

**HOW THE 'MIX MASTERS' INCREASE PRICES:** There's more than one way to raise TV prices -- and set makers are determining that changing the "mix" of their production, to permit greater concentration on higher-priced models, is just as effective as increasing list prices. Several are using both methods.

Current production statistics bear out this trend. Output of 24-in. models in Sept. shows 3-fold increase over Sept. 1954, while 17-in. output is substantially below year ago. Perhaps even more significant, there has been a marked upward trend to production of higher priced 21-in. sets -- even though the 21-in. category has shown no increase in share of total output in last 12 months, still remaining far-&-away the most popular screen size. Net result is that bargain shoppers looking for low-end sets find them unavailable -- or with higher price tags.

RCA and Philco, both industry pace-setters, have thus far preferred to alter their production "mix" rather than increase lists -- though both continue to hold the door open to direct price increases this year. Several others who haven't hiked prices yet are hoping to get by with fewer low-end receivers.

Motorola and DuMont increased prices this week -- joining Admiral, Emerson, Stromberg-Carlson, Packard-Bell, Trav-Ler and a few smaller firms which had raised them previously. Motorola's increases, predicted 2 weeks ago (Vol. 11:35), were \$10-\$30 on 13 models. DuMont's hikes, affecting all but the 24-in. de luxe console and 21-in. color set, averaged \$20 across-the-board. Both companies attributed the increases to higher labor and materials costs (details on p. 12).

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This looks like a record TV production & sales year -- with considerable talk now of output around 7,700,000. The record is 1950's 7,463,800. Philco pres. James H. Carmine, back from Europe, this week forecast production of 7,500,000-8,000,000. Motorola v.p. Edward R. Taylor predicted output around 7,700,000 -- "the biggest year in TV's exciting history." Another major manufacturer, who preferred not to be identified, said "TV can't miss a record this year."

National TV-Radio Week starting Sept. 18, a concentrated merchandising drive by all levels of trade, is expected to give retail sales a big shot in the arm and help assure a record retail sales year. Not that sales are doing badly anyway. The normal seasonal slumps this year were not nearly as severe as in past -- and Aug. sales were described as "just excellent" by one of trade's leading statisticians. He said the figures were still incomplete.

Brief highlights of other major trade developments this week:

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**Economic Boom:** A 3-part report on nation's economic prosperity was issued this week by Commerce Dept., showing new records in employment, personal income and construction. Here are highlights: (1) Employment reached record total of 65,488,000 in Aug., increase of 493,000 in month and 3,211,000 in year. Unemployment dropped to 2,237,000, decline of 234,000 in month and 1,008,000 in year. (2) Personal income soared to annual rate of \$304.5 billion in July, increase of \$3 billion over June and \$14.5 billion over July 1954. Most of increase was attributed to pay hike of Federal employes, though private industry payrolls were also higher by \$1 billion over year ago. (3) Construction in Aug. was at annual rate of \$41.7 billion, exceeding the \$37.6 billion for all of 1954, with new records set in building of homes, commercial offices and stores, schools, utilities and highways. (4) Average factory pay rose to \$77.11 a week in Aug., up 75¢ over July, on average 40.8-hour work week.

**Whirlpool Merger:** Forewarning of tougher competition in white goods was sounded this week by GE in anticipation of approval of Whirlpool-Seeger-RCA merger by stockholders Sept. 12. Story in GE News house organ said: "Competition in the major ap-

pliance business -- which is keener now than ever before, and tougher than in many industries -- is to get even hotter. During the past 2 months, two large mergers have taken place in the appliance industry that are sure to have their effect on the torrid race to capture the public's buying habit. The first of these mergers -- and the one that really rocked the industry -- linked together the Whirlpool, Seeger and RCA corporations into a single company that will be one of the biggest in the industry. The second merger combined Easy Washing Machine Co. with the Union Chemical & Materials Corp. Both mergers were brought about by pretty much the same idea -- the growing trend toward offering the public a complete line of appliances from a single source. The mergers will exert tremendous new influences in the appliance market. Both will undoubtedly affect the realignment of customer preferences. Both will bring added economic pressure to bear on the present manufacturers whose quality, style or price is not in line with consumer expectations."

**Fair Trade:** Big slash in Westinghouse prices by several dept. stores followed company's action last week in abandoning fair trade pricing (Vol. 11:36). Big stores in Chicago advertised 25% reductions in Westinghouse small appliances -- and similar cuts were announced in other metropolitan centers. Discount houses were said to be meeting competition with even sharper price reductions. GE and Sunbeam are only big manufacturers still practicing fair trade -- and they insist they'll keep battling.

**Production:** TV output totaled 185,114 week ended Sept. 2, compared to 167,471 preceding week and 180,094 week ended Aug. 19. It was year's 35th week (8 months by RETMA calculations) and brought TV output for year to date to about 5,000,000 vs. 4,100,000 in same 1954 period. Radio production totaled 226,774 (71,147 auto) week ended Sept. 2, down from 239,401 preceding week and 255,855 week before. For 35 weeks, radio output totaled 8,950,000 vs. 7,000,000 in corresponding period of 1954. Another RETMA report, released this week, placed official TV production for 7 months at 4,173,088, of which 63,466 were uhf-equipped at factory. Radio output for same period was 7,777,378, including 718,489 in July.

**Topics & Trends of TV Trade:** Those TV-radio merchandising rules adopted recently by Federal Trade Commission (Vol. 11:27) are still causing some grumbling in trade--particularly among manufacturers--despite fact that they were based on 4 years of tortuous industry-wide hearings. Indicating set makers' agitation, RETMA is preparing full-dress review of rules at its fall meetings in New York's Plaza Hotel Sept. 13-15, with possibility that a new appeal will be made to FTC for revision of requirement that all used picture tubes must be designated as "seconds" or "rejects."

It's known that FTC staff was split on question of whether used tubes should be so designated. FTC attorney H. Paul Butz, who conducted lengthy public hearings and visited tube plants, reportedly recommended against such designation but was overruled by higher authorities. Feeling of some in RETMA hierarchy is that appeal might prove successful, considering the split. FTC has already rejected an earlier RETMA appeal to make all rules effective Feb. 1. The rules relating to picture tube designation, disclosure of cabinet finishes and measurement of tubes are effective Feb. 1; all others went into effect Aug. 1.

Dealers generally report they're living with rules, noting little inconvenience. NARDA managing director A. W. Bernsohn said "we have heard of no violations or complaints of violations. I don't believe anybody's been hurt by the rules--so far, at least."

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RCA Service Co. opens new facility at 419 W. 54th St., N. Y., Monday for repair, modification or overhaul of all RCA commercial & industrial electronic equipment, under management of J. J. Brown.

Hallcrafters Canada Ltd. introduces 9 TV models ranging from \$190 for 17-in. table to \$530 for 3-way combination.

TV set sales by Canadian factories in first 7 months totaled 273,512, production 362,852, reports RETMA of Canada. This compares with 207,724 & 225,869 in same 1954 period. Projected production estimate for Aug.-Nov. period is 263,371 more sets. July sales totaled 27,595 at average price of \$304, production 25,483. Inventory at end of July was 137,224 vs. 139,336 at start of month. Montreal led in 7-month sales with 49,915; Toronto, 43,735; British Columbia, 28,055; other Ontario, 23,355; Manitoba, 22,609; Nova Scotia, 18,140; Alberta, 17,028; Ottawa & eastern Ontario, 15,072; Quebec, 13,071; Hamilton-Niagara, 13,011; New Brunswick & Prince Edward Island, 10,144; Saskatchewan, 7804; Windsor, 7317; Newfoundland, 2688; other Quebec areas, 1568.

Six-point TV-radio ad code was adopted by group of leading Philadelphia distributors and dealers, acting as advisory committee of local Better Business Bureau. New code will be publicized by BBB in newspaper ads urging consumers to be cautious when TV set is advertised at "a ridiculously low price." Verner S. Gaggin, gen. mgr. of local BBB, which will enforce code, said 120,000 complaints and inquiries about appliances had been received from area consumers in last 12 months. Co-chairmen of committee are Jack Rosen, v.p. of Raymond Rosen & Co., RCA distributor, and W. G. Peirce, pres. of Peirce-Phelps, Admiral distributor.

Canadian TV-radio manufacturers exhibiting at Canadian National Exhibition last week in Toronto: Admiral, GE, Marconi, Westinghouse, Avco of Canada (Crosley), Dominion Electrohome, Emerson Radio, Hallcrafters, Motorola, Northern Electric, Philco, Philips Industries, RCA Victor, Sparton, Stewart-Warner, Sylvania.

RCA's TV div. holds quarterly meeting with field reps Sept. 12-15 at Philadelphia's Warwick Hotel to discuss 4th quarter merchandising and promotion plans.

**Trade Personals:** Brig. Gen. David Sarnoff will be given "Applause" award of N. Y. Sales Executives Club Sept. 13 at Hotel Roosevelt luncheon, to be highlighted by "The David Sarnoff Story," dramatic presentation prepared by editors of *Life Magazine*; he addresses Washington Ad Club Sept. 20 . . . Robert A. Seidel, RCA exec. v.p. for consumer products, left Sept. 9 for 6-week inspection of RCA facilities in Europe . . . James H. Carmine, Philco pres., who returned Sept. 8 from European tour, addresses seminar of Washington chapter of American Marketing Assn. Oct. 25 . . . Burton B. Stuart, New England district mgr., Raytheon equipment marketing div., promoted to product planning mgr. of industrial sales dept. . . . Paul A. Ryan, ex-Product Presentation Inc., named Capehart-Farnsworth sales planning mgr. . . . Eugene MacNaboe promoted to mgr. administrative services, DuMont receiver sales div., succeeding Joseph Mann, now asst. controller, Fedders-Quigan . . . Paul L. Harvey named Federal Radio export sales mgr. . . . Ben H. Irwin promoted to director of Arvin's new research & advanced engineering dept., succeeded as director of electronics engineering by Eugene C. Hittle; Weldon L. Payne, sales mgr. of radio div., promoted to western sales mgr. of electronics & appliances div., Craig C. Britton to eastern sales mgr.; Richard H. Williams, from electric housewares div., named sales director of electronics & appliances . . . R. C. Jenkins, ex-RCA, named gen. mgr. of Sylvania TV-radio cabinet div., High Point, N. C. . . . Edward Taylor, ex-Electric Sales & Service Co., Atlanta, named Bendix Radio southeastern regional mgr., succeeding Paul McLaughlin, now mgr. northeastern region . . . John F. Conger named Capehart-Farnsworth Denver district merchandising mgr. . . . Donald E. Vedder, sales training mgr., Sylvania TV-radio div., named Kansas City district sales mgr. . . . Robert W. Felber, ex-Stewart-Warner, named mgr. of new community TV div., American Phenolic . . . John S. Kane, mgr. of International Resistance Co. plant at Boone, N. C., transferred to mgr. of Asheville plant . . . Norman M. Howden, ex-Rochester Democrat & Chronicle, named asst. public relations director, Stromberg-Carlson.

Glen McDaniel, RETMA gen. counsel, reappointed chairman of legal committee; H. J. Hoffman, Machlett Labs, renamed head of membership & scope committee. Robert C. Sprague Jr., Sprague Electric, was reappointed chairman of RETMA industrial relations dept., with Harry Houston, DuMont, as chairman of its eastern committee; Jack M. Ferren, Zenith Radio, central; Paul G. Kaponya, Cannon Electric, western.

What makes a TV line attractive to a dealer? NARDA surveyed its membership on question, got these requirements: (1) public acceptance of brand; (2) freedom from excessive or unsavory competition; (3) quality merchandise requiring minimum service; (4) discount structure that allows a reasonable profit; (5) good factory service policies; (6) good distributor-dealer relations (with tight controls on "back-door selling"); (7) strong promotions and sales training.

DuMont raised prices on all models in its line except 24-in. de luxe console and 21-in. color set. Each set was raised by \$20, except one 21-in. table model (raised \$10 from \$200 to \$210) and one 24-in. open-face console (raised \$30 from \$300 to \$330). New prices range from \$190 for 21-in. ebony table to \$360 for 21-in. de luxe limed oak open-face console.

Motorola's price increases (see p. 10) were on 13 models: two 21-in. tables and four 21-in. consoles, up \$10; one 24-in. table and two 21-in. consoles, up \$20; one 24-in. console, up \$25; one 21-in. console and two 24-in. consoles, up \$30.

**DISTRIBUTOR NOTES:** Sylvania appoints Washington Wholesalers, 2052 W. Va. Ave. NE, Washington (Milo Chavez, gen. mgr.) . . . Emerson Radio of Texas, Dallas, opens branch at 605 S. Flores St., San Antonio . . . Bendix Radio appoints John W. Walter Inc., Long Island City, N. Y. . . . RCA Victor Distributing Corp., Detroit, appoints Reid Donaldson sales mgr. for home instruments, succeeding George Mansour, now with record div. of RCA Victor Co. Ltd., Montreal . . . G. W. Onthank Co., Des Moines (Admiral) appoints Frank A. Hutton sales promotion mgr. . . . Victor H. Meyer Distributing Corp., N. Y. (Sylvania) appoints Sol Feir, ex-DuMont N. Y., as key account sales rep . . . GE Supply Co., Cincinnati, reports resignation of sales mgr. Norbert Foster . . . Canadian Westinghouse Supply Co. appoints A. McGruther sales mgr. of Alberta district, J. A. Comeau for Calgary . . . Lehigh Valley Distributors, Hazleton (Capehart-Farnsworth) takes on 11 additional northeast Pa. counties to bring distribution to 35.

Picture tube sales in first 7 months totaled 5,429,817, valued at \$104,391,728, compared to 4,471,584 worth \$93,088,884 in corresponding period of 1954, reports RETMA. July sales were 515,793 worth \$9,498,169, compared to 706,890 at \$13,244,499 in 5-week June and 514,346 at \$10,102,903 in July 1954. Receiving tube sales in first 7 months totaled 254,842,000, valued at \$189,849,000, compared to 189,856,000 worth \$138,670,000 in first 7 months of 1954. July sales were 28,340,000 at \$21,167,000 vs. 40,821,000 at \$31,256,000 in June and 24,146,012 at \$17,949,210 in July 1954.

Westinghouse TV-radio output was halted by strike of 2100 IUE workers at Metuchen, N. J. plant, who walked off jobs Sept. 8 in sympathy with month-long strike of IUE members at company's E. Pittsburgh plant. Union officials said all Westinghouse plants would be shut down by next week. Meanwhile, strike at Bendix Radio plant in Baltimore, an outgrowth of walkout at parent Bendix Aviation, went into its 3rd week as we went to press, with no settlement in sight.

More than 1,000,000 old tubes have been smashed in the 3 weeks since Philco launched its drive to keep old tubes out of hands of racketeers by allowing 5¢ credit on each old tube turned in (Vol. 11:33-34), reports James J. Shallow, gen. mgr. of accessory div., saying cooperation of its distributors and dealers has been "unanimous."

Facts & figures on the \$9 billion electronics industry, together with charts, graphs and tables delineating TV, radio and component production, employment, etc., are featured in new 26-p. *Radio-TV-Electronics Industry Fact Book* just published by RETMA and available upon request at 777 14th St., NW, Washington.

Big increase in 24-in. sales next year is foreseen by Westinghouse's Dan Halpin, telling group of Memphis dealers and servicemen Sept. 10 that 24-in. "easily could represent 20% of the industry's total unit sales in 1956." He also predicted sale of 350,000 color sets next year, representing \$250,000,000.

Motorola v.p. Edward R. Taylor is profiled in Sept. 10 *Tide Magazine*, which credits him with revitalizing company's distributor-dealer structure as key to raising sales from \$205,000,000 last year to estimated \$225,000,000 in 1955.

Kay Labs' "Videophone," 2-way TV telephone, was demonstrated over one-mile link at recent WESCON show in San Francisco, with mayors of San Francisco and Palo Alto at each end of line.

Sparton's new "Royal Scot" line of 5 TVs, introduced last week at Jackson, Mich., plant, consists of 21-in. mahogany table at \$250, 21-in. consoles at \$340 & \$350, 24-in. consoles at \$360 & \$370.

**Financial & Trade Notes:** Among officers' & directors' stock transactions reported by SEC for July: Ernest L. Nye bought 225 ACF Industries, holds 825; Wm. F. Van Deventer bought 225 ACF, holds 425; E. Chester Gersten bought 500 American Broadcasting-Paramount Theatres, holds 500; Robert E. Kintner bought 500 AB-PT, holds 3500; George D. Macbeth sold 2000 Corning Glass, holds 18,000; Benjamin Abrams bought 500 Emerson Radio, holds 220,000 personally and 79,639 thru trusts; Louis G. Pacent Jr. bought 300 Emerson Radio, holds 300; Henry V. Erben sold 200 GE, holds 9605; Henry Ford II bought 100 GE, holds 100; C. J. Hendon bought 1125 GE, holds 2415; Wm. R. Herod bought 1638 GE, holds 6576; George L. Irvine sold 389 GE, holds 1048; Cramer W. LaPierre bought 1695 GE, holds 4093; Wm. C. Wichman sold 1000 GE, holds 997; Elliott V. Bell sold 200 General Precision Equipment, holds 100; Frederick D. Herbert Jr. bought 8249 General Precision Equipment, holds 19,602; John Slezak bought 100 Hazeltine, holds 110; Joseph S. McGee sold 250 Hoffman Electronics, holds 250; Charles A. Maynard bought 100 Indiana Steel Products, holds 1110; Frank M. Freimann bought 300 Magnavox, holds 49,685; Robert W. Galvin sold 300 Motorola, holds 156,257 personally and 186,696 thru trust; Edward R. Taylor bought 300 Motorola, holds 2460; Ely A. Landau bought 200 National Telefilm Assoc., holds 80,450 personally and 20,000 as voting trustee; Thomas A. Kennally bought 4987 Philco, holds 11,984; Emanuel Sacks bought 100 RCA, holds 545; George L. Langreth bought 200 Raytheon, holds 300; Kurt Widder sold 200 Skiatron, holds 11,750; George B. Storer bought 500 Storer Bcstg. Co. common, holds 14,640 common and 1,486,500 Class "B" common; Milton R. Schulte bought 500 Tung-Sol, holds 2945; Jean E. Witbeck bought 200 Tung-Sol, holds 3251.

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Atomic Development Mutual Fund Inc., Washington, D. C., open-end diversified management investment company specializing in atomic securities, including a number of electronic stocks (Vol. 11:15), lists net assets of \$44,512,375, or \$14.37 a share, as of June 30, compared to net assets of \$19,854,643 (\$13.91) on March 1. In existence since Dec. 14, 1953, Fund's portfolio of June 30 shows that during preceding 5 months it added 29,400 shares of General Dynamics at market value of \$1,738,275 and 3300 Daystrom at \$99,000. It also added to holdings in Sylvania, GE, Westinghouse, Philips (of Holland), ACF Industries, General Precision Equipment, Blaw-Knox, Abbott Laboratories, Atomic Instrument Co., Beckman Instrument, Consolidated Engineering, Norden-Ketay, Nuclear Instrument & Chemical Corp., Tracerlab Inc. Dropped during 5-month period were Panellit Inc. and Victoreen Instrument Co.

RCA is appraised as "the leading unit in one of the fastest growing segments of our economy," in 6-p. analysis by Wm. Kurtz, of Paine, Webber, Jackson & Curtis, 25 Broad St., N. Y. For long term, RCA earning power is seen rising to \$7 per share by 1960. "Near-term developments," report says, "such as large scale promotion of color TV and possible introduction of commercial electronic computers should focus investor attention on this issue over the next few months." Note: Report on RCA last week (Vol. 11:36) should be corrected to indicate that RCA's capitalization is \$150,000,000, preferred dividend \$3.50 per share; net working capital, not assets, was \$234,865,104 at end of 1954.

Telecaster Edward Lamb's grants, totaling \$10,000 since 1950, have been parlayed into stocks worth \$12,260 by students of Gannon College, Erie, Pa., for whom Lamb had established fund to give "practical experience" in stock market.

"Stockholder census" in recent *Forbes Magazine* shows electronics-communications firms widely held, but with only GE and Raytheon showing any appreciable gains in number of share owners between 1953 & 1954 and even RCA, called "favorite of small investors," ending 1954 with fewer stockholders than at start of year. DuMont & CBS also declined numerically. Following are culled from categories headed communications and electrical equipment & electronics (figures in parentheses denoting total assets in millions of dollars):

	1954	1953	% Change
AT&T (12,849.6) -----	1,307,215	1,265,461	+ 3.3
General Electric (1,692) -----	295,945	246,467	+22.3
Westinghouse (1,329) ---	111,107	111,424	- 0.3
IT&T (637) -----	56,937	57,437	- 0.9
RCA (548.3) -----	172,551	177,199	- 2.6
Avco Mfg. (200.9) -----	61,462	65,994	- 6.9
Sylvania (191.4) -----	29,026	28,270	+ 2.7
CBS (169.3) -----	15,276	16,327	- 6.4
Philco (164.6) -----	17,909	17,478	+ 2.5
Admiral (109.1) -----	5,279	5,546	- 4.8
Motorola (94.5) -----	4,381	4,606	- 4.9
Raytheon Mfg. (93.6) ----	9,063	8,433	+ 7.5
DuMont Labs (63.3) ----	12,095	14,102	-14.2

Television-Electronics Fund has become first single industry "open-end" or mutual investment program to pass \$100 million mark, Sept. 7 *N. Y. Times* reported in article on mutual funds. Starting with assets of \$112,000 about 8 years ago, fund has ballooned past \$112,000,000. In allied field of nuclear energy, Atomic Development Mutual Fund Inc. has had even more spectacular growth—from \$2,226,997 to \$44,512,375 in 12 months, with shares increasing from 204,613 to 3,096,829.

Film exhibitors are doing well, generally, reports *Variety*, with first-run and the more important neighborhood houses showing marked upturn in boxoffice since about July 4. United Paramount's 650-theatre chain is having third quarter slightly better than year ago, and conviction prevails "people will stay at home for TV only if program is above routine." Movie business also is benefiting from lower excise taxes, exhibitors having absorbed recent Treasury decrease.

Philco is touted as investment by broker Talmage & Co., its Aug. 31 report saying "further recovery is looked for in this stock, reflecting the prospects for a return of its former rating as a growth stock, and in prospect of larger earnings soon." It adds: "Philco's research work on color TV may place it in a leading position when the public demand for color sets reaches large proportions."

Raytheon will offer stock to officers & other key employees as part of "Key Employee Incentive Plan," under terms of statement filed with SEC last week seeking registration of 189,165 shares of \$5 par common stock. Of total, 20,800 shares have been purchased by optionees, 117,965 are held under option, and 50,400 are reserved for option.

General Precision Equipment Co. reports consolidated net sales of \$70,238,745 for first half of 1955 vs. \$54,305,196 for same period 1954. Net profit went down to \$1.95 per share (1,022,882 shares) from \$3.37 (700,352), reports chairman-pres. H. G. Place. Unfilled orders as of June 30 totaled \$105,230,000.

American Phenolic Corp. earned \$442,984, or \$1.11 a share, on sales of \$11,821,191 in first 6 months of 1955, compared to \$252,277 (63¢) on \$12,465,721 in corresponding period year ago. Second-quarter earnings were \$238,533 (60¢) on sales of \$5,814,948 vs. \$204,451 (51¢) on \$6,006,243.

**Electronics Reports:** Search for new civilian markets by electronics manufacturers, now that military demand is not growing so rapidly, is subject of long discussion by Ben Weberman in New York *Journal of Commerce* which observes that "the instrumentation and servomechanisms branches of the industry are now breaking through the barrier which has confined most output to military devices" and states "growth of industrial lines is expected to be at a sensational pace."

Julian K. Sprague, pres. of Sprague Electric Co., is quoted as estimating that industrial control and instrumentation was a \$200,000,000 business in 1954, half of it for laboratory or special purpose use, half for true production control devices. Comparing electronic expenditures with estimated \$1 billion spent last year for other kinds of controls—mechanical, electrical, pneumatic, hydraulic—Sprague said: "It is apparent we have only just scratched the surface in this field."

J. G. Shennan, pres. of Elgin National Watch Co., which recently went into electronics, said automatic production instrument field alone has shown 21% annual rate of growth and pre-tax return of 40% on investment. United Shoe Machinery Co. and Admiral Corp. are mentioned for their automation developments; also discussed are Airborne Instruments Laboratory Inc.'s electronic analyzer, which checks gears emerging from a gear grinder; Belock Instrument Corp.'s electrically operated gear grinder; Giddings & Lewis Machine Tool Co.'s "Numericord" system whereby work cycles are controlled by magnetic tape.

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Special 24-p. report on mechanized production of electronic equipment, by assoc. editor John Markus, is featured in Sept. *Electronics Magazine*. Editor W. W. MacDonald states: "Now the electronics industry has made up its mind about mechanized production with sufficient unanimity to get going. It has finally concluded that regardless of product, or size of run, some sort of mechanization more closely approaching a pushbutton age is necessary." Report is in 5 parts, covering etched wiring, component preparation, machine assembly, dip soldering, automatic testing.

Automation will increase employment, H. L. Hoffman, pres. of Hoffman Electronics and RETMA pres., predicted at recent WESCON show in San Francisco, noting that "actually, the electronics industry has been manufacturing such components as TV picture tubes, capacitors and resistors by automation techniques for nearly a decade." During that time electronics employment increased 2½ times and TV-radio set prices have gone down.

GE's "Ham of the Year" nominations are open in annual search for amateur who rendered greatest public service in 1955. Letters of nomination will be accepted until end of year by Edison Award Committee Secretary, GE Tube Dept., Schenectady, N. Y.

Reo Holding Corp. has called special stockholders meeting Sept. 28 in New York to vote on proposed merger with Nuclear Consultants Inc., St. Louis, to form new corporation to be known as Nuclear Corp. of America, specializing in atomic energy and electronics fields. New company's board would include present 6 directors of Reo, plus pres. Sam Norris of Ampere Electronic Corp., accountant Herman P. Edelman and another to be named.

Clarostat Mfg. Co. profit was \$69,046 (17¢ a share) on sales of \$3,009,328 in first 6 months vs. \$68,182 (16¢) on \$2,819,151 in same 1954 period.

Aircraft Radio Corp. sales were \$3,860,377 in first half of 1955 vs. \$4,488,749 in same 1954 period; net income was \$214,469 (\$1.02 per share) vs. \$316,080 (\$1.13).

Panellit Inc., Chicago, is setting up English affiliate to be called Panellit Ltd., half owned by itself and half by Hall Telephone Accessories through subsidiary James Gordon & Co. Hall is leader in Britain's automatic vending field and, according to its chairman, Maj. Oscar Guest, wants to increase participation in the "rapidly growing field of automation, electronics and instrumentation." Hall manufactures machines for Coca-Cola, Gordon makes automatic controls for Esso, Vauxhall, et al.

Simplified closed-circuit TV system is claimed by Siegler Corp., Centralia, Ill. space heater manufacturer which recently acquired Hallamore Mfg. Co., Long Beach, Cal., maker of electronics and communications devices. Siegler did \$10,471,144 business in year ending June 30, earned \$774,571 (\$1.53 per share) and Hallamore div., hitherto heavily in defense, plans to expand commercial production, particularly scintillometers & geiger counters.

New ceramic receiving tube has been developed by Eitel-McCullough Inc., San Bruno, Cal., under Air Force sponsorship. Revolutionary in design, it is less than one-fourth the size of the glass 6SN7, which it replaces, is said to be 20 times as rugged and, due to high life expectancy, can be soldered directly into circuit. Company says it can be priced competitively with glass tubes when in mass production. First production is due early next year.

Upcoming IRE meetings: Professional Group on Vehicular Communications, Sept. 26-27, Multnomah Hotel, Portland, Ore.; East Coast Conference on Aeronautical & Navigational Electronics, Oct. 31-Nov. 1, Emerson & Lord Baltimore Hotels, Baltimore. In Portland, FCC Comr. Robert E. Lee will speak at banquet, while FCC chief engineer Edward W. Allen will deliver paper on propagation in 30-50 mc band.

Electronic aircraft detector to help spot low-flying enemy planes has been developed by Air Research & Development Command Center, Rome, N. Y. Mounted on hard plastic hats worn by ground spotters, device has small antenna, topped by horizontal cylinder. Short "rabbit ear" sticks out in back and volume control clips to wearer's lapel.

Electronic Associates Inc., Long Branch, N. J., which earned \$244,600 profit in 1954, or approximately \$1 on each of its 245,000 common stock capitalization, should earn \$400,000 this year on revenues of \$6,000,000, according to report by McDonnell & Co., N. Y. investment firm. Its specialty is analog computers.

Electronic typewriter capable of 36,000 characters a minute, employing magnetic core memory storage unit, has been developed by Potter Instrument Co., 115 Cutter Mill Rd., Great Neck, L. I.

IT&T plans first west coast manufacturing operation for its Federal Telephone & Radio Co., with 36,000-sq. ft. plant in San Fernando Valley projected as first part of \$2,500,000 building plan.

Emerson Radio earned \$1,584,812 (82¢ per share) after taxes for 9 months ended July 30 vs. \$1,146,676 (59¢) in same 1954 period. Profit before taxes was \$3,205,948 vs. \$2,066,820. Sales were not disclosed; 1954 sales for same period were \$54,701,441.

National Co. had net loss of \$88,405 on sales of \$2,332,746 in first half of 1955, compared to profit of \$267,379 (\$1 a share) on \$4,640,119 in first half of 1954. Pres. Joseph Quick attributed loss to sharp curtailing of defense billings, predicted improvement in second half.

20th Century-Fox had net income of \$2,790,800 (\$1.06 a share) in 26 weeks ended June 25 vs. \$3,096,545 (\$1.17) in like 1954 period. Second quarter earnings were \$1,366,989 (52¢) vs. \$1,048,515 (40¢).



**Color Trends & Briefs:** RCA captured one military prize in competition with CBS-GE over govt. contracts for color equipment (Vol. 11:4)—selling \$425,800 three-channel system and 30 sets to be installed in Washington at Walter Reed Hospital, Armed Forces Institute of Pathology and Army Medical Service Graduate School.

Maj. Gen. Leonard D. Heaton, commander of Walter Reed Medical Center, said installation will be made next year and eventually extended to other govt. hospitals and military medical installations—to be used for consultation, teaching and research.

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Further disclosing color plans, CBS-TV announced that all *Climax* and *Red Skelton* shows will be in color—making total of 73 major color programs scheduled to date, vs. 19 last year. Previously set for color were *Shower of Stars*, *Ford Star Jubilee*, most *Omnibus* programs, plus Orson Welles series. Still to be announced, among others, is series of daytime color shows.

Network color schedules for next 2 weeks: NBC-TV—Sept. 12-16 & 19-23, *Home* segments, 11:45-noon, and *Howdy Doody*, 5:30-6 p.m.; Sept. 17, NCAA football game, Miami vs. Ga. Tech, 3:30-6 p.m.; Sept. 19, *Producers' Showcase*, "Our Town," starring Frank Sinatra, Eva Marie Saint & Paul Newman, 8-9:30 p.m. CBS-TV—Sept. 24, *Ford Star Jubilee*, starring Judy Garland & David Wayne, 9:30-11 p.m.

Six major musical comedies will be colorcast in NBC-TV's *Max Liebman Presents* series starting Oct. 1, Sat. 9-10:30 p.m., with first production a musical version of "Heidi." "Great Waltz" is scheduled for Nov. 5; "Dearest Enemy," Nov. 26; "Babes in Toyland," Dec. 24; "The Cat and the Fiddle," Feb. 18; "Sweethearts," March 17. Two more will be announced later.

Contest promoting "Our Town," to be colorcast by NBC-TV on *Producers' Showcase* Sept. 19, 8-9:30 p.m., offers Mercury station wagon or Ford Thunderbird for best letter on "Why I Like to Live in Our Town." Newspaper readers are asked to send entries to designated TV editors, and RCA "Seville" color receiver will be given editor whose reader wins.

British have novel technique for showing viewers whether poor reception of signal from Norwich station is due to receiver or to quality of off-air pickup from London station. When signal is usable but below satisfactory quality, a white bar is telecast for 2 seconds every 3 min., superimposed on program.

Raytheon to build lab at White Sands Proving Grounds, Las Cruces, N. M., to test and evaluate electronic equipment for Army ordnance. Lab is being integrated with Raytheon's guided missile test facilities at Pt. Mugu, Cal., managed by J. H. Leiper.

Dr. David B. Parkinson, mgr. of design & production engineering, and John H. Harris, director of manufacturing production control, elected v.p.'s of Brush Electronics Co. (Clevite).

William H. Martin, who retired at end of 1953 as Bell Labs v.p. to become deputy Asst. Secretary of Defense, on Sept. 1 became Army's director of research & development.

S. B. Withington, Avco v.p. & pres. of its Lycoming div., named gen. mgr. of newly formed advance development div., with labs at Everett, Mass. and Stratford, Conn.

Rear Adm. Arthur S. Born, USN Ret., joins Collins Radio as asst. to v.p. for research & development.

John B. Gray, ex-Hughes Aircraft, named chief engineer, Berlant Instruments, Los Angeles.

Following lead of NBC's WRCA-TV, N. Y. and WNBQ, Chicago (Vol. 11:26), Milwaukee's WTMJ-TV has informed sponsors that all station breaks adjacent to or within regular color programs must convert to color by next July 1 or risk losing positions. Station has also started daily color 3-3:30 p.m. *Women's World*, which with *NBC Matinee Theatre* and *Howdy Doody* gives it 2 hours of color each afternoon.

DuMont Vitascan closed-circuit demonstrations at Gimbel's, N. Y. (Vol. 11:21, 33) were huge success, reports store, which says they stimulated "impulse buying"—particularly of high-priced goods not ordinarily bought on impulse. Other stores are said to be interested trying system.

Power consumption of typical color set, RCA 21-in., is 525 watts—compared with 280 watts for average black-&-white set (Vol. 11:35). That means annual power bill of about \$20 a year, assuming it's turned on average of 35 hours weekly for color and/or black-&-white.

For paper on "CBS Color TV Staging & Lighting Practices," Richard S. O'Brien, CBS senior project engineer, has won 1955 Journal Award of Society of Motion Picture & Television Engineers, to be presented at convention in Lake Placid Club Oct. 4.

Color mobile units, 72-ft. long, to be used by both NBC and CBS in New York, are expected to get special parking privileges. Network officials told city authorities units are needed to supplement color studio facilities.

Color manual for servicemen, a 36-p. supplement to its *Practical Color TV for the Service Industry*, has been issued by RCA Service Co., Camden. It's devoted primarily to details of new RCA models 21CT661 & 21CT662.

Seeking single color standard for all Europe, as well as single black-&-white standard in uhf, CCIR Study Group 11 of International Telecommunications Union is expected to visit U. S. next year.

Fully equipped for color now—network, local live, film and slide—KMTV, Omaha announces it's 15th in the nation so prepared.

Claiming a "first," School of Radio Technique, N. Y., is installing RCA's TK-41 color camera equipment for closed-circuit use.

American Electronics Inc. acquires R-C Scientific Instrument Co., Playa del Rey, Cal., by exchanging 13,500 shares of its common stock for all of R-C assets; it will be operated as subsidiary under name of Reed-Curtis Nuclear Industries.

Philco's Lansdale Tube & Transistor Co. has purchased 80,000-sq. ft. plant of Apex Hosiery Co., Spring City, Pa., to be used primarily for research and production of transistors.

"Transistor Specification Chart", 8-p. special section of Sept. *Tele-Tech Magazine*, shows technical characteristics of transistors, divides them into 5 categories according to use.

Roy J. Benecchi elected v.p. & gen. mgr. of Lear Inc. Grand Rapids div., succeeding Andrew F. Haiduck, now exec. v.p. in charge of manufacturing of Lear's 4 divisions.

Phaotron Co., Pasadena, Cal. plans to market new hermetically sealed transistor and vacuum-tube voltmeter as part of expansion in electronics fields.

Russell D. Gawne, ex-Crescent Industries, named sales mgr. of G-C Electronics Mfg. Co., new General Cement subsidiary.

Frank S. Schaumburg promoted to asst. sales mgr. of electronics div., Elgin National Watch Co.

Perry R. Roehm, engineering & sales v.p., named exec. v.p., Norden-Ketay Corp.

**N**ARTB CODE REVIEW board hit back this week at Kefauver subcommittee's recent Interim Report recommending greater non-industry control over programming (Vol. 11:35). Following 2-day meeting in Washington, board chairman G. Richard Shafto, WIS-TV, Columbia, S. C., declared:

"Some of the conclusions in the Interim Report, we believe at first glance, are based upon the improper premise that a voluntary industry effort such as this should be—in a sense—'regulatory'. Such a thesis does not hold in other similar professional efforts—such as the American Bar Association, for example—and we do not believe it should apply in the broadcasting industry.

"Other Interim Report recommendations, however, are helpful in establishing guideposts for the board's activity and reflect the thoroughness with which the Committee studied the industry. At all events, we are grateful for such comment from the Congress, as we welcome it from citizen sources. Appraisal by the public and its representatives is, after all, the best index to continued program advances."

Shafto said board did not have sufficient time to make an intensive review of committee's recommendations and ordered Edward H. Bronson, director of code affairs, to prepare comprehensive report for code board's next meeting in Jan.

Board adopted new procedure for tightening code observance in film programming. In future, all code subscribers will be notified via advisories when films are found by NARTB staff to be "not consistent" with code and will be asked to review such films. Shafto said difficulty arises when suppliers distribute films produced before establishment of code and which were designed for theatres, not home viewing.

In another action, board directed staff to continue investigation of practice of promoting theatre attractions on commercially sponsored TV programs. Board noted "strong trend to insert promotional material, including actual filmed portions, of current Hollywood product in programs already utilizing the maximum allowable commercial time standards suggested within the TV code."

✓ "Lopsided concept of a licensee's responsibilities" was blasted by FCC Comr. Doerfer as he dissented from majority's grant of renewal to radio WTIW, New Orleans. Noting lack of religious, educational or discussion programs, Doerfer stated: "While the Commission is proscribed from exercising powers of censorship, it does have the duty to require a broadcast licensee to program in the public interest . . . The setting of minimum standards of program quality and overall program policies of a licensee is not censorship. On the contrary, it is a safeguard against the use of a broadcast frequency solely for personal considerations. In this case, the program format indicates the sole desire to use the station for the purpose of making every possible dollar that time on the air will permit." Doerfer backed up dissent by quoting Commission's famed "Blue Book"—its much-attacked *Public Service Responsibility of Broadcast Licensees*, issued in 1946.

✓ Children's TV shows are improving but still have long way to go, Philadelphia school board's 5-month survey of 3000 parents reveals. Many objected to casting of a parent, relative or teacher as "incredibly stupid" and majority were concerned over TV influence on behavior and attitudes of children. About 60% of parents said children were reading less but weren't able to pin it directly on TV.

High-tower compromise may be in the wind as joint TV-aviation-govt. study group (Vol. 11:3, 5) winds up 8-month study. Seven-member fact-finding subcommittee, named by CAA chairman Fred B. Lee and FCC Comr. Robert E. Lee, is due to report next week, with full group's final report considered likely following week. It's understood that military and aviation representatives on the committee have indicated they'll go along with proposals for towers as high as 2000 ft. if committee recommends regulations "with teeth" requiring antenna farms and multiple antenna towers be used wherever possible. Meanwhile, fact-finding group, together with 12 members of Air Coordinating Committee's ad hoc study group on tower marking and lighting, this week went to Louisville to observe WHAS-TV's experiments in new tower lighting systems.

Republican TV campaign will be repeat performance of 1952 tactics—scheduling speakers immediately following big-audience shows—party strategists disclosed this week after Washington conclave addressed by Carroll Newton, BBDO v.p. Earlier in week, Republican chairman Leonard Hall staged minor hassle with networks over "equal time" after ex-President Truman's Labor Day speech over NBC, CBS & ABC. Hall demanded party get chance to answer. ABC offered time, CBS refused and NBC said it "was considering it." By end of week, rhubarb apparently had reached cooling off stage.

Four applications for new TV stations were filed with FCC this week, bringing total pending to 155 (19 uhf). Week's applications: For Redding, Cal., Ch. 7, by KXOA, Sacramento; for Billings, Mont., Ch. 8, by KGHL; for Juneau, Alaska, Ch. 8, by Wm. J. Wagner, owner of KINY, Juneau, and 5 other Alaska AMs; for Lead, S. D., Ch. 8 (satellite), by KOTA-TV, Rapid City, S. D. [For details, see *TV Addenda 21-1* herewith; for complete listings of all grants, new stations, applications, etc., see *TV Factbook No. 21* with Addenda to date.]

San Francisco Seals baseball team has been purchased by S. H. Patterson, owner of KSAN-TV, San Francisco (Ch. 32), and son Norwood, subject to Pacific Coast League approval. Since start of broadcasting March 1, 1954, KSAN-TV has specialized in programming all Seals games and training activity and bills itself as the "Bay area's first & only sports station." Patterson will inherit bill of \$30,000 for back salaries, another \$30,000 owed league, \$19,000 tax bill, \$50,000 bank loan.

TV-radio's "Great Man" (Vol. 11:34), new book by Al Morgan (Dutton, 317 pp., \$3.50), is panned harshly in Sept. 9 column by Herald Tribune Syndicate's John Crosby, as a "dirty book" which misleads public in concept of industry. Crosby calls for honest story of TV-radio, saying: "The world of radio and television is a marvelously complex and intricate one, and God knows there is a good novel in it for the right guy. What is needed is an Arnold Bennett. Are there any around?"

FCC's detailed tables on network-station 1954 revenues and profits—filling out initial report (Vol. 11:25)—will be issued as they're prepared, starting in 2-3 weeks with table on metropolitan areas with 3 or more stations each.

All FCC commissioners will be guests of honor, along with Vice President Nixon, at Radio-TV Executives Society luncheon Sept. 14 in Roosevelt Hotel, N. Y. No Commission meetings will be held next week.

Annual outing of Federal Communications Bar Assn. is scheduled for Oct. 15. Locale is Lohnes farm in Vienna, Va., as usual—widow of attorney Horace Lohnes telling Assn. she'd be pleased to have outings continue there.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE  
FOR MANAGEMENT  
OF THE  
VISUAL BROADCASTING  
AND ALLIED ELECTRONICS  
ARTS AND INDUSTRY

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# Television Digest

with **ELECTRONICS REPORTS**

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## SUMMARY - INDEX OF THE WEEK'S NEWS — September 17, 1955

**BIG 4 SELL 45%** of TV sets: RCA, Philco, Admiral, Motorola. Runners-up are Zenith, GE, Emerson, Westinghouse. Outlook for the smaller manufacturers (p. 1).

**TREND TO FREE BROADCASTING** in Europe may be sparked by Britain's new independent TV, McConaughy says in summing up impressions of tour (p. 2).

**REPUBLIC PICTURES** agrees to formula for releasing 3-year-old features to TV, as 10 other movie firms prepare for trial in govt. films-to-TV suit (p. 3).

**LONDON COMMERCIAL** service starts Sept. 22, other ITA stations to be completed early next year; Warner Bros. has interest in new program contractor (p. 5).

**OVER-ALL ALLOCATIONS** review predicted by FCC chairman, beginning early next month, as Commission maps out tough schedule for fall-winter (p. 5).

**CBS "SEGMENTATION"** PLAN disclosed to radio affiliates, breaking up evening programs into 5-min. sales units at \$2100 each; 17 already sold (p. 6).

**SATELLITE OPENS UP** new So. Dakota market—KDLO-TV, Florence (Ch. 3). Mexico's 7th station, Monterrey's XHNL-TV (Ch. 10) begins operation (p. 8).

**HIGH-TOWER CONTROVERSY** seen near end as members of industry-govt. study groups reach informal agreements on tower marking and height problems (p. 9).

**OUTPUT OF 8,200,000** TVs, retail sales of 8,000,000 forecast for record 1955 by RETMA pres. H. L. Hoffman. The "whys" of boom business (p. 10).

**AUTO-PHONO AND RECORD** package, called "Highway Hi-Fi," produced by CBS-Columbia for optional equipment in Chrysler's 1956 auto line (p. 12).

**WAR ON TUBE RACKETEERS** now industry-wide—Sylvania, RCA, GE and others joining Philco in fight to smash \$100,000,000 bilking of public (p. 13).

**ELECTRONICS BOOM** rescuing New England from industrial oblivion; area garners 15% of business, 50,000 displaced workers finding new jobs (p. 13).

**APPRAISAL OF ADMIRAL** bullish despite loss of defense business; Glore, Forgan & Co. compares sales growth and pre-tax profit margins of selected majors (p. 14).

**3-V INDUSTRIAL COLOR TV** demonstrated by RCA, which will market it next year; closed-circuit TV seen founding "University of the World" (p. 15).

**REPORTS ON TV SPOT** advertiser expenditures, by companies & brands, from TvB starting with last 1955 quarter; advance estimate \$275,000,000 (p. 16).

**NETWORK BILLINGS** dip to 12-month low in July—but PIB report shows TV aggregates \$227,172,548 for 7 months, radio \$69,976,389 (p. 16).

**TOP 4 OF TOP 20 DOMINATE TV SET MAKING:** As in the automotive field, a handful of companies dominates TV production and sales -- though the proportions are quite different. Whereas the Big 3 (General Motors, Ford, Chrysler) account for 95% of automobile output, the Big 4 of TV (RCA, Philco, Admiral, Motorola) combine to represent about 45%. Remainder is shared by 60-odd other companies (see TV Factbook No. 21).

The 4 top TV manufacturers rank in that order, too, with RCA accounting for about 18% of sales during most of last year and 1955, Philco about 11%, Admiral slightly more than 8%, Motorola just under 8%. Their percentages of sets-in-use, meaning their share of the 35,000,000 or more in the hands of the public, vary somewhat from those figures because Philco and Admiral at one time claimed to be making and selling about the same number of sets as RCA.

Foregoing figures are from a highly competent source, and they seem to jibe with findings of the "1955 Consolidated Consumer Analysis" covering 20 markets (Vol. 11:21). This source says runners-up are Zenith, GE, Emerson, Westinghouse -- without divulging percentages. Nobody else is credited with as much as 3% of the market.

And after the foregoing 8, next top dozen (not necessarily in this order) are said to be DuMont, Crosley, Silvertone (Sears Roebuck), Magnavox, Sylvania, Capehart-Farnsworth, Muntz, Hallicrafters, Hoffman, Packard-Bell, Stromberg-Carlson, Olympic.

\* \* \* \*

What's happening in the manufacturing industry, actually, is that the big are getting bigger -- competing like blazes with one another -- while the smaller fellows are finding it next to impossible to catch up. Their share of the market is at best fractional, and it has long been thought many would be squeezed out.

But fewer economic casualties have occurred than you might expect. Aside from Tele-tone, which rode high in TV's early days but went under, all of the top dozen or so set-making pioneers are still in business. Recently, Muntz, Majestic, Transvision, Regal, Shaw, Kaye-Halbert, Fada, Trad and a few others have been in and out of bankruptcy courts -- but several of these are still producing.

Two companies quit TV production in last 12 months, neither one due to economic difficulty. Arvin dropped TV output in favor of concentrating on radios, particularly auto radios (Vol. 11:13). Stewart-Warner quit TV-radio fields in U.S. but kept at them in Canada (Vol. 10:52). Neither was a major TV producer.

\* \* \* \*

We asked some of the middle and smaller producers recently how they appraised their present positions and future prospects. One of the most pertinent replies was that of Raymond W. Durst, pres. of Hallicrafters, now heavily in private label:

"We're riding on a hard circuit in TV in competing with the majors. The pressures and resources of the big boys are hard to cope with. But we can survive. We just need to adjust our sights and put heavier reliance on diversification. We go into high fidelity, govt. products, communications equipment, and just hold on to our small share of the TV market. I'll summarize by saying this: The situation gets harder all the time; it looks difficult but it is far from hopeless."

Raytheon has also gone in more heavily for private label business, and all who can are expanding their govt. business. Harold Shevers, pres. of Gotham Television Corp., which makes Hyde Park brand for Macy's, said "the outlook for the smaller manufacturer lies in specialties." Leslie W. Roberts, pres. of Philharmonic, which makes AMC, May Co., Allied, ISE brands, said "the smaller TV manufacturer can exist only through proper diversification, otherwise the outlook is dim."

"In private label," said another, who preferred anonymity, "we can produce higher-priced sets without fear of making them competitive. We don't have to be in the rat race." And Setchell-Carlson gen. mgr. H.E. Tyler, writing from the little town of New Brighton, Minn., where it's located, said that so far as his company is concerned the future looks good. "Being a small manufacturer," said Mr. Tyler, "has its distinct advantages in that we can reduce our production to a point where the market will absorb it completely...As of [now] our inventory is practically nil."

**McCONNAUGHEY'S VIEWS ON EUROPEAN TV:** Increasing awareness of superiority of free and independent broadcasting in European countries was cited by FCC Chairman Geo. C. McConnaughey as an outstanding impression of his recent communications inspection tour of England, France, Germany, Switzerland, Netherlands, Norway & Sweden.

He returned "more convinced than ever that we -- with all our problems, vexatious as they may be -- have the best system of broadcasting ever devised."

The introduction in Britain next week of a modified form of commercial TV, McConnaughey believes, will be watched very closely by other European countries which haven't yet decided how much freedom their new TV systems are to be allowed. When we asked him his impressions of European broadcasting, he held out great hope for Britain's new Independent TV Authority (ITA) as a force for creating more popular programming in England -- and "a very hopeful sign for all of Europe."

"Given time and a minimum of govt. interference, ITA is going to be a marked success," he predicted, despite such obstacles as receiver conversion. Out of some 5,000,000 sets-in-use, only 1,000,000 have been converted to receive second channel. Advent of commercial TV, he said, should put BBC on its toes, the competition forcing it to improve programs. "The BBC," he added, "hasn't given the people what we consider a good variety of programs."

In France, he found TV picture technically "excellent," but was disappointed with calibre of talent and programming, which he felt was "hampered by the strong tie-in with govt. operation." As an example, he cited a one-hour program he viewed during prime Saturday evening time -- entirely devoted to bridge lessons.

West Germany is "very alert to the broadcasting picture," he stated, "and we can expect to see pretty substantial improvements in the next year or so." German TV has started out on semi-commercial basis under complex state-private partnership

arrangement. German radio, now almost entirely converted to FM, he described as "perfectly delightful," keyed by good music and excellent reception.

In Sweden, where control of TV has not yet been decided, he perceived strong undercurrent of sentiment for independent operation as opposed to strict govt. control. In Norway and the Netherlands as well as Sweden, he was impressed by alertness to broadcasting and anxiety to begin TV on soundest possible basis.

He found many misconceptions about American broadcasting in general, and the role of the advertiser in particular, wherever he went. On one occasion when he was being interviewed on Oslo radio, he was asked: "Is it true that the advertisers run broadcasting in the United States?" He then proceeded to explain role of FCC, how broadcast licensing operates, etc.

In good-natured discussion over the teacups, he was asked this question by a BBC executive: "How can you justify a program like 'The \$64,000 Question'?" The FCC chairman replied that he couldn't see anything seriously wrong with such a program, and that, indeed, it may even have some educational value. Then, with a smile, he added: "We often wonder about your Irish Sweepstakes."

Note: British and French TV interests are now reported negotiating with producer Louis G. Cowan for foreign versions of the giveaway.

(For Chairman McConnaughey's approach to allocation controversy, and his plans for Commission consideration of the issue, and separate story on British commercial TV debut Sept. 22, see p. 5.)

**WILL GOVT. SUIT INCREASE FILMS FOR TV?** On eve of the trial of 12 movie companies for alleged conspiracy to keep films off TV in Govt.'s 3-year-old "16mm suit", Republic Pictures -- which has already offered some 300 of its features to TV -- agreed to make arrangements to continue releasing pictures 3 years old and over.

Real importance of consent decree -- in which Republic in effect agreed to do what it already has been doing -- is that (1) it indicates Govt. still intends to press the controversial suit originated by Truman Administration, and (2) similar agreements with other movie makers conceivably could be forthcoming, although both Republic and Govt. deny participating in a "pilot decree."

Sizing up significance of decree as regards other movie makers, authoritative Motion Picture Herald said Sept. 17: "The other defendants are under considerable pressure to agree to a consent decree along the lines to which Republic submitted. This is true because when a defendant agrees to a consent judgment prior to taking of testimony in any anti-trust case, that consent decree cannot be used by a plaintiff in a private suit."

Trial opens Sept. 20 in Los Angeles Federal Court for remaining 10 defendants: 20th Century-Fox, Warner Bros. & its Warner Bros. Distributing Corp., Columbia and its TV subsidiary Screen Gems, Universal and its United World Films, RKO, plus independents Film Inc. and Pictorial Films Inc. (Vol. 8:30). Neither Paramount nor MGM is involved in Dept. of Justice action.

Consent decree requires Republic (and subsidiary Republic Productions) to offer to TV within 90 days 80% of the feature films produced before Aug. 1, 1948 to which Republic holds TV rights. This portion of the decree is meaningless as far as more-films-to-TV is concerned, since Republic has already licensed at least 80% of such features for TV showing.

Company also is ordered to begin "necessary negotiations" (unions, etc.) toward clearing post-1948 pictures for TV. Within 2 years after negotiations are completed, Republic is required to make available to TV 25% of films that have been in release 3 years; thereafter it must release annually at least 50% of the films shown in theatres during preceding 3 years.

Formula for decree apparently was tailored to fit Republic's past practices and future plans with regard to TV -- but movie industry is wondering whether Govt. now plans to use same 3-year yardstick in suit against remaining defendants.

Note: If other defendants are awarded more favorable terms after trial, Republic is entitled to apply for modification of decree.

**Personal Notes:** Charles Singer, with WOR & WOR-TV for 28 years, recently its chief engineer, has joined Page Communications Engineers Inc., Washington, as director of operations; Ross Bateman, since 1946 chief of ionospheric research of Bureau of Standards' Central Radio Propagation Labs, has also joined Page as director of research . . . A. E. Towne resigns as chief engineer of KPIX, San Francisco, to form own San Francisco electronic development and consultant firm, A. E. Towne Assoc. Inc.; Thomas T. Ely, asst. chief engineer of Westinghouse's WBZ-TV, Boston, becomes KPIX chief engineer, Wm. Burgess promoted to asst. chief engineer, Ray Holtz succeeding him as transmitter supervisor . . . Mitchell Wolfson, co-owner of WTVJ, Miami and head of Wometco chain of theatres, will be keynote speaker at Theatre Owners of America convention in Los Angeles Biltmore Oct. 6; he's ex-TOA pres. & chairman . . . Mrs. Fanny Neyman Litvin, FCC examiner, retires Sept. 30 after 30 years of service; she will continue to make her home at 3850 Tunlaw Rd., Washington . . . Thomas B. McFadden, NBC Spot Sales v.p., flies to England Sept. 20 for opening of ITA commercial TV system Sept. 22; NBC pres. Pat Weaver will be there, too (Vol. 11:36), speaks Sept. 27 before Institute of Advertising Practitioners . . . Sol Taishoff, publisher of *Broadcasting-Television*, sailed Sept. 14 on the *Queen Elizabeth* for England to be present at start of commercial TV; he will also tour Europe . . . Jack R. Poppele, asst. director for broadcasting, U. S. Information Service, back Sept. 12 from 6-week flying trip to Voice of America European operations . . . Robert B. Hanna Jr., mgr. of GE broadcasting dept. (WRGB & WGY), also designated to serve as gen. mgr. of Maqua Co., GE-owned printing firm, one of largest in country, employing 800 . . . Leslie C. Johnson, WHBF-TV, Rock Island, named chairman of NARTB employer-employee relations committee, succeeding Robert D. Swezey, WDSU-TV, New Orleans . . . Fred W. Wagenvoord, v.p. & gen. mgr., WGTH-TV, Hartford, has resigned and General Teleradio has assigned Jack Downey as operations chief; station's sale to CBS pends FCC approval (Vol. 11:28) . . . George R. Snell, ex-WLEX-TV, Lexington, Ky., named program & operations mgr. of up-

coming WHTN-TV, Huntington, W. Va. (Ch. 13), due Sept. 25; George A. Miller Jr., ex-WSAZ-TV, Huntington, local & regional sales mgr.; Chester A. Siegrist, ex-WCNY-TV, Carthage, N. Y., studio-transmitting engineer . . . John Henry promoted to sales mgr., KCSJ-TV, Pueblo; Jack Wells, ex-WKY, Oklahoma City, named program coordinator . . . Morton Lowenstein named v.p. in charge of new Forjoe office in Philadelphia . . . Larry Lowenstein, ex-Benton & Bowles, joins CBS-TV as press information director . . . Clinton F. Wheeler, onetime TV-radio director of Ogilvy, Benson & Mather, promoted to Kenyon & Eckhardt v.p. . . . Rodney Albright, ex-Biow-Beirn-Toigo, joins Sullivan, Stauffer, Colwell & Bayles as TV production supervisor . . . Jacob A. Evans, ex-v.p. of *Sponsor*, now with McCann-Erickson, to direct TV-radio clinic of adv. & selling course to be conducted by N. Y. Ad Club . . . Gerald Green promoted to producer of NBC-TV's *Today*, Mon.-thru-Fri. 7-9 a.m., succeeding Robert Bendick, now working on *Wide Wide World*, twice-monthly Sun. 4-5:30 p.m. . . . Abe Greenberg promoted to adv. & sales promotion director, Howard Wormser to publicity director, KTLA, Los Angeles . . . Harry Beaudouin resigns from NBC publicity dept. to become asst. director of TV-radio publicity, Republican National Committee . . . John F. White, v.p. of Western Reserve U, Cleveland, named gen. mgr. of educational WQED, Pittsburgh, replacing Wm. A. Wood, now consultant to several educational stations . . . James Agostino, ex-KHQ, named sales mgr. of KXLY-TV & KXLY by v.p.-gen. mgr. Richard E. Jones . . . Robert A. Mortenson, ex-N. W. Ayer, named gen. mgr. of upcoming WIIC, Pittsburgh (Ch. 11), with Roger C. Rice, also from that agency, as sales mgr.; they will report to pres. O. M. (Pete) Schloss . . . Fred Gregg, recently detached to Avco, returns to Crosley Bestg. Co. as asst. gen. sales mgr. under sales v.p. Harry Mason Smith . . . Frank E. Mitchell, mgr. of KIMA, Yakima, Wash., adds duties as business mgr. of KIMA-TV; satellite KEPR, Pasco; upcoming KLEW-TV, Lewiston, Ida. . . . Joseph M. Allen, ex-TV-radio director of Assn. of National Advertisers, promoted to v.p. . . . Wm. F. Wetmore Jr. and Robert B. Yorty become junior partners of Pierson, Ball & Dowd, Washington attorneys.

Rev. Malcolm Boyd, once with Republic Pictures and Samuel Goldwyn Productions, formerly associated with Mary Pickford & Buddy Rogers in their TV-radio activities (which include one-third ownership of WSJS-TV, Winston-Salem, N. C.), elected to board of Cathedral Films, 140 No. Hollywood Way, Burbank, Cal. He's now taking graduate studies at Union Theological Seminary, N. Y., and writing a book on the relation of church to media of mass communications. He took his Episcopalian orders in 1951, was graduated last year from the Church Divinity School of the Pacific.

Marvin Miller, star of *The Millionaire*, on CBS-TV, has been designated by William J. Grede, national chairman, 1955 Bible Week, as an honorary chairman to represent TV industry. Edward Stanley, NBC public service programs mgr., heads special events phase of all-faiths National Bible Week, Oct. 17-23.

Mims Thomason, UP v.p. in charge of newspictures, promoted to gen. business mgr., succeeded by his asst. Frank Tremaine. Jack Bisco has resigned as v.p. & gen. mgr. of UP, and plans to acquire a newspaper or radio station.

Robert Butler, 58, ex-ambassador to Cuba and Australia, chief owner of WTCN-TV, Minneapolis, until its recent sale to Bitner interests, died in N. Y. Sept. 15 following a heart attack.

David Kingsley, managing director of National Film Finance Corp., set up by British Govt. to finance movie production and export, was in N. Y. recently to look into reasons why British films aren't more successful in the American market—including brief look-see at TV, which has used them profusely. He's also treas. of British Lion Films, following only Rank and Associated as biggest distributor in the UK, and wholly owned by the govt. corporation since it ran into financial trouble. NFFC backs about 40% of all British film production.

U. S. delegates to UNESCO conference in Tangier, Morocco, Sept. 19-30, to promote international cooperation between films and TV: James Nelson, asst. to NBC pres. Pat Weaver; Paul Wagner, exec. director of Film Council for America; Paul Talbot, pres. of Freemantle Overseas Radio & Television Inc.; Maurice Mitchell, pres. of Encyclopedia Britannica Films.

Dr. Filiberto Guala, director general of RIA, the Italian broadcasting system, and his delegation were guests of Voice of America's industry advisory committee at Washington luncheon Sept. 15; administrative-program-technical group includes Dr. Francesco S. Gilente, Dr. Franco Passigli, Dr. Aldo Passanti, who will tour U. S. TV-radio centers for about month.

Gerard Gingras, Montreal investment executive, appointed to CBC board of governors, now consisting of 10 members, with one vacancy left.

**B** RITAIN'S COMMERCIAL TV system gets under way Thu., Sept. 22, under aegis of Independent TV Authority with 2 of the 4 private program contractors combining to present 7:15-11 p.m. schedule, transmitted by newly completed 10-kw visual, 2½-kw aural transmitter at Croydon built by Marconi. At last reports, advertisers had purchased 18 minutes of commercials at time-&-half rates, all first-night profits (expected to run about \$28,000) to go to charities. Base rate is £1000 (\$2800) per minute.

On eve of opening of London area service—that from Birmingham being due to start next Feb. and from Manchester in May or June—ITA disclosed that its fourth contractor would be Associated British Picture Corp., in association with Hulton Press, which publishes 5 newspapers in the Midlands. It is taking over the franchise recently surrendered by the Kemsley-Winnick group, which quit because of costs involved, and will serve Midlands, Yorkshire and Lancaster areas from Birmingham & Manchester outlets.

Associated British is part-owned by Warner Bros., but ITA regulations require programs be predominantly British to protect against too much American programming. ABPC managing director C. J. Latta is due in N. Y. next week on visit to Warner home office. His company has already set up TV subsidiary called Associated British Cinemas (TV) Ltd.

Under the contract setup, Associated-Rediffusion Ltd. will utilize time on London station Mon. thru Fri.; Granada TV Ltd. on Manchester station Mon. thru Fri.; Associated Broadcasting Co. Ltd. on Birmingham station Mon. thru Fri. and London Sat. & Sun. New ABPC group presumably will take over the Kemsley-Winnick time allotment of Sat. & Sun. on the Birmingham & Manchester stations.

London reports interest running high in upcoming commercial service, with the highbrow element (spearheaded by *London Times*) eyeing the project askance but the man-in-the-pub generally favorable to the idea of competition, as we reported in our own on-the-spot roundup of last autumn (Vol.10:45). Lots of Americans are to be on hand for opening (see Personal Notes) and the interest of the Anglo-American advertising fraternity is particularly keen.

Here's comparison of BBC program schedules and the combined efforts of Associated-Rediffusion and of Associated Broadcasting for opening night Sept. 22, as listed in parallel columns in *Commercial Television News* of London:

**BBC**

- 7 p.m. News.
- 7.15 p.m. Weather and Programme parade.
- 7.20 p.m. Topical spot.
- 7.30 p.m. Outside broadcast.
- 8 p.m. "Disneyland" film.
- 8.30 p.m. "Animal, Vegetable or Mineral?"
- 9 p.m. Play.
- 10 p.m. Eurovision from Paris.
- 10.30 p.m. (approx.). Close down.

**ABC/A-R**

- 7.15 p.m. The Guildhall banquet.
- 7.30 p.m. Sir John Barbirolli and the Hallé Orchestra.
- 7.43 p.m. National Anthem.
- 7.45 p.m. Speeches by the Lord Mayor, the Postmaster-General, and Sir Kenneth Clark, ITA chairman.
- 8 p.m. Wood Green Empire all-star variety.
- 8.40 p.m. Half an hour of filmed drama.
- 9.10 p.m. Boxing.
- 10 p.m. News.
- 10.15 p.m. May Fair Hotel; interviews with famous stars.
- 10.30 p.m. All-star cabaret.
- 10.50 p.m. Trainers.
- 11 p.m. Close-down, with a 2-minute religious epilogue.

Note: For data on BBC & ITA, and for addresses and names of principals of ITA program contractors, see p. 246, *TV Factbook No. 21*.

**A** LLOCATIONS ECONOMICS—including the plight of uhf, the deintermixture issue, vhf drop-ins, etc.—loomed as biggest and toughest problem for coming season as FCC met informally for a good look at the substantial matters to be placed on its agenda. McConnaughey told us earlier that he hopes Commission will be able to get right to work on allocations problems, meeting on them "early in October."

"The Commission is going to have to take a pretty hard look at the over-all picture," the chairman said. "We're cognizant of the problems and they're bigger than just isolated cases." He said he has formed no personal conclusions on the answer. "We're going to have to ask the advice of a lot of people, and get some unbiased opinions."

McConnaughey's statement of his opinions on allocations problems, coupled with views of other Commissioners as reported in 3 preceding issues (Vol. 11:35-37), indicate FCC's look at allocations will not only be an "over-all" look but also a long look.

Due to get under way in earnest soon, too, is Commission's network investigation, for which Congress appropriated \$80,000. In a related step, chief Harold Cowgill of FCC's Common Carrier Bureau, has been collecting data on AT&T network rates. Study of rates has been recommended by Senate Commerce Committee Chairman Magnuson (D-Wash.) and Committee's Plotkin Report.

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Commission held no formal meeting this week, Comr. Webster being in Europe and other commissioners attending Radio-TV Executives Society luncheon in New York (see p. 6) on regular meeting day. Only FCC action dealing with TV was release this week of order (FCC 55-931) turning over Ch. 5 & 6 in Alaska and Hawaii to non-broadcast use. Commission noted there had been no opposition to this proposal. Neither channel is allocated in either of the territories.

Three more eastern Pennsylvania uhf stations joined Harrisburg's WHP-TV in opposing proposed purchase by Triangle Publications (WFIL-TV, Philadelphia, WNBC-TV, Binghamton) of off-air WLBR-TV, Lebanon, on Ch. 15 (Vol. 11:31), asking that Commission hold hearing. Charging that station would essentially be satellite of WFIL-TV, hurting local community stations, were WCMB-TV & WTPA, Harrisburg & WHUM-TV, Reading. Lebanon County Chamber of Commerce petitioned for quick grant of transfer.

Maximum of 1000 TV stations "when the industry has reached its peak point of performance" is foreseen by NARTB pres. Harold Fellows—even though original allocation plan provided for 2000. Paying tribute to TV at testimonial luncheon in N. Y. honoring RCA Chairman Sarnoff, he said: "This medium has done so much to change the lives of so many people already that it indeed challenges the imagination to anticipate any further inroads it might make on the experience of living. Surely, we can anticipate in the near future live TV on an international scale." He also predicted that current 2748 radio stations will rise to "a final count of something in the neighborhood of 3000." He said radio has become more of a "community service" than a "national service."

Sam Gallu, producer of *Navy Log* on CBS-TV, which premieres Sept. 19 at Washington's Carter Barron Amphitheatre, to be presented with citation as honorary admiral in the Navy by Secy. of Navy Thomas; show starts Sept. 20, Tue. 8-8:30 p.m., with Maytag and Shaeffer Pen as alt. sponsors.

**N**ETWORK RADIO keeps searching for a comeback formula. Following NBC's plan last week to extend *Monitor* concept of programming to weekdays 10 a.m.-6 p.m. (Vol. 11:37), CBS this week disclosed its "segmentation" plan to affiliates meeting in Detroit.

As outlined by sales v.p. John Karol, CBS plan would open to 5-min. sales such weekday programs as *Bing Crosby Show*, *Tennessee Ernie*, *Jack Carson Show* & *Amos 'n' Andy Music Hall*, and the weekend *Edgar Bergen*, *Galen Drake* & *Robert Q. Lewis* shows. A single 5-min. segment costs \$2100 in time & talent, with usual frequency discounts on multiple sales. Karol said 17 segments had already been sold, with Philip Morris and Hallmark Greeting Cards among first sponsors.

"Each of you remembers when the network buying formula was largely 15-minute strips and half-hour shows," he stated. "These, in radio, were like the one-page ads in magazines. But the patterns of listening have changed and we have modified our programming to capitalize on this change. The final step, obviously, had to be a shift in sales philosophy to allow the advertiser to buy in relation to the changing habits of listening. This shift means that now an advertiser can buy the equivalent of the half-page ad or the one-column ad."

He said CBS Radio was in strongest competitive position in its history, adding that "on the basis of business now on the books, our estimate for an average week in October 1955 shows that CBS Radio is running about 90% ahead of NBC in total hours sold." [For comparative PIB figures for first 7 months of 1955, see p. 16.]

Earlier, pres. Frank Stanton told record gathering of 230 network and station officials that CBS has budgeted 29% increase in network radio programming in 4th quarter over earlier estimates. Of radio's future, he said:

"Radio's future is not depressed but radio has problems which we deceive ourselves if we do not admit. I think we will work out our problems gradually. But we will work them out. We won't sit them out . . . Our comfortable patterns have been pulled apart. Our security has been shaken. But the elements of a new stability are at hand."

**V**ICE PRESIDENT NIXON, following pattern of CBS pres. Frank Stanton's proposal last May (Vol. 11:22), this week advocated TV debates between opposing political candidates (15 min. each) for Senate, House, local offices—but he didn't go into "Lincoln-Douglas" type meetings on presidential level as suggested by Stanton. Addressing Radio & Television Executives Society at N. Y. luncheon Sept. 14, he said key to political success is informality—fireside chats, debates, audience participation. TV will end reign of old-time "stump speaker," he predicted, and will cut through artificiality, permitting sincerity to come through. "Whistle stop" tours will become passe, he said, "because they cannot compete with TV in reaching a mass audience."

Mr. Nixon flatly rejected use of written texts or prompters in TV campaigning, saying that while off-the-cuff speaking required twice as much preparatory work, it was much more effective. He suggested candidates buy frequent TV spots for 5-min. & 1-min. talks to make their names and faces familiar to audience. Stations themselves are best qualified to achieve "proper balance" among parties in non-election year free time, he said, but "there is no such thing as a non-political speech by a politician. Sell him the best time for drawing an audience, even if it costs twice as much. Candidates should be prepared to spend as much money on building up a program, through advertisements and organization work, as they do on air time."

Affiliates adopted resolution, at close of meeting, commending CBS for "its continuing efforts to maintain the high quality of the radio operation." These affiliates board officers were elected: chairman, Kenyon Brown, KWFT, Wichita Falls, succeeding John Patt, WJR, Detroit; vice-chairman, F. C. Sowell, WLAC, Nashville; secy-treas., Max Rider, WBRY, Waterbury, succeeding Arnold Schoen, WPRO, Providence. New board members elected were Frank Fogarty, WOW, Omaha, and Worth Kramer, WJR.

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NBC affiliates' reactions to *Monitor* extension followed no pattern—some pro, many con—but network went on with plans to extend to weekday service as of Nov. 7. NBC reported that 39 out of 200-odd affiliates had agreed informally to extension.

Epitomizing opposition was sharply critical letter from Westinghouse stations v.p. Donald H. McGannon to affiliates chairman Robert D. Swezey declaring: "Westinghouse stations cannot continue to carry *Monitor* on the weekends unless the entire compensation structure is substantially revised upward and certain program changes made so as to achieve a larger share of audience. WBC will not accept *Monitor* during weekday periods because it is essential to the future operation of these stations that they continue to receive national spot revenue in order to survive, and it is clear that broad extensions of *Monitor* can only result in the drying up of national spot revenue for the individual stations."

NBC Radio affiliates executive committee elected these officers: chairman, James Gaines, WOAI, San Antonio, succeeding Robert D. Swezey, WDSU, New Orleans; vice-chairman, Chris Witting, Westinghouse; secy-treas., George Harvey, WFLA, Tampa. Other members are George Wagner, KFI, Los Angeles; Harold Hough, WBAP, Ft. Worth; J. Leonard Reinsch, WSB, Atlanta; Ben Larson, KDYL, Salt Lake City; Lester Lindow, WFDF, Flint; David Baltimore, WBRE, Wilkes-Barre. It's noteworthy that all save Lindow also operate TV stations, and his parent company (Bitner) operates 3 TV outlets.

RCA-NBC Chairman Sarnoff, responding impromptu to presentation of N. Y. Sales Executives Club's "Applause Award" for "outstanding salesmanship and public service" Sept. 13, observed that 81% of his company's anticipated 1955 volume of \$1 billion represents goods and services that didn't exist 10 years ago. He referred specifically to TV, which wasn't even on the market in 1945 yet now accounts for about half of RCA's gross (counting NBC as well as receiver, tube, transmitter & component's businesses). He predicted that today's \$10 billion electronics industry, ranking 13th in volume in the nation, would not be recognizable a decade hence. Harold Fellows, NARTB pres., speaking at same luncheon, noted the many other honors that have been bestowed upon Gen. Sarnoff and observed: "I believe this is the first occasion he has been singled out for his selling ability—and I say that it is high time." Meeting also saw series of photographs on screen titled "The David Sarnoff Story," prepared by *Life Magazine*, with commentary on his 50 years in the industry.

Printers' Ink July index shows national advertising as a whole achieving new records, up 11% for first 7 months of this year over same 1954 period; July alone was 12% ahead of July 1954. Network TV was ahead 28% for the month, network radio off 8%.

BM's ever-popular clinics start next Feb. 26, end June 15, with 2 teams of speakers covering 42 meetings in 40 states.



**Station Accounts:** Color commercials are being used on WRCA-TV by 7 major advertisers for their 10 & 20-sec. spots adjacent to network color programs. Using color adjacencies are RCA, thru J. Walter Thompson; Oldsmobile, thru D. P. Brother Inc.; Ford Dealers Assn., thru J. Walter Thompson; L&M Cigarettes, thru Cunningham & Walsh; Benrus Watch Co., thru Biow-Beirn-Toigo; B. T. Babbitt Co., thru Dancer-Fitzgerald-Sample; Castro Convertibles, thru Newton Adv. . . . Clock watchers: Spurred by success of its *Count Sheep* sign-off program, Mon.-thru-Fri. 1-1:05 a.m., WRCA-TV Oct. 31 will launch sign-on program, *Eye Opener*, Mon.-thru-Fri. 6:55-7 a.m.—with humorist Martin Levin, dressed in pajamas, satirizing day's news developments . . . Big sponsor for a little station: Sears Roebuck, for its 6 mail order offices in east Texas, buys *Waterfront* on KTRE-TV, Lufkin, independently-operated satellite of Houston's KPRC-TV . . . Among advertisers currently reported using or preparing to use TV station time: Mildred's of California, L. A. (girls' apparel), thru Harvey Waldman & Assoc., L. A.; Summit Hall Turf Farm, Gaithersburg, Md. (Meyer Z-52 Zoysia grass plugs), thru Henry J. Kaufman & Assoc., Washington; Gini Products, San Gabriel, Cal. (Pinware pincurl permanent wave), thru Benet Hanau & Assoc., San Jose, Cal.; Chun King Sales Inc., Duluth (Oriental foods & canned frozen foods), thru J. Walter Thompson, Chicago; Malt-O-Meal Co., Minneapolis (cereal), thru Campbell-Mithun Adv., Minneapolis; Research for Better Living Inc., N. Y. (T-W-O reducing aid), thru Wexton Co., N. Y.; Dormeyer Corp., Chicago (appliances), thru John W. Shaw Adv., Chicago; Manitowoc Equipment Works, div. of Manitowoc Co., Manitowoc, Wis (freezers & cabinets), thru O'Grady-Anderson-Gray, Chicago; T. W. Burlison & Son, Waxahachie, Tex. (Burlison's honey), thru Rogers & Smith, Dallas; Englander Mattress Co., Chicago, thru Leo Burnett Co., Chicago; S. B. Thomas Inc., N. Y. (Thomas protein bread), thru David J. Mahoney Inc., N. Y.; National Shoe Stores Inc., N. Y., thru Emil Mogul; Hanover Canning Co., Hanover, Pa., thru Arndt, Preston, Chapin, Lamb & Keen, Philadelphia.

Merger of 2 major TV-radio sponsors: Gillette Co., which purchased Toni in 1947, this week agreed to purchase Paper-Mate Pen Div. of Frawley Corp., Culver City, Cal. for \$15,500,000 cash. Paper-Mate, budgeted for about \$5,200,000 in advertising, sold \$26,000,000 worth of its products last year, claims it has 80% of ball point market. It agency is Foote, Cone & Belding.

Rate increases: WSJS-TV, Winston-Salem, Oct. 1 raises base hour from \$450 to \$550, min. \$90 to \$110; WKNB-TV, New Britain-Hartford, raises hour from \$400 to \$500, 20 sec. \$80 to \$100; WILK-TV, Wilkes-Barre, has raised hour from \$250 to \$300, min. \$40 to \$50.

Gold Mail Box Award for 1955 for year's best direct mail advertising was bestowed on NBC this week by Direct Mail Advertising Assn., and accepted by Edwin Vane, national sales promotion mgr.

Crackdown on free airline plugs was ordered this week by CBS-TV program v.p. Hubbell Robinson Jr., who said policy henceforth will be to give brief aural credit only—no more pictures of airplanes.

"Oscar" movie awards of Academy of Motion Picture Arts & Sciences will be on NBC-TV March 21 (sponsored by Oldsmobile), with nominations tentatively scheduled Feb. 15.

Power increases: WSJS-TV, Winston-Salem (Ch. 12) Sept. 10 to 316-kw; KDUB-TV, Lubbock, Tex. (Ch. 13) Sept. 11 to 316-kw; KCOP, Los Angeles (Ch. 13) Sept. 12 to 170-kw ERP.

**Network Accounts:** CBS-TV is reported to have sold to unidentified sponsors 2 new Victor Borge shows and a new Jackie Gleason program, both to be on irregular schedules in mid-week. They're 3 of 12 mid-week 60 or 90-min. "specials" planned by CBS this season — remainder being 6 *See It Now* programs (2 sponsored by Pontiac), 2 Orson Welles films and an adaptation of *Nutcracker Suite* . . . Oldsmobile to introduce its 1956 line in gala 30-min. \$125,000 monochrome variety show on NBC-TV Nov. 2, Wed. 10:30-11 p.m., starring Perry Como and Patti Page, thru D. P. Brother Adv. . . . American Home Products to sponsor *Wanted* on CBS-TV starting Oct. 20, Thu. 10:30-11 p.m., thru Biow-Beirn-Toigo; it will also be co-sponsor of *Midwestern Hayride* on NBC-TV starting Sept. 28, Wed. 10:30-11 p.m. . . . Ralston Purina to sponsor *Ethel & Albert* as replacement for *Name's the Same* on ABC-TV starting Oct. 14, Fri. 10:30-11 p.m., thru Guild, Bascom & Bonfigli, San Francisco . . . Chunky Chocolate Corp. to be alt. sponsor of *Super Circus* on ABC-TV starting Sept. 25, Sun. 5-6 p.m., thru Hilton & Riggio . . . Telechron buys one-fourth sponsorship of *Ozzie & Harriet* on ABC-TV starting Sept. 30, Fri. 8-8:30 p.m., thru N. W. Ayer . . . Olin Mathieson Chemical Corp. (flashlights & batteries) buys several partic. on NBC-TV's *Tonight* for 13 weeks starting Sept. 16, Mon.-thru-Fri. 11:30 p.m.-1 a.m., thru D'Arcy . . . Carrier Corp. (air conditioners) buys 30 partic. on *Today & Home* on NBC-TV starting next April, thru N. W. Ayer . . . Dodge buys Cotton Bowl game from Dallas on NBC-TV Jan. 2, starting at 3 p.m., thru Grant Adv. . . . New title of repeats of *I Love Lucy* is *The Lucy Show*, switching to Sat. 6:30-7 p.m. on CBS-TV starting Oct. 8 . . . Ronson Corp. and Pall Mall cigarettes switch *Douglas Edwards and the News* to Mon.-thru-Fri. 7:15-7:30 p.m. on CBS-TV starting Sept. 26 . . . Toni and Paper-Mate switch Ark Linkletter's *People Are Funny* to Sat. 9-9:30 p.m. on NBC-TV starting Sept. 24.

Top 25 agencies in network TV billings last year, according to tabulation prepared by Leading National Advertisers Inc. for *Advertising Agency Magazine*, accounted for \$246,553,898 out of \$320,154,274 in total placements, or 77%. (For network breakdowns by months, see Vol. 11:6, p. 16.) The top 25: BBDO, \$24,699,614; Young & Rubicam, \$23,111,797; Wm. Esty Co., \$22,255,451; J. Walter Thompson, \$18,576,676; Leo Burnett, \$15,671,948; Biow-Beirn-Toigo, \$13,927,498; Benton & Bowles, \$13,100,349; McCann-Erickson, \$10,902,583; Dancer-Fitzgerald-Sample, \$10,537,829; Ted Bates & Co., \$9,682,478; Compton Adv., \$8,241,905; Sullivan, Stauffer, Colwell & Bayles, \$7,783,465; Lennen & Newell, \$7,229,719; Maxon, \$6,559,278; Cunningham & Walsh, \$6,513,444; Foote, Cone & Belding, \$6,255,860; Kenyon & Eckhardt, \$5,734,552; N. W. Ayer & Son, \$5,435,862; Kudner, \$5,392,296; Weiss & Geller, \$5,051,116; Edward Kletter Assoc., \$4,524,402; Cecil & Presbrey, \$4,217,546; Needham, Louis & Brorby, \$3,880,893; MacManus, John & Adams, \$3,665,643; D'Arcy Adv., \$3,601,694.

"Television has become the greatest of the advertising media and since the great industries of America have found it very beneficial, we have decided to enter it not only because it will be an important factor in our income, but simultaneously we will be able to advertise and promote our own pictures. If other great corporations can increase the sales of their products through TV, we can similarly appeal to a large portion of the family trade and recapture their lost patronage, thus restoring prosperity to the motion picture theatre box office."—Spyros P. Skouras, pres. of 20th Century-Fox in statement to stockholders, officially announcing new subsidiary TFC Television Productions Inc.

**NEW TV MARKET—Florence, S. D.**—opens up this week-end with start of KDLO-TV (Ch. 3), testing in preparation for regular programming that begins with World Series carried off-air from sister station KELO-TV, Sioux Falls, S. D. (Ch. 11), located about 100 miles southward. Semi-satellite station, under same ownership, will carry about 25% local programming, rebroadcasting KELO for most part.

KDLO-TV has KELO-TV's former 5-kw RCA plant with new 6-bay RCA antenna on 750-ft. Ideco tower at site near Garden City, about 20 mi. west of Watertown. This week, corporate name was changed to Triple City Broadcasting Co. to indicate coverage of triangle formed by Watertown, Huron & Aberdeen. Owners N. L. Bentson, Joseph L. Floyd & Edmund R. Ruben earlier this year acquired radio WLOL, St. Paul (Vol. 11:18) where Bentson formerly owned time-sharing WMIN-TV, now combined into WTCN-TV. Florence outlet has Les Froke as chief engineer, is sold in combination with KELO-TV, with H-R Television as rep.

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That makes 449 stations now on air, 107 of them uhf. This week came word of another starter worth recording—XHNL-TV, Monterrey, Mexico (Ch. 10), country's 7th station and 6th operated by O'Farrill-Azcarraga interests. It began Sept. 2 as film-only outlet, operating 6:30-10 p.m. daily without live or studio facilities and using mainly kinescopes from Mexico City. Monterrey (pop. 300,000) is about 140 mi. south of Laredo, Tex. Low-power transmitter supplied by Cia. General de TSF, of France, supplies 300 watts ERP from Topo Chico site. Only fulltime employe is mgr. Mario Quintanilla, also mgr. of local radio XEFB. Base rate quoted is 450 pesos per half hour.

Only equipment shipments and orders reported this week were 20-kw amplifier from GE to WITN, Washington, N. C. (Ch. 7), due on air later this month; 10-kw transmitter with 12-bay antenna and other equipment due to be delivered by GE within 90 days to upcoming KOSA-TV, Odessa, Tex. (Ch. 7); 50-kw amplifier from DuMont to on-air WTVD, Durham, N. C. (Ch. 11).

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

KTVO, Kirksville, Mo. (Ch. 3) has 25-kw RCA transmitter and antenna on hand, expects to meet Sept. 28 test pattern and Oct. 1 CBS programming targets, writes station mgr. Berg Allison. As of Sept. 15, it had 100-ft. of 1101-ft. Stainless tower erected at site near Lancaster, Mo., about halfway between Kirksville and Ottumwa, Ia., latter being business address for TV and site of radio affiliate KBIZ. Principal owner with  $\frac{2}{3}$  control is attorney James J. Conroy, who also controls Wisconsin radios WBIZ, Eau Claire & WLCX, LaCrosse. Base hour will be \$300. Rep not chosen.

WDBJ-TV, Roanoke, Va. (Ch. 7) has installed 5-kw DuMont transmitter and expects to meet Sept. 22 test pattern target, writes operations director Ray P. Jordan for owner *Roanoke Times* and *World-News*. It has 6-section RCA antenna 667-ft. above ground on former tower of WROV-TV, plans to start CBS programming early in Oct., with interim 25-kw visual ERP. Work has already begun on plant, which will enable station to boost power to 316-kw ERP early in 1956. Base rate will be \$450, with jump to \$600 scheduled in April, 1956. Rep will be Free & Peters.

WITN, Washington, N.C. (Ch. 7) expects to meet Sept. 20 test pattern target, reports pres.-gen. mgr. W. R.

Roberson Jr., whose family recently acquired control (Vol. 11:33). On Sept. 26, it begins as NBC basic, replacing WNCT, Greenville (Ch. 9), only outlet within 90 mi. of Washington. Alford 5-bay 102-ft. antenna was to have been installed on 818-ft. Stainless tower week of Sept. 12; now it's working on 20-kw GE transmitter at site near Grifton, some 25 mi. southwest of city. Robersons also operate local radio WRRF and Wm. S. Page, other principal stockholder, controls WELS, Kinston, N.C. Base hour will be \$325. Rep will be Headley-Reed.

KRBB, El Dorado, Ark. (Ch. 10) has Oct. 15 test pattern target, plans to start with NBC programming Nov. 1-15, reports  $\frac{1}{3}$  owner-gen. mgr. Wm. M. Bigley. Near state's southern border, it has 6-bay RCA antenna installed on 600-ft. Skyline tower, with 5-kw RCA transmitter purchased from Terre Haute's WTHI-TV (Ch. 10) scheduled to be ready by Oct. 1. Base hour will be \$200. Rep will be Pearson.

KMVI-TV, Wailuku, Hawaii (Ch. 12), doesn't expect GE transmitter and 6-bay RCA superturnstile antenna to arrive until mid-Oct., now plans test patterns by "mid-Nov. or later," reports pres. J. Walter Cameron for owner, the semi-weekly *Maui News* (KMVI). It will have transmitter atop Haleakala Crater, will re-transmit Honolulu's KONA programs in much same way that KGMB-TV programs are picked up and rebroadcast by on-air satellite KMAU, also on Haleakala (Vol. 11:16). Rep will be NBC Spot Sales.

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CKNX-TV, Wingham, Ont. (Ch. 8), about 20 mi. east of Lake Huron, now plans test patterns Oct. 15, programming Oct. 30, reports gen. mgr. W. T. Cruickshank. It will use 2-kw RCA transmitter, 12-slot wavestack antenna on 600-ft. Stainless tower to beam 36-kw visual ERP. Base hour will be \$200. Reprs will be Adam Young and All-Canada.

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Gerald A. Bartell family is buying KCBQ, San Diego (1170 kc, 5-kw D, 1-kw N, ABC) for \$250,000 from Tucson attorney Timothy D. Parkman & Stanley N. Schultz, subject to FCC approval. It's second radio station in major market to be purchased within month by Bartells, other being WBGE, Atlanta for \$100,000, also pending FCC approval (Vol. 11:35). They also operate WMTV, Madison (Ch. 33) and own Wisconsin radios WOKY, Milwaukee & WAPL, Appleton.

Community antenna microwave application to feed 3 channels of Nashville programs to system at Paducah, Ky. was filed with FCC this week by Blackhills Video Co., Rapid City, S. D., which estimated installation cost at \$71,445, maintenance & operation \$10,000 a year, first year's revenues \$12,000. Blackhills is currently involved in hearing with competitive applicant for microwave to serve Rapid City community system with Denver signals (Vol. 11:22).

With 28 TV stations on air and 8 more building, more than 75% of Canada's population now has service available and more than 40% of families have sets, CBC chairman A. Davidson Dunton told Canadian National Exhibition last week. In discussing operating costs, Dunton said advertising had been unable to support all programming and hinted possible increase in 15% excise tax on receivers.

Frank C. Carman has acquired full ownership of KUTA, Salt Lake City, by acquiring 62 $\frac{1}{2}$ % of stock for \$150,000 from Grant Wrathall and E. O. Powers in deal handled by Blackburn-Hamilton. Sale of his interest in KUTV (TV) to *Salt Lake Tribune* and *Ogden Standard-Examiner* interests has also been negotiated (Vol. 11:31).

Westinghouse tube div., having recently entered image orthicon and power tube fields, is preparing to market vidicons early next year.

**Telecasting Notes:** Movieland's invasion of TV showed some end results this week with premieres of Warner Bros. and MGM efforts on ABC-TV. Reaction of critics was mixed, but nearly every one remarked on amount of time given to plugs for the moviemakers. The more ambitious show, *Warner Bros. Presents*, featured new film made for TV based on characters and settings of "King's Row," with plot and performances a cut above soap opera calibre. Film ran about 45 min., with about 10 min. devoted to ballyhooing Warners' theatrical features . . . MGM Presents has been described as a "half-hour commercial" for MGM films (plus the program's paying sponsors)—but nevertheless the film clips from past movie successes provided some good entertainment . . . It's too early to generalize on the movie majors' programs; undoubtedly there'll be patching-up and revisions on basis of reaction to efforts to date . . . Next moviemaker-produced show to debut will be Disney's *Mickey Mouse Club* on ABC-TV beginning Oct. 3, Mon.-thru-Fri. 5-6 p.m., then *20th Century-Fox Hour* on CBS-TV beginning Oct. 5, alt. Wed. 10-11 p.m.—originally slated to begin Sept. 21 but postponed 2 weeks because of production problems . . . "That program" continues to monopolize ratings—this week's \$64,000 *Question* rolled up 49.6 Trendex to 3.3 for NBC-TV's *Truth or Consequences* and 1.9 for ABC-TV's *Name's the Same* . . . Giving away money, even if it sometimes goes as high as \$64,000, makes for inexpensive programming. In \$64,000 *Question's* first 13 weeks, it gave away \$183,000 plus 2 Cadillacs (retail value \$4000 each), making cost of prizes awarded to date average out to only about \$14,700 a week . . . Smash-hit scored with community by WRC-TV, Washington, with its series on the polluted Potomac (Vol. 11:35) is being followed up with another splendid public service feature, announced by v.p.-gen. mgr. Carleton D. Smith: Series titled *Y.O.U.—Years of Usefulness*, produced in collaboration with D. C. Dept. of Public Health, deals with medical, social & economic problems of the aging . . . Another Peabody Award candidate: KNXT's *Crisis Over Los Angeles*, aired in Class AA time 7:30-8 p.m. Sept. 13 to tell people about dangers of smog . . . Unusual journey: 3 WBNS-TV newsmen covered "local" story in Genoa, Italy, returning Sept. 15 with 30-in. statue of Christopher Columbus, miniature of 20-ft. statue which will be presented as gift next Columbus Day from people of Genoa to people of Columbus, O. . . . All-night TV for New York: WOR-TV next week inaugurates daily 1-7 a.m. *Night Time New York*, live show packaged by Hank Leeb Productions . . . How to cheat at cards and other gambling games is subject of new weekly 10-min. *Honestly Dishonest* series on San Francisco's non-commercial KQED, featuring Bob Haskell, San Francisco expert on detection of crooked gambling . . . Jewish Theological Seminary of America plans 13 film shows for TV, telling story of Judaism; Milton Krents, producer of NBC's *Eternal Light*, will produce . . . Harriet Van Horne, TV-radio writer for *N. Y. World-Telegram*, has own show now on WABC-TV, Sat. 6:30-6:45 p.m., taking viewers behind scenes in TV.

ABC-TV to "project" all its film shows from Hollywood, New York & Chicago via microwave-coaxial this season, becoming first network to go "live-film" for all recorded shows. Using 35mm prints for all 32 of its weekly film programs, ABC figures on savings in 16mm print costs and transportation as well as better control over quality of projection. Same films will be microwaved regionally to interconnected points from each of the 3 origination points.

Screen Actors Guild voted 4357-573 to ratify new contract with TV film producers which ended 12-day nationwide actors' strike (Vol. 11:32-34).

**END OF HIGH-TOWER** controversy between military-civilian aviation and the telecasting industry seemed closer than ever this week as result of agreements within 2 separate industry-govt. study groups—on tall towers and on lighting & marking.

A 7-man subcommittee of Joint Industry-Govt. Tall Structure Committee reported this week on a "flexible agreement" which could end the stalemate between Pentagon and telecasters over towers higher than 1000 ft. Still-secret report will be submitted Oct. 3 to full committee, is understood to require FCC rule-making, therefore would be subject to industry comments before final adoption.

As predicted last week (Vol. 11:37) it's understood to involve use of antenna farms wherever possible, but set no limits on permissible height of towers.

Long-standing ad hoc proposals of new tower lighting and marking standards have been submitted to technical div. of Air Coordinating Committee, with recommendation that no new standards be finalized until they are subjected to exhaustive tests on actual TV towers of various heights. Proposals are complex, involve new principle of daytime high-intensity lighting (20,000-180,000 effective candle power) on days when visibility drops to 1-3 mi.

Other daytime marking proposals involve solid white circle 150-200 ft. in radius at base of towers, rotating ground markers at guy anchor points, black bands on towers between the conventional white and orange bands. New night lighting rules are also proposed.

Adding emphasis to new "era of good feeling" between military aviation and telecasting industry, military and civilian members of Washington Airspace Subcommittee joined this week to approve proposals by Boston's WBZ-TV for new 1199-ft. tower—the second over-1000-ft. tower okayed by Pentagon since it imposed its unofficial "ban" on such towers last Jan. (Vol. 11:4). First was 1110-ft. for KWVL-TV, Waterloo, Ia. (Vol. 11:22).

Meredith Publishing Co. discloses, in report for fiscal year ended June 30, that 17.1% of its \$42,753,555 gross (\$7,309,857) was derived from its broadcasting operations, which consist of 4 TV and 4 AM stations (see *TV Factbook No. 21*, p. 53). Gross compared with \$41,298,782 in preceding year, of which 12.7% (\$5,244,945) came from TV-radio. Big Des Moines publishing house (*Better Homes & Gardens, Successful Farming*) earned net of \$3,623,865 (\$2.81 per share) vs. \$3,682,470 (\$2.85) in fiscal year ended June 30, 1954.

Guild Films sales for 9 months ended Aug. 31 exceeded 1954 total by \$500,000, and unbilled gross contracts now total \$3,785,000 vs. \$2,164,960 a year ago. Surplus has increased to \$1,403,000 vs. \$1,124,000 at end of last fiscal year. Pres. R. R. Kaufman also announced appointment of Joseph M. McDaniel Jr., secy., Ford Foundation, as chairman of Guild Films advisory committee on new business development and corporate expansion.

First \$1,000,000 gate for closed-circuit TV was predicted this week for Sept. 20 Marciano-Moore heavyweight championship bout, based on reports of heavy advance ticket sales by 127 theatres scheduled to carry telecast in 92 cities—greatest number ever booked for a theatre-TV event. About half the theatres carrying bout reportedly will use mobile projection equipment rented from Theatre Network TV Inc., which is presenting the theatre-telecast.

Signing up Los Angeles' KTTV for *Suzy* and *Halls of Ivy* series, TPA reports that it has done \$858,000 worth of business with that single station in last 2 years; KTTV specializes in film programming.

**SCARCELY A CLOUD ON THE TRADE HORIZON:** From RETMA pres. H. Leslie Hoffman come some amazing statistical projections which attest to the vitality of TV-radio business this year. In interview at RETMA quarterly meeting in N.Y. this week, he predicted:

TV production of 8,200,000, retail sales of 8,000,000 this year; radio output of 12,300,000, retail sales of 12,500,000. The TV figures, of course, represent new records -- exceeding the 7,463,800 produced in 1950 and 7,300,000 sold last year. Radio figures fall short of record but surpass the 10,400,000 made and sold in 1954.

Predictions presuppose normal seasonal uptrend in last 4 months of year, he said, noting that "from now until Christmas is usually our best season and there is no reason why it will not live up to this reputation in 1955". Hoffman then gave us these reasons why retail TV sales are so high:

(1) Robust economy: "People have money or credit and they're using it to buy the things they want most -- and TV is very close to the top of their preferences."

(2) Desire for entertainment: "A TV set is a seat to a show and everybody wants to see a show. And, I might add, the shows have never been better."

(3) Increased wear-out rate: "Replacement sales are booming because many, many sets are deteriorating to the point where it's impractical to repair them. It proves far more expedient and cheaper in the long run to buy a new set."

(4) Program competition: "The practice of networks in programming high-rated shows in competition with each other in same time position is stimulating second-set sales. The father may want to watch a ball game, the mother a dramatic show, and the kids a children's program -- all at the same time. So they buy second sets."

Hoffman's optimism was generally shared by virtually all manufacturers, big and small, attending RETMA sessions. So high was their exuberance, in fact, that only scant attention was paid to record-high inventories of 2,500,000 TVs.

There are few kicks these days from distributors and dealers, either. Thus there doesn't seem to be a cloud on the trade horizon as industry celebrates National TV & Radio Week starting Sept. 18 -- and it looks like smooth sailing in the near future at least.

\* \* \* \*

Revising production "mix" upward, to permit concentration on higher-priced sets where profit margins are greatest (Vol.11:37), is common practice in industry now -- but Emerson pres. Benjamin Abrams warns that it can be overdone. He told us that the practice, if abused, could result in artificial attempt to force production of higher-priced sets faster than public buys them. Next step, he said, would be to dump the excess on the market at cut-rate prices.

"The only way to raise prices is to raise them," he insists. Emerson is one of several companies which have recently increased lists -- others being Admiral, Motorola, DuMont, Stromberg-Carlson, Trav-Ler.

Abrams believes the 24-in. is a real comer, though -- and says Westinghouse's Dan Halpin "wasn't far off base" in last week's prediction that 24-in. would account for 20% of TV sales next year. Several other set makers, while agreeing that 24-in. is making headway, opined next year's figure would be 10-15%.

There's disagreement on whether 24-in. will gain at expense of 17 or 21-in. So far, the 24 gains have been the 17 loss -- but there are some who contend 17-in. market will stabilize itself and low-end 21-in. tables will lose ground.

Brief highlights of other major trade developments this week:

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**DuMont Subsidiary:** National distribution subsidiary, called DuMont National Distributors Inc., was established this week as means of shoring up distribution in "markets where we are unable to get strong independent distributors." DuMont system

is patterned on RCA Victor Distributing Corp., and its new pres. is Wm. H. Kelley, DuMont v.p.-gen. mgr. Fritz P. Rice, operations director of consumer products, is v.p. of new subsidiary. Explained Kelley: "We can't afford to ignore those markets [where independent distribution is not available] in the light of our long-range program for increased volume and product diversification." He said DuMont prefers independent distributors where available, plans to surrender factory distribution to a strong independent outlet subsequently in any market served by new subsidiary.

**Tinkertoy:** Emerson is still aiming to be first on market with "Tinkertoy" or modular, TV set (Vol.11:23-24). Pres. Benjamin Abrams told us he's still shooting for Jan. 1 as introductory date of Tinkertoy set, reported progress thus far as "very satisfactory." From several other manufacturers, however, come objections to Tinkertoy set in its present form. H. Leslie Hoffman, pres. of Hoffman Electronics, and Robert S. Bell, exec. v.p. of Packard-Bell, said they had found modular sets to be too inflexible in that they did not permit use of common components and would thus prove hardship in servicing. Hoffman stressed, however, that no engineering development should be ruled out forever. "The important thing," he said, "is to evaluate it in its present stage of development. Perhaps someone will come along with a refinement to make it entirely practical for our industry."

**Whirlpool Merger:** Distribution wheels began to churn in white goods industry this week, following overwhelming approval by stockholders of new Whirlpool-Seeger Corp. in which RCA and Sears Roebuck each owns about 20% (Vol.11:29-30). Rumors of impending distribution shift in Minneapolis flew thick and fast within hours after merger approval by 99% of stockholders of Whirlpool and Seeger. Minneapolis reports were that RCA distributor F. C. Hayer Co. would take Whirlpool line from Reinhard Bros., which would in turn take Norge line from W.R. Beamish Co. Though principals declined comment, reports were regarded as highly authoritative. You can look for similar shifts to pop up -- though RCA corporate exec. v.p. Charles M. Odorizzi, a director of Whirlpool-Seeger (along with RCA pres. Frank M. Folsom), has cautioned that distributor changes won't be abrupt (Vol.11:30).

**Labor:** Westinghouse strike ended Sept. 15 after month-long dispute idling 44,000 workers and halting production in 28 plants organized by IUE, including TV factory at Metuchen, N.J. Thirty factories with AFL or independent unions were not affected, including tube plant at Elmira. Strike started in big E. Pittsburgh plant and spread later to other IUE facilities in the sprawling Westinghouse organization. Rep. Kearns (R-Pa.) said he will sponsor amendment to Taft-Hartley Act to prevent such sympathy strikes in future. Meanwhile, strike at Bendix Radio in Baltimore entered 4th week as we went to press, with little sign of settlement. Negotiations between International Assn. of Machinists and company appeared deadlocked, despite efforts of Federal Conciliation and Mediation Service to get parties together. On another labor front, Raytheon this week signed new contract with IBEW in all Mass. plants calling for 3% wage increase this year and next.

**Fair Trade:** GE keeps fair trade fires burning almost single-handedly these days, following Westinghouse's decision to leave field (Vol.11:36). In Milwaukee, company asked Federal Judge Tehan to reconsider his earlier refusal to grant an injunction against Milwaukee Boston Store to prevent big retail outlet from cutting prices on GE small appliances. And in Portland, Ore., GE filed notice of appeal to State Supreme Court in effort to reverse Circuit Court decree dismissing its complaint against R.H. Whale Co. on price-cutting charges. Sept. 12 Advertising Age editorialized: "It is our personal impression that fair trade will become progressively weaker as long as the economy is as vigorous and as healthy as it seems to be at present. That is because the fair trade concept is relatively less important in good times than in times of stress. Fair trade was invented as a tool to equalize competition between the 'giant chains' and the 'small independent' in the days when the struggle for business survival was earnest and intense to [a] painful degree."

**Production:** TV output totaled 183,912 week ended Sept. 9, compared to 185,114 preceding week and 167,471 week ended Aug. 26. It was year's 36th week and brought TV production to date to about 5,175,000 vs. 4,300,000 in same 1954 period. Radio

production totaled 234,812 (96,394 auto units) week ended Sept. 9, slightly up from 226,774 in preceding week but under the 239,401 in week before. For 36 weeks, radio production totaled 9,100,000 vs. 7,200,000 in corresponding period year ago.

**Retail Sales:** More new records were piled up in first 7 months, RETMA report showing 3,584,562 TVs sold at retail in Jan.-July period, 13% higher than in record 1954 when 3,174,394 sets were sold. July sales set record of 381,567, only little under the 430,347 sold in 5-week June and above the 368,634 of July 1954. Radios sold in first 7 months, excluding auto sets, totaled 2,732,983 vs. 2,822,090 in corresponding 1954 period. July sales were 303,965, compared to 421,387 in June and 411,197 in July 1954.

**Trade Personals:** R. Lee Waterman, ex-Montgomery Ward, named gen. mgr. of Corning Glass consumer products div., succeeding John Carter, now v.p.-gen. mgr. of new products div.; Stannard H. McKibben promoted to supervisor of TV bulb applications engineering and packaging, Corning electrical products div. . . Bruce W. Bragg, ex-RCA, named asst. sales mgr., Westinghouse TV-radio div.; Russell W. Johnson, ex-DuMont, named asst. adv. mgr. . . John D. Thuet, Sylvania regional mgr. for Philadelphia & Pittsburgh, named radio sales mgr. of TV-radio div., replacing Aaron Bowser, resigned . . Alfred C. Werner promoted to mgr. of Raytheon's new Pittsburgh sales & service office, reporting to Harold N. Herndon, Cleveland district mgr. of equipment marketing div. . . John H. Riddel, ex-Capehart-Farnsworth, named merchandise planning mgr., Sylvania TV-radio div. . . Robert M. Van Brundt, Motorola adv. mgr., moderated panel discussion on manufacturer-to-dealer direct mail ad techniques Sept. 14 at Chicago convention of Direct Mail Adv. Assn. . . James E. McGarr promoted to gen. mgr., Sylvania tungsten & chemical div., reporting to operations v.p. John B. Merrill . . John E. Riesenfeld, home merchandising mgr., *Good Housekeeping Magazine*, becomes pres. & publisher, *Radio and Television Weekly*, succeeding Edward H. Davis, who remains as consultant . . Robert G. Hess appointed Sparton eastern Mich. zone mgr., Port Huron . . J. A. (Shine) Milling, Howard W. Sams Co., and Norman A. Triplett, Triplett Electrical Instrument Co., named co-chairmen of RETMA jobber relations committee . . Wm. Griffith resigns as Bendix Radio New England regional mgr., his duties assumed by eastern mgr. Paul McLaughlin . . Edward Kedziora promoted to v.p. in charge of Sonora contract sales . . Thomas M. Schubert named staff attorney, International Resistance Co.

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Packard-Bell exec. v.p. Robert S. Bell says recent decisions of some TV manufacturers to design "California-style" receivers for exclusive marketing on west coast (Vol. 11:33) justify his oft-stated position that "there's no need for a western manufacturer to go east; they're coming out to us." He told us Packard-Bell has no plans to extend its distribution beyond its present 11 western states and Hawaii. "To sell in the east you need an eastern facility," he said. "Coming in as a newcomer would be highly unprofitable—at least at the start." Packard-Bell this week added one 21-in. table model at \$180 and four 21-in. consoles at \$200, \$250, \$300 & \$330.

James Emanuel Hahn, 63, founder of old DeForest Radio Corp. of Canada, later known as DeForest-Crosley, died last week at his summer home in Cambellton, N.B. He was pres. of John Inglis Co. Ltd. and English Electric Co. of Canada when he retired in 1951. Surviving are wife, 2 sons and a daughter.

Wallace L. Gifford, a v.p. & director of Raytheon, recently serving as its general consultant, died Sept. 9 at home near Waltham, Mass.

**HIGHWAY HI-FI** is what CBS-Columbia and Columbia Records call their special new 16 $\frac{2}{3}$  rpm auto-phono-record package, which will be offered as optional equipment in Chrysler's 1956 line. Invented by Dr. Peter Goldmark, pres. of CBS Labs, phonograph is mounted under dashboard, plugs into car radio by jack, plays through radio speaker, draws power from car battery. It's manually operated, attached by rubber shock mounting to offset vibration, with special "damping" process to keep needle in grooves while car turns corners.

Special package of six 7-in. Columbia records, with up to 35 min. of playing time on each side, will be offered Chrysler purchasers for still-undetermined price. Phono and records are being made exclusively for Chrysler, whose transistorized radios are made by Philco.

Auto companies are also experimenting with transistorized radios that can be removed from dashboards and used as portables, according to R. W. Snyder, sales mgr., electrical div., Olin Mathieson Chemical Corp. (batteries). Predicting battery industry boom, with a \$100,000,000 market in cells for transistor radios within 3 years, he said these sets eventually may replace conventional home receivers. New *Jobber News* market guide reports 31,300,000 auto sets in use in 1954, and 42,400,000 radio homes out of total of 45,300,000 homes.

Note: Transistorized electric clocks will be in every auto in 5-10 years, predicts GE exec. v.p. Roy W. Johnson. He said the new clocks, requiring no plug-in-cord, will be marketed within 6 months. By 2 years they will have no moving parts, he predicted.

**DISTRIBUTOR NOTES:** CBS-Columbia appoints Tom P. McDermott Inc., 1400 S. Boston, Tulsa (Tom P. McDermott, pres.) . . R. P. McDavid & Co., Birmingham (RCA) opens branch at 418 N. Royal St., Mobile . . Olympic Radio creates factory branch, Olympic Television of Northern Ohio Inc., 4019 Prospect Ave., Cleveland (Robert S. Boak, gen. mgr.) . . Trav-Ler Radio opens new factory branches in Cleveland & Milwaukee . . Emerson Radio of Texas appoints H. L. Horton, ex-W. T. Grant Co., as San Antonio branch mgr. . . Canadian Westinghouse Supply Co. Ltd. promotes M. M. Elliott, TV-radio sales mgr. & onetime gen. mgr. of Motorola of Canada, to gen. sales mgr. of consumer products div.; P. W. Heron named asst. sales mgr. . . Admiral Distributors Inc., San Francisco, appoints Winifred Kenny, ex-McCormack Co., as adv. & sales promotion mgr. . . G. W. Onthank Co., Des Moines (Admiral) promotes Frank A. Hutton to sales promotion mgr. . . Philco Distributors Inc., Chicago, appoints Mort Siegel, ex-Main-Line Distributors, as sales mgr. for washers & freezers . . John W. Walter Inc., Long Island City (Bendix Radio) appoints Sidney Gutman, ex-O'King & Co. Adv., as gen. mgr. . . American Elite Inc., N. Y., exclusive U.S. agent for Telefunken radios, reports resignation of John Buckley as field sales mgr.

**Topics & Trends of TV Trade:** War against used-tube racketeers intensified this week when Sylvania offered \$1000 reward for information leading to arrest and conviction of any individual or company fraudulently branding Sylvania name on tubes. RCA, GE and several other leading tube makers are offering full cooperation to legal authorities in industry-wide drive to stamp out a racket which Philco estimates is costing TV-radio users \$100,000,000 a year. Philco itself has launched campaign to smash racket by offering 5¢ credit for each old tube turned in by servicemen, then destroying it (Vol. 11:33).

"We're taking off the gloves," wrote Sylvania electronic sales mgr. D. W. Gunn to service dealers, "to fight the criminal practices that are robbing service dealers, customers and manufacturers alike." He urged them to take full advantage of the reward offer. "Counterfeiting is injuring your reputation and your business now," he wrote. He said the racket works this way:

The racketeer buys used tubes for 1¢-3¢ each from handful of unscrupulous service dealers. They are cleaned and polished, and the original manufacturer's name buffed off. Then they're rebranded with a top company identification and sold as new to local distributors for as much as 80% of market price. Cathode-ray tubes are subjected to heating process called "toasting" to restore them to temporary usefulness, and the "burn mark" removed by blow torch before washing, polishing and rebranding.

Note: *New York Times* business writer Alfred R. Zipsper Jr. devoted Sept. 11 column to racket, quoted technical official of unidentified company: "The tube crooks foul up the vast market for replacement tubes and don't do anything good for sales of complete TV and radio receivers either."

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New appeal to Federal Trade Commission to obtain modification of its rules on designation of used tubes and screen measurements was authorized this week by RETMA board, as predicted (Vol. 11:37). On recommendation of set and tube divs., board directed counsel Glen McDaniel to gather all necessary facts for new petition. At 3-day N. Y. meeting, board also authorized NTSC to stage color TV demonstration for foreign delegates of International Radio Consultative Committee (CCIR), in cooperation with State Dept., next March in N. Y. Other board actions: (1) Elected E. C. Anderson, exec. v.p. of RCA commercial dept., as RCA's representative on board and on set div. exec. committee, succeeding L. W. Teegarden, resigned. (2) Chose Hot Springs, Va., for annual joint conference with RETMA of Canada, Sept. 27-29, 1956. (3) Approved formation of new guided missiles committee in expansion of military products activities.

Radio Craftsmen Inc., Chicago hi-fi manufacturer, has been purchased by Precision Radiation Instruments Inc., Los Angeles, to be operated as wholly-owned subsidiary. John H. Cashman, pres. of Radio Craftsmen, will serve as adviser until end of year.

Novel promotion: A new RCA Victor 5-in. plastic 78rpm record will be inserted in each copy of Nov. *Pageant Magazine*, carrying article on singer Jaye P. Morgan. It will be miniature version of her latest RCA recording.

DuMont adds 21-in. console, called "Carter," priced at \$240 in ebony, \$250 in limed oak—with aluminized picture tube, tinted safety glass and removable front.

Emerson to spend \$8,000,000 in 1956 ad campaign, biggest in its history, pegged to theme: "Wherever You Look . . . There's Emerson." Agency is Grey Adv.

Zenith adds 24-in. table model at \$260 and 24-in. console at \$340, plus 2 new table phonos at \$300.

GE cut \$2 off price of 4 of its 14 clock radios—bringing price leader down to \$23, with 3 others reduced to \$28.

**Electronics Reports:** Southern California, notably the Los Angeles area, has been boasting in recent years that it's the center of the burgeoning electronics industry—due to big contracts going to aircraft firms. But the cradle of U. S. industry, New England, is doing all right in that field, too; indeed, it's being rescued from possible oblivion by the electronics boom, says editor Malcolm S. Forbes in Sept. 15 *Forbes Magazine*.

Despite loss of textile industry to south and despite disastrous floods, Mr. Forbes points out, New England's industrial survival is succeeding, thanks in great measure to electronics. During gloomy 5 years when fading textile industry put 100,000 workers on streets, electronics plants alone added jobs for 50,000. Article states:

"It is a real tribute to the workers and entrepreneurs of the area that New England has garnered more than its share of this fast-growing industry. With just 6% of the U. S. population and 8% of its industrial workers, New England has nabbed 15% of the electrical machinery business. Raytheon, for example, is a New England firm . . . GE has no less than 17 plants in the area, is spending \$40,000,000 to modernize its Lynn, Mass. works. General Dynamics Corp. is a big . . . employer. So is Sylvania . . ." Before recent flood, New England economists had predicted 17% share of electronics industry in 1955.

Yankee refusal to accept defeat is emphasized, and cities' determination to avoid "ghost town" status by attracting new industry is pointed up by Lowell, Mass. which built plant for CBS-Hytron to offset loss of textile mills while Lawrence, Mass. is getting 3400-employee Western Electric factory.

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Radio engineering's highest award, the IRE Medal of Honor, will be presented next spring to John V. L. Hogan, president of Hogan Laboratories Inc., founder of New York's WQXR, and a founder and ex-president of IRE. Hogan was cited by IRE "for his contributions to the electronic field as a founder and builder of the Institute of Radio Engineers, for the long sequence of his inventions, and for his continuing activity in the development of devices and systems useful in the communications art."

Morris Liebmann Memorial Prize, IRE's award to the member who has made a recent important contribution to radio engineering, goes to Bell Labs' Kenneth Bullington for studies and application of "scatter" principle of long-distance radio transmission (Vol. 11:32).

Wilbur S. Hinman Jr., director of Diamond Ordnance Fuse Laboratories, Washington, was named to receive Harry Diamond Memorial Award, for govt. employes for outstanding radio-electronics work. Award was for his work in fields of meteorology and proximity fuses.

Note: For nominees for 1956 IRE officers and directors, see Vol. 11:35, p. 11.

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Kaye-Halbert's amended Chapter XI plan has been upset by govt.'s revision of its earlier offer to accept only part of its \$105,000 claim. New petition by Govt. contends that general unsecured creditors must subordinate their claims until all demands of Govt. have been satisfied. Hearing on confirmation of new plan has been postponed to Sept. 22 in Los Angeles Federal Court.

Sylvania opened new \$2,500,000 avionics & missiles system lab at Waltham, Mass. Sept. 15, designed as combination military-commercial electronics research center. In dedication speech, chairman-pres. Don G. Mitchell revealed Sylvania electronics div. held \$50,000,000 in defense contracts, mostly research & development.

Admiral broke ground for new Palo Alto, Cal. electronic research lab this week. Staff headed by Robert M. Jones will handle military projects (guided missiles, radar, etc.) and civilian products research & development.

**Financial & Trade Notes:** Admiral's position in the industry, despite reduced first-half revenues and earnings (Vol. 11:33) and despite fluctuations of stock so far this year between 30¼ and 21¼, is strongly boosted in 21-p. printed report released by Glore, Forgan & Co., Chicago & New York, which traces its fiscal history and appraises its prospects and market position thus:

"Unless there is an unexpected slump in sales of civilian goods, the outlook is favorable for higher sales and earnings in the last half than the excellent levels in the corresponding period of 1954. Sales are reported to have moved ahead of last year in June and should show increasing gains during the balance of the year in comparison to 1954 when defense sales were declining. As a result of two recent price advances covering different models, a substantial part of the TV line has been increased \$10-\$20 per unit, which should improve dollar sales and profit margins. For the full year, it is estimated that sales will run slightly ahead of the 1954 level of \$219,600,000 with per share earnings a little above the \$2.78 reported in 1954. [For profit-&-loss and other fiscal data for each year from 1950 through first quarter 1955, see *TV Factbook No. 21*, p. 380.]

"At the current market price of 21½ [now 22½], Admiral Corp. common stock is selling approximately 7.7 times tentative earnings projections for 1955. Considering the company's record of growth, the stock appears reasonably priced in the current market in relation to other leading companies in the same fields of endeavor. The dividend yield of 4.7% also compares favorably with the yield provided by stocks of other companies in the TV-appliance fields."

Report shows approximately 65% of Admiral's 1954 sales were TV, radio & govt. equipment, remaining 35% being refrigerators (7% of industry output), freezers, electric ranges, air conditioners. It's one of top 3 among 68 TV producers which are said to be "approximately equal in size and estimated to account for a little less than one-third of total sales." Its competitive position was said to be strengthened last year by development of high speed automatic machines which assemble about ¼ of the 231 electrical components in a TV chassis. Admiral is also building the equipment and up to end of Aug. had delivered the first third (14 out of 44 heads) to the RCA

Paine, Webber, Jackson & Curtis, in Sept. 1 investor report, reveals RCA is "actively developing automatic electronic business control equipment, but as yet has not made any public announcement regarding commercial developments." However, it's stated, trade sources believe commercial units will be introduced soon, launching company into a rapidly growing field which "may reach an annual volume of \$1 billion within 10 years." Report adds: "Assuming RCA obtains 20% of the industrial volume, one can visualize additional sales volume of \$20,000,000 annually for RCA eventually." Also predicted is transistor boom, with present factory sales of \$6,000,000 reaching \$300,000,000 in 5-8 years. Report is highly bullish on RCA, as was Carl M. Loeb, Rhoades & Co.'s 42-p. report of week earlier (Vol. 11:34) which predicted \$1.7 billion revenues for RCA by 1959-60. Note: RCA is expected to realize \$1 billion or more billings this year (Vol. 11:31); its capitalization now is \$384,199,189, of which stockholders' equity is \$234,199,189.

Olympic Radio & Television Co. earned \$158,722 (35¢ per share) on sales of \$8,352,742 in 6 months ended June 30, vs. \$76,993 (17¢) on \$9,342,768 in same period last year. Working capital increased to \$3,184,282 from \$2,915,003; outstanding shares now are 453,522 vs. 431,925 as result of 5% dividend last April.

TV plant in Indianapolis, having signed RCA to 5-year license.

Outlook for Admiral appears favorable for coming year, says report, though defense deliveries (radar, radio-activity detection, walkie-talkies, air-to-ground TV, IFF aircraft identification, all-channel transmitter-receiver for aircraft) have gone down from Korean War peak of \$5-\$6,000,000 per month to about \$2,000,000 monthly in final quarter of 1954 and first half of 1955. Latter rate "is expected to continue for balance of 1955." It was this decline which largely caused 1954 and first-half 1955 gross & net to decline under preceding periods.

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Noteworthy in report on Admiral by Glore, Forgan & Co. are several tables that compare (1) sales growths of that company with other companies during the postwar period and (2) their pre-tax profit margins. Using 1947 index of 100, this is sales index table:

Index of Sales (1947 = 100)

	Admiral	Motorola	Philco	RCA *	Sylvania	Zenith
1947	100	100	100	100	100	100
1948	139	143	122	114	104	97
1949	234	174	95	127	107	125
1950	481	376	148	187	170	169
1951	388	287	135	191	212	139
1952	399	358	162	221	246	173
1953	524	462	190	271	306	210
1954	458	435	154	301	294	175

\* Gross revenues.

Second table shows profit margins in the industry have not been high, with exception of 1950 when the sellers' market in consumer durable goods, especially TV sets, resulted in unusual profits for all producers. Here's the second table:

Pre-Tax Profit Margins

	Admiral	Motorola	Philco	RCA	Sylvania	Zenith
1947	7.9%	9.5%	9.6%	9.4%	3.0%	7.6%
1948	9.0	8.8	7.2	11.5	6.3	6.8
1949	12.1	10.5	3.3	10.6	5.0	11.4
1950	16.6	15.5	10.1	16.6	12.0	13.1
1951	10.1	10.4	7.2	10.4	13.1	10.7
1952	10.2	9.2	7.0	9.8	7.5	9.6
1953	8.5	7.1	7.0	8.5	8.3	8.2
1954	7.1	8.1	3.0	8.9	6.5	8.5

Raytheon earned net profit of \$764,000 (27¢ per share) on sales of \$39,184,000 in third quarter vs. \$1,102,000 (40¢) on \$44,698,000 in same 1954 period, reflecting reduced govt. volume and lower profit margins, according to report by pres. Charles Francis Adams Jr. at Sept. 17 annual meeting. Unfilled defense orders as of Aug. 31 totaled \$95,000,000. Adams said that in next 6 months Raytheon will triple production of transistors and that his company is doing more business in transistors than all of its competitors combined.

Among officers' & directors' stock transactions reported by N. Y. Stock Exchange & American Stock Exchange for August: Donald L. Millham bought 2100 GE, holds 4709; E. V. Huggins bought 1000 Westinghouse, holds 2124; C. Russell Feldman acquired 371,520 National Union Electric on conversion of preferred, holds 393,020 indirectly; Gerhard G. Schneider and Mrs. Elise C. Schneider bought 2000 National Union Electric, hold 4000.

ABC-Paramount will redeem 150,000 shares of 5% preferred stock (\$20 par), effective Oct. 20, at \$21.05 per share, including 25¢ accrued dividend. Specific shares will be selected by lot at close of business Sept. 20 when books will be closed to further transfer of selected shares. Retirement, plus 84,790 shares previously purchased on open market, will leave 373,257 outstanding.



**Color Trends & Briefs:** New 3-vidicon live color camera, keystone of RCA's industrial color TV plans, was demonstrated to mass audience for first time Sept. 12 at Congress of International College of Surgeons in Philadelphia (see below). RCA will go into commercial production of 3-V industrial color systems for industrial and medical purposes next year, developing "specialized gear for all fields," according to engineering products v.p. Theodore A. Smith.

Advantages of 3-V camera over image orthicon for closed-circuit industrial use: lower price (unannounced) and compactness (weight & size about same as black-&-white studio camera). As opposed to field sequential industrial color systems being pushed by GE and CBS, RCA lists as an advantage the fact that it is compatible with commercial standards and can use commercial relay facilities and commercially available receivers.

At medical demonstration, more than 1000 surgeons in Philadelphia's Convention Hall witnessed removal of internal growth from a patient in Veterans Administration Hospital, the signal relayed by microwave for viewing on 15x20-ft. projection screen and on standard 21-in. color sets. New 3-V camera picked up close details of the operation, while standard studio-type color cameras provided wide-range views of operating room activity and microscope views of tissue specimen.

Smith emphasizes that the 3-V color camera—at least at present—is not suited to live broadcast studio work, because of its low sensitivity as compared to image orthicon camera. The 3-V system is included in \$425,800 closed-circuit color installation at Washington military medical centers, for which RCA was awarded contract last week (Vol. 11:37).

\* \* \* \*

Network color telecasting problems will be subject of roundtable at SMPTE's Lake Placid, N. Y. convention Oct. 6. NBC color TV development director Robert E. Shelby, CBS engineering v.p. Wm. B. Lodge, ABC engineering v.p. Frank L. Marx will discuss large scale color operation effect on studio equipment, lighting & techniques. AT&T asst. engineering operations director Frank A. Cowan will cover technological changes required in network color transmission; WTMJ-TV engineering mgr. Philip B. Laeser will explain problems of outlying stations in delivering adequate signals to receivers. H. N. Kozanowski & S. L. Bendell, RCA, will deliver paper on color-metric problems in using film; R. G. Williams, Century Lighting Inc., will discuss control of studio lighting spectral quality.

WDBJ-TV, Roanoke (Ch. 7), due on air this month, has ordered DuMont color multiscanner & 2 camera chains.

"Progress report" on GE color tube development will be given to 20 TV set manufacturers during next 3 weeks at series of half-day demonstrations and discussions at Syracuse plant—but company emphasizes that its color tube is still in developmental stage "and may not be ready for production lines until 1957." Demonstrations will feature GE's "post-acceleration" tube, said to be 3-gun 21-in. rectangular, but tube dept. gen. mgr. J. M. Lang stresses that the meetings will "in no sense be announcement of a new product." Rather, he said, they're intended to show "precisely how we have spent several million dollars in color picture tube development during the past 2 years." GE's color tube is said to use grid behind screen to increase velocity of electrons, which strike color phosphors placed on screen in vertical rows.

Network color schedules for next 2 weeks: NBC-TV—Sept. 19-23 & 26-30, *Home* segments, 11:45-noon, and *Howdy Doody*, 5:30-6 p.m.; Sept. 19, *Producers' Showcase*, "Our Town," starring Frank Sinatra, Eva Marie Saint & Paul Newman, 8-9:30 p.m.; Sept. 27, new *Milton Berle Show* featuring Esther Williams' TV debut, 8-9 p.m.; Oct. 1, *Max Liebman Presents "Heidi,"* starring Jeannie Carson & Trio Shmeed, 9-10:30 p.m. CBS-TV—Sept. 24, *Ford Star Jubilee*, starring Judy Garland & David Wayne, 9:30-11 p.m.; Sept. 27, *Red Skelton Show*, 9:30-10 p.m.

Lineup of talent for second of NBC-TV's *Color Spread* series, based on the book *Show Biz* authored by *Variety's* Abel Green and the late Joe Laurie Jr. and scheduled for Sun. Oct. 9, 7:30-9 p.m.: Groucho Marx as "grand marshal" with Rosemary Clooney, Dennis Day, Paul Gilbert, Phil Harris, Beatrice Kay, Buster Keaton, Eartha Kitt, Bert Lahr, Shirley MacLain.

Big RCA tube plant at Lancaster, Pa., recently converted to color tube production, will add 285,000 sq. ft. of building space to bring total to more than 1,000,000 sq. ft. in what tube div. v.p. D. Y. Smith describes as "another major step in RCA's stepped-up production of color picture tubes." Nearby 14-acre tract was purchased from Stehli & Co.

Canadian coast-to-coast color TV networking will be possible by 1958, said Canadian Bell pres. Thomas W. Eadie at Sept. 12 directors luncheon, Canadian National Exhibition. In 3 years, he said, the world's longest microwave relay route—from Halifax to Vancouver, 4000 mi. via 160 hops—will be completed and fully equipped to carry color programs.

Filmed color TV series, in 39 episodes, 5-min. *Sam Snead Show* (golfing tips), now being offered to stations and sponsors by RCA Recorded Program Services.

RCA delivered live color camera Sept. 15 to School of Radio Techniques Inc., N. Y.

"University of the World" with lecture rooms and speakers' platforms all over the earth through medium of TV was envisioned by Dr. Alfred N. Goldsmith, editor emeritus of the *Journal of the IRE*, original chief engineer of RCA, now a consultant, in address to Congress of International College of Surgeons in Philadelphia Convention Hall as prelude to closed-circuit color TV medical demonstration (see above). "TV symposia or conventions," said Dr. Goldsmith, "provide new means for tying together, by interconnection, widely separated hospitals and thus combining them into the super-clinic of the future. Cable or radio-relay circuits already carry TV thousands of miles and could be engineered to carry TV sessions over any terrestrial distance . . . It may well lead to a basically expanded type of educational institution [which] could tie together scientists, doctors, teachers, demonstrators and students into one vast and integrated audience. Clearly, TV can add to the 'University of the World' its

necessary adjunct, the 'Library of the World.' Thus electronics will in the future make available to the surgeon or physician anywhere at least as much information as he may desire and can assimilate from any central or regional source anywhere on this planet!"

Dividends: Motorola, 37½¢ Oct. 14 to stockholders of record Sept. 30; ABC-Paramount, 25¢ Oct. 20 to holders Sept. 23; IT&T, 35¢ Oct. 15 to holders Sept. 23 (increased); Dynamics Corp., 10¢ Sept. 30 to holders Sept. 22; GE, 40¢ Oct. 25 to holders Sept. 23; Standard Radio Ltd. "B," 15¢ Oct. 11 to holders Sept. 2; Packard-Bell, 12½¢ Oct. 25 to holders Oct. 10 (increased); Collins Radio, 50¢ Oct. 1 to holders Sept. 20.

IT&T consolidated net income was \$11,411,701 (\$1.59 per share) on revenues of \$227,975,928 for 6 months ended June 30 vs. \$10,112,810 (\$1.14) on \$198,926,281 for same 1954 period.

## Network TV-Radio Billings

July 1955 and January-July 1955

(For June report see *Television Digest*, Vol. 11:31)

**N**ETWORK TV BILLINGS dipped in July to lowest since Sept. 1954, aggregating \$29,996,679, but ran well ahead of the \$22,944,803 of July 1954, according to Publishers Information Bureau, reporting Sept. 14 (more belatedly than usual). Network radio also went to new monthly low of \$8,273,365 vs. \$9,529,016 in July 1954. Each of the TV networks was down, with DuMont trickling to mere \$131,105.

TV's 7-month cumulative was \$227,172,548 vs. \$172,957,857 for same 1954 period; radio was \$69,976,389 vs. \$84,058,330. The PIB report:

### NETWORK TELEVISION

	July 1955	July 1954	Jan.-July 1955	Jan.-July 1954
CBS	\$14,635,011	\$11,861,534	\$108,326,852	\$ 77,777,963
NBC	11,966,760	8,149,533	90,777,503	70,443,559
ABC	3,263,803	2,310,281	25,032,408	17,517,945
DuMont	131,105	623,455	3,035,785	7,218,390
<b>Total</b>	<b>\$29,996,679</b>	<b>\$22,944,803</b>	<b>\$227,172,548</b>	<b>\$172,957,857</b>

### NETWORK RADIO

CBS	\$3,122,096	\$3,821,234	\$27,063,223	\$33,536,043
NBC	2,452,364	2,127,192	18,715,886	20,697,370
ABC*	1,676,650	2,098,823	14,992,049	17,269,420
MBS	1,022,255	1,481,767	9,205,231	12,555,497
<b>Total</b>	<b>\$8,273,365</b>	<b>\$9,529,016</b>	<b>\$69,976,389</b>	<b>\$84,058,330</b>

### NETWORK TELEVISION—January-July 1955

	ABC	CBS	DuMont	NBC	Total
Jan.	\$ 3,718,195	\$15,831,141	\$ 723,960	\$13,172,695	\$ 33,445,991
Feb.	3,567,696	14,694,726	597,275	12,419,641	31,279,338
Mar.	3,806,425	16,036,896	628,625	14,102,093	34,574,039
Apr.	3,527,558	15,426,214†	462,335	13,285,933	32,702,040†
May	3,606,427	15,978,680†	273,640	13,591,687	33,450,434†
June	3,542,304	15,724,184†	218,845	12,238,694†	31,724,027†
July	3,263,803	14,635,011	131,105	11,966,760	29,996,679
<b>Tot.</b>	<b>\$25,032,408</b>	<b>\$108,326,852</b>	<b>\$3,035,785</b>	<b>\$90,777,503</b>	<b>\$227,172,548</b>

### NETWORK RADIO—January-July 1955

	ABC	CBS	MBS	NBC	Total
Jan.	\$ 2,487,140	\$ 4,181,787	\$1,372,532	\$ 2,744,204	\$10,785,663
Feb.	2,387,900	3,950,767	1,291,938	2,584,620	10,215,225
Mar.	2,445,765	4,393,441	1,446,535	2,953,486	11,239,227
Apr.	2,096,355	3,837,124	1,365,658	2,624,671	9,923,808
May	2,080,272	3,921,807	1,450,889	2,652,560	10,105,528
June	1,817,967†	3,656,201†	1,255,424†	2,703,981†	9,433,573†
July	1,676,650	3,122,096	1,022,255	2,452,364	8,273,365
<b>Tot.</b>	<b>\$14,992,049</b>	<b>\$27,063,223</b>	<b>\$9,205,231</b>	<b>\$18,715,886</b>	<b>\$69,976,389</b>

\* In order to maintain continuity and comparability with previously published data, an adjustment factor of 1.817 has been used by PIB in calculating gross network radio time charges for those nighttime network radio programs where ABC Rate Card No. 6 was in effect.

† Revised as of Aug. 14, 1955.

Note: These figures do not represent actual revenues to the networks, which do not divulge their actual net dollar incomes. They're compiled by Publishers' Information Bureau on basis of one-time network rates, or before frequency or cash discounts, so in terms of dollars actually paid may be inflated by as much as 25%. However, they're generally accepted in the trade as an index.

Three applications for new TV stations were filed this week with FCC, bringing total pending to 157 (20 uhf). Week's applications: For Boston, Ch. 38, by Herbert Mayer, former owner of WXEL, Cleveland and KPTV, Portland, Ore. (Ch. 27), who recently applied for Philadelphia's Ch. 23 (Vol. 11:20); for Laurel, Miss., Ch. 7, by group of Laurel & Meridian businessmen headed by Meridian Mayor Wm. S. Smylie; for Clovis, N. M., Ch. 12, by farmers S. S. & S. W. Pipkin. [For details, see *TV Addenda 21-J* herewith; for complete listings of all grants, new stations, applications, etc., see *TV Factbook No. 21* with Addenda to date.]

FCC Comr. Robert E. Lee, serving only his second year of 7-year appointment, branded as "just plain nonsense" rumor rampant throughout Washington this week that he's quitting to become an executive of General Tele-radio Inc.

**A**DVERTISER expenditures on national spot TV will be reported on scientific basis, by companies and by brands, under plans evolved this week by Oliver Treyz, pres. of Television Bureau of Advertising, which now boasts 153 stations, 8 rep firms, 2 networks as members and which, with income now running \$526,000 a year, is rapidly gaining same stature in its field that ANPA Bureau of Advertising enjoys in newspaper field.

First report will cover fourth 1955 quarter, probably will be made available in Feb. 1956, but meanwhile Treyz estimates year's total for national spot TV will approximate \$275,000,000, up from the \$205,200,000 estimated by McCann-Erickson researchers for *Printers' Ink* (Vol. 11:34). That estimate includes talent & production as well as time costs—what the advertiser actually spends; McCann-Erickson figures that the talent & production factor for TV spot is 1.17 times net time cost.

TvB is working with N. C. Rorabaugh Co., publisher of *Rorabaugh Reports* on spot advertising, in development of its quarterly reports, having tested accuracy of Rorabaugh's listings and found them good basis for over-all projections. Rorabaugh will continue to issue *Rorabaugh Reports*, which are based on cooperation of individual stations and enjoy high industry acceptance.

According to Treyz, the new TvB grand totals and individual company & product breakdowns will "eliminate a situation whereby various trade journals and competing media have measured TV as defined strictly by its network facilities dimensions, as regularly reported by PIB." Spot TV, he said, is "one of the last major elements of advertising whose expenditures will be lifted out of mystery and haze into light and focus."

Monthly PIB reports (see adjacent column) cover network time sales only, do not purport to embrace total advertising expenditures on networks. Moreover, they're gross figures, based on one-time rates, so that they must be discounted by as much as 25% to get an approximation of actual network take. *Printers' Ink* report for 1954 estimated advertiser expenditures on networks at \$417,900,000, including talent & production, this total being reckoned by McCann-Erickson as running 1.75 times net time cost.

Subscription TV front was relatively quiet this week, partisans on both sides assuming policy of watchful waiting, following last week's filing of replies to arguments of opponents (Vol. 11:37). Battleground shifted from Washington to Cincinnati this week as WCPO-TV televised 3-day series of debates featuring principals of pro- and anti-fee-TV factions—including Zenith's Ted Leitzell, Skiatron's Robert Hall, Telemeter's Paul McNamara, Jerrold's Milton Shapp, and Trueman Rembusch of movie exhibitors' Organizations for Free TV. In addition to 3 televised debates, station planned hour-long demonstration of all fee-TV systems. Meanwhile, Allentown's off-air WMFZ-TV (Ch. 67), which has offered to serve as guinea pig for 3-year pay-TV tests (Vol. 11:31), told Commission it was "surprised" and "aggrieved" over opposition by subscription-TV opponents to its proposal. It assured FCC it has "no axe to grind, pro or con," just wants to be of assistance in getting at the facts.

NARTB station insurance chart and checklist, prepared by research mgr. Richard Allerton, was mailed to all members this week as guide to types of insurance policies needed in station operations. Duplicate checklist should be returned to NARTB for analysis of industry's position in insurance protection.

# MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE  
FOR MANAGEMENT  
OF THE  
VISUAL BROADCASTING  
AND ALLIED ELECTRONICS  
ARTS AND INDUSTRY

SEP 26 1955

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# Television Digest

with **ELECTRONICS** REPORTS

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## SUMMARY - INDEX OF THE WEEK'S NEWS — September 24, 1955

**TV ADVERTISERS SPENDING** \$1 billion-plus this year for time, talent, etc.; networks account for half, spot for \$275,000,000, local \$250,000,000 (p. 1).

**TV SET SATURATION** mostly in metropolitan areas, north-east region leading (79.9%), reports Census Bureau; only 45.9% TV homes in rural areas (pp. 2 & 4).

**NEW ALLOCATIONS STUDY** launched by RETMA with FCC blessing, as Commission begins its network investigation. Lee & Hyde amplify views on allocations (p. 2).

**BIG LEAGUE BASEBALL** attendance declines blamed on TV; situation to be taken up by club owners at meetings following World Series (p. 3).

**FEE-TV AS ELECTION** issue, proposed by Sarnoff, gets cool reception from politicians and evokes sharp retort from McDonald; other subscription TV news (p. 5).

**FCC GRANTS 2**—uhf in Orlando, Fla., vhf satellite in Neb.; new Zone I ceilings postponed again. Initial decision favors Spartanburg site move (p. 8).

**COLOR SET SALES RISE** under influence of big promotions, expansion of programming, TV & Radio Week merchandising push; no price cuts due soon (p. 11).

**SET OWNER PAYS** only 3¢ an hour for TV, says RETMA pres. Hoffman: average price \$200, trade-in \$30-\$40, servicing \$14. Set's life-span put at 7 years (p. 13).

**FINANCIAL DETAILS** of new DuMont structure in proxy statement for Oct. 10 meeting. Pro forma statements show network earned money, stations lost (p. 9).

**AIR FORCE** \$2.4 billion contract with AT&T for vast communications network becomes political football; Democrats order full-scale investigation (p. 15).

**LONDON LIKES** commercial TV, especially idea of competition to BBC, after seeing debut Sept. 22. Expanding program interchanges with U. S. seen (p. 8).

**ADDED STARTERS:** Roanoke's WDBJ-TV, Ohio State's WOSU-TV, 29th in Canada. Sioux Falls TV tower collapses, hurricane delays N. C. upcomer (p. 10).

**HOW MUCH THE ADVERTISER IS SPENDING ON TV:** We've been predicting for some time that 1955 advertising expenditures on the TV medium would exceed \$1 billion, up from the \$803,600,000 of 1954 as calculated by McCann-Erickson for Printers' Ink (Vol. 11:34). We can now document that prediction on the basis of trade figures at hand -- figures that are astonishing, to say the least. And all the more astonishing when you consider that this year will mark the end of TV's first decade of commercial existence; that the 1955 figure compares with a mere \$500,000 of gross revenues reported by 10 stations in pre-network 1946 (see TV Factbook No. 21, p. 20). Here's our reckoning:

As in the early days of radio, when network time sales dominated, the biggest factor in TV sales are the networks. Last year, they accounted for \$417,900,000 of time, talent & production combined, a little more than half. This year, they will account for \$525,000,000, or exactly half.

Spot is next biggest item. Last year, spot aggregated \$205,200,000 in time, talent & production, according to the McCann-Erickson estimate. This year, according to TvB's Oliver Treyz, who is in a good position to predict, the figure will go to \$275,000,000 (Vol. 11:38.) Sponsor Magazine, incidentally, predicts \$266,760,000.

Local TV advertising aggregated \$180,500,000 last year. It should rise to at least \$250,000,000 this year, according to the best available advices.

The 3 categories thus total \$1,050,000,000, up nearly 25% over 1954. That's for everything -- time, talent, production. And, as best we can figure it, their expenditures for time alone will break down about \$300,000,000 network, \$235,000,000 spot, \$165,000,000 local. That's figured on the basis of network running 1.75, spot 1.17, local 1.5 times the cost of time -- McCann-Erickson equations.

The figures, though startling at first blush, look reasonably right to us, though we assume direct responsibility only for doping out the network expenditures. Here's how: PIB aggregate of network time sales for first 7 months of this year is slightly over \$227,000,000 (Vol. 11:38). For the 12 months, it should easily go to \$400,000,000 -- on basis of more shows sold, bigger networks, higher station rates.

PIB derives its figures from adding up one-time rates, so does not take into account frequency or cash discounts. A fair estimate is 25% off, so we arrive at \$300,000,000 as a more realistic estimate of what networks actually get. Multiply by McCann's 1.75 factor to cover talent & production -- and we get \$525,000,000.

That's half of the entire business of telecasting. It also indicates that on network TV alone advertisers are spending as much as on radio as a whole -- taking into account declining network, rising spot, rising local revenues. On radio as a whole, 1954 advertisers spent \$564,900,000; and according to the 1955 Broadcasting-Telecasting Yearbook, time sales in 1954 reached an all-time record of \$453,385,000.

**WHERE THE TV SETS ARE--AND WHO OWNS THEM:** Four out of 5 homes in the metropolitan areas had TV sets as of last June, only 45.9% in rural areas -- with top saturation 79.7% in northeastern region (New England & Middle Atlantic states) and with ownership predominating among larger families. In country as whole, saturation is 67.2%.

Those are significant highlights of Census Bureau report (Series H-121) released this week as supplement to its original report of 4 weeks ago stating that 32,000,000 households, or 67% of all U.S. homes, owned a TV set in June (Vol. 11:34). The data came from questioning 25,000-family sample as part of the Census Bureau's continuing "Current Population Survey." It was underwritten by ABC, CBS, NBC, NARTB and Television Bureau of Advertising.

Census report was documented by 4 tables providing data on ownership of TV sets by urban vs. rural homes, by geographic regions and by size of households (for details, see p. 4). Advertising Research Foundation, which contracted for survey, will mail to its members next week 15 tables containing additional information which it projected from Census data. In advance of mailing, ARF revealed that one of most significant projections is that 1,000,000 -- or 3.5% of all TV households -- owned a second set. This is somewhat under the 4.3% second-set ownership reported recently by American Research Bureau in its July survey (Vol. 11:35).

Another dimension was thus added to TV sets-in-use picture -- and prospect is that a county-by-county tabulation, at least as a one-shot, is drawing closer. The industry powers behind the Census study, now considering feasibility of projecting accurate figures of sets-in-use in each of the nation's 3000 counties on basis of data now available, should come up with answer in about 3 weeks. In addition, ARB has proposed to networks and stations a county-by-county study based on 500,000-home sample. And finally, there's long-awaited NARTB-backed proposal for a continuing sets-in-use census (Vol. 11:21), on which further progress report is due next month.

**ALLOCATIONS, NETWORK STUDIES UNDER WAY:** Uhf and allocations problems, simmering uneasily through the summer, started coming to a boil this week as action began in earnest on several fronts. The week's developments:

(1) FCC launched its network study, to delve into the entire field of network operation -- particularly affiliation practices -- with Dean Roscoe L. Barrow of U of Cincinnati Law School named to direct the inquiry.

(2) RETMA set up high-powered committee under GE v.p. Dr. W.R.G. Baker -- who headed the NTSC groups which set up standards for both black-&-white and color TV -- to study allocation problems and report to Commission. Group was set up as result of meetings with Commissioners and FCC staff members last July (Vol. 11:32).

(3) Commission made plans to plunge into allocations problems early in Oct., beginning with meetings with staff -- now working on reallocations proposals based on vhf drop-ins, the method which currently appears to be favored by greatest number of Commissioners. Comr. Lee, meanwhile, went into more detail this week on his plans to seek more vhf channels, and proposed sharply reduced scale of mileage separation between stations so that more vhf assignments can be dropped in where needed. But Comr. Hyde warned that "engineering compromises" are not the solution.

\* \* \* \*

Heading network study, Dean Barrow will direct "special staff" -- mostly due to be drawn from present FCC employes -- under the direction of committee comprising Comrs. McConnaughey, Hyde, Bartley & Doerfer. Congress appropriated \$80,000 for the

study, which was keyed by legislators' concern over uhf stations' complaints about network affiliation practices.

Regarded as middle-of-roader in politics, Barrow is 42, veteran of govt. service from 1938-51, served as attorney for NLRB, Agriculture Dept., OPA and Justice Dept. In 1951, he was special asst. to Attorney General.

RETMA's allocations study, announced this week by pres. H. Leslie Hoffman, is charged with making "immediate examination of TV frequency allocations problems," with particular emphasis on "the place of uhf in the TV system."

"We feel that the adoption of a hastily conceived remedy today under political and economic pressure might obstruct the further development of a truly nationwide TV system," he said, stressing that study would "supplement" FCC's inquiries.

Serving under Dr. Baker are Mr. Hoffman, pres. of Hoffman Electronics; Sylvia director & ex-pres. Max F. Balcom; Motorola pres. Paul V. Galvin; RCA exec. v.p. E.C. Anderson; CBS-Columbia pres. H.C. Bonfig; Philco v.p. James D. McLean. Balcom & Galvin are past presidents of RETMA; Dr. Baker is chairman of its TV committee.

Comr. Lee got more specific on his proposals to solve the uhf dilemma (Vol. 11:35-36) in Sept. 20 address to NARTB Chicago regional conference. Explaining that his studies this summer have convinced him that vhf is "a superior service," he said he would urge Commission to begin negotiations for more vhf channels through a general reallocation of spectrum between 108 & 890 mc, on piecemeal basis if necessary.

As short-term remedy, he proposed relaxing vhf co-channel separation rules to 100-120 mi. in Zone I, 120-135 mi. in Zone II, 135-150 mi. in Zone III, with directional antennas, low power and vertical polarization to prevent interference by the stations which would be dropped in where required.

He'd give uhf operators preference in assignment of the new vhf channels, but leave uhf stations alone where they're doing all right. He wouldn't change any currently operating vhf outlets--but vhf drop-ins would set up new class of vhf service, "something less desirable than the existing vhf service but more desirable than the existing U service," a low-powered community service geared to local coverage.

Comr. Hyde took sharp issue with plans to restrict TV's growth to 12 channels. Addressing Sept. 23 IRE symposium in Washington, he said even if means are devised to double the number of stations on today's 12 vhf channels the problems would not be solved. "That's a pitiful number of channels on which to expect development of a competitive TV system," he added.

Dashing cold water on Lee's proposal to seek new vhf channels, engineer Stuart L. Bailey, member of Senate's ad hoc allocations committee, told symposium military won't let go of vhf channels, needed for new "scatter" communication (Vol. 11:32).

**BASEBALL'S 'AGONIZING REAPPRAISAL' OF TV:** New look into effect of TV on declining major league baseball attendance will be taken at upcoming meetings of club owners. Despite other factors involved in declining gate receipts, as revealed in a recent survey authorized by baseball commissioner Ford Frick (Vol. 11:34), TV remains the favorite whipping boy -- its foes now citing high attendance at Milwaukee and Kansas City games, from which TV is excluded. This is the picture on eve of World Series:

(1) Overall attendance this year was approximately 4,375,000 under 1948 peak of 19,000,000, representing decline of about \$6,500,000 in revenue. But income of 14 teams granting TV rights is estimated at \$6,300,000, or average of \$450,000 per team.

(2) Number of minor leagues is down to 33 from 1949 peak of 59. TV foes blame televised big league games -- but others say it's normal leveling off.

(3) TV's appeal in general, not simply televised baseball, is major problem, in opinion of some authorities. Many former baseball fans prefer ease and comfort of watching a good show from an easy chair to effort and cost of attending a game. It's argued that baseball is no longer the "national pastime" but merely entertainment like other sports and movies. On this theory, some teams have staged extra attractions at games in effort to draw crowds, but without too much success.

"If the time has come when we have to put on a strip tease before each inning to get customers," said one baseball expert, "we may as well give up."

**Personal Notes:** Robert L. Stone, director of ABC-TV production services dept., promoted to gen. mgr. of WABC-TV, replacing Ted Oberfelder, resigned; Bernard I. Paulson, ABC plant supt. in N. Y., promoted to succeed Stone . . . Merle S. Jones, CBS-TV v.p., represented his company at ITA ceremonies in London Sept. 22 on occasion of debut of commercial TV . . . Walter H. Lurie, ex-MBS director of west coast operations, elected v.p. of Birmingham, Castleton & Pierce, serving on plans board as TV-radio head . . . Arthur Hull Hayes, CBS Radio pres., received Fordham U medal for achievement in communications at Catholic Press Institute meeting Sept. 22 in N. Y. . . . Roy Ashmun, NBC, to direct marketing management & research clinic of N. Y. Adv. Club's advertising & selling course . . . Robert Blase named program mgr. of WFAA-TV, Dallas, Tom S. Palmer promoted to succeed him as production mgr. . . . Jerome Sill, ex-CBS Radio, recently with WMIL, Milwaukee, who recently disposed of holdings in upcoming WAGE-TV, Marquette, Mich. (Ch. 6) named exec. v.p. of WHUM-TV, Reading, Pa. under pres. Humboldt J. Greig . . . James A. Wethington, ex-sales mgr. of Honolulu's KONA, has joined KGMB-TV there . . . Sidney V. Stadig promoted to chief engineer of Westinghouse's WPTZ, Philadelphia, succeeding George D. Borden, transferred to WBZ-TV & WBZ, Boston, to succeed Thomas T. Ely, named chief engineer of KPIX, San Francisco; Borden will be asst. chief engineer under Willard H. Hauser . . . John B. Burns named national sales director, ABC Film Syndication, succeeded as midwest mgr. by Patric Rastall; Fred J. Stratmann transferred from Hollywood to head new San Francisco office, 277 Golden Gate ave. (phone Graystone 4-6565) . . . John Silva named chief engineer, KTLA, Los Angeles, succeeding late Raymond Moore; Roy White promoted to succeed him as engineering operations supervisor . . . Ted Yates Jr., former exec. producer of *Tex and Jinx Show* on NBC-TV, named director of news & special events, WABD, N. Y. . . . Andrew N. McLellan has withdrawn from Reg. Willson Publications, Toronto, where he co-founded and edited *Canadian Television & Motion Picture Review* . . . Barnett F. Goldberg promoted to chief engineer, WIS-TV, Columbia, S. C., succeeding Herbert Eidson, resigned to join Western Electric.

Associated Press Radio & Television Assn.'s recently named board of directors (Vol. 11:36) this week elected Jack Shelley, WHO-TV, Des Moines, as pres. Vice presidents elected: Joe H. Bryant, KCBD-TV, Lubbock, Tex.; Daniel Kops, WAVZ, New Haven; Jack Krueger, WTMJ-TV, Milwaukee; H. J. Chandler, KFLW, Klamath Falls, Ore. Named secy. & treas., respectively, were Oliver Gramling & Robert R. Booth, AP.

Named by President Eisenhower to participate in White House conference on physical fitness Sept. 27-28 at Lowry, Colo. Air Force Base: David Sarnoff, Sylvester L. Weaver Jr., NBC; Wm. S. Paley, Frank Stanton, CBS; Robert Kintner, ABC; Tom O'Neil, MBS; Allen B. Dumont.

Harold Harris, sales-engineering v.p. of Channel Master Corp., is author of *Treasure Tales of the Shawanwunks and Catskills*, legends and folklore, published in connection with sesquicentennial of Ellenville, N. Y., where Channel Master is located.

Ira Avery, BBDO account executive who also writes TV-radio scripts, is author of first novel *The 5 Fathers of Pepi*, published Sept. 26 by Bobbs-Merrill, and suggested by *Phileo TV Playhouse* show he wrote 3 years ago.

Veteran broadcaster Seymour N. Siegel, director of N.Y. municipal station WNYC, elected pres. of general assembly of Prix Italia in Perugia, Italy; he's attending current session as NARTB delegate.

**CENSUS BUREAU** report on TV households released this week (p. 2) breaks them down into 3 categories: (1) "Standard metropolitan areas," where 78.3% of homes have one or more TVs. (2) "Urban places" of 2500-50,000 pop. outside metropolitan areas, where 55.9% have sets. (3) "Rural territories," where 45.9% have sets. It also breaks down percentages of ownership by 4 geographic regions.

For U. S. as a whole, Census Bureau reports 64.9% of all 47,500,000 households had one or more sets, 2.3% had 2 or more, 32.8% had none. In metropolitan areas as whole, 74.9% had one set, 3.4% had 2 or more, 21.7% had none. In urban places outside metropolitan areas, 55.1% had one, .8% had 2 or more, 44.1% had none. In rural territories, 45.3% had one, .6% had 2 or more, 54.1% had none. Says Census:

"Except in New England, a standard metropolitan area is a county or group of contiguous counties which contained at least one city of 50,000 inhabitants or more in 1950. The contiguous counties are included if they are essentially metropolitan in character and are socially and economically integrated with the central city. In New England, standard metropolitan areas are defined in terms of towns and cities rather than counties . . .

"Urbanized areas of 1,000,000 inhabitants or more had slightly higher proportions of households with TV sets than the urbanized areas with less than 1,000,000. Outside the urbanized areas proportionately more of the households in urban places of 10,000 inhabitants or more had sets than in the smaller urban places.

"A considerable portion of rural non-farm households may be located near the urbanized areas or near urban places where TV broadcasting facilities are available. The proportion of these households having sets was about the same (61%) as in urban places of 10,000 inhabitants or more that were outside urbanized areas (62%). On the other hand, less than half (42%) of the rural-farm households had a TV set."

This is how Census reported set saturation by regions: Northeast, 79.7% of all households (Maine, N. H., Vt., Mass., R. I., Conn., N. Y., N. J., Pa.). North Central, 71.8% (Ohio, Ind., Ill., Mich., Wis., Minn., Ia., Mo., N. D., S. D., Neb., Kan.). West, 62.1% (Mont., Ida., Wyo., Colo., N. M., Ariz., Utah, Nev., Wash., Ore., Cal.). South, 53.2% (Del., Md., D. C., Va., W. Va., N. C., S. C., Ga., Fla., Ky., Tenn., Ala., Miss., Ark., La., Okla., Tex.).

"The number of persons in a household appeared to have some influence on the presence of a TV set in the household," report notes. "The households with 4 or 5 persons were more likely to have sets (79.1% & 77.8%, respectively) than the . . . smaller households." Only 35.7% of one-person households had TV, 63.9% of 2-person households.

Highlights of first NARTB district meeting Sept. 21 at Chicago were important speech by FCC Comr. Lee on allocations (see p. 2) and address by NARTB TV chairman Clair R. McCollough in which he attacked any form of censorship over TV, warned broadcasters against seeking too much legislation in solving problems, called for courts to open doors to televised trials. As meeting adjourned, members adopted resolution to endorse any effort to achieve uniform time zone changes to avoid network program confusion. It also sent "get-well" resolution to John Patt, WJR, Detroit, who was stricken by heart attack at NARTB convention in Washington May 28. NARTB's traveling cadre moved on to Saranac Lake, N. Y. for second district session Sept. 23-24, which featured speech by Comr. Bartley on equal time (see p. 16).

**G**EN. SARNOFF'S proposal to make subscription TV an issue in 1956 Presidential campaign was greeted unenthusiastically by representatives of both political parties. A Republican spokesman summed it up thus: "I don't see how it can become a political issue because there's no controversy—no policy difference between the 2 parties on subscription TV. It's not an issue on which there can be a Democratic philosophy and a distinctly different Republican philosophy." A Democratic Party official merely stated: "Our platform committee will be happy to listen to Gen. Sarnoff or Cmdr. McDonald or anyone else who wants to appear."

The RCA-NBC chairman made his widely publicized proposal Sept. 20 in address to Washington Ad Club. Issue of pay vs. free TV, he said, "is as important to our entire citizenry as was, for example, prohibition in its time." Entire issue should be "submitted to the ultimate suffrage of public opinion—a suffrage based not on guesswork, slogans or prejudices, but on wider knowledge and understanding of all the facts.

"I recommend, in all seriousness, that the issue between free and paid TV be considered by those who draft the programs of the major political parties; and that candidates for public office be encouraged to study the problem and declare themselves to the electorate . . . If this issue receives the forthright attention it deserves, the voters in our land will have the opportunity to decide the question for themselves."

Zenith's Cmdr. E. M. McDonald Jr., chief subscription TV protagonist, issued statement saying question can't be decided politically but must be settled by "giving the public a chance to see subscription TV and to decide for itself." He added: "If there is to be an issue in the Presidential campaign, it should be whether 2 or 3 network officials are to have absolute control of our TV system and the sole right to dictate what the public can or cannot see on its TV screens." He said he agreed with Sarnoff that the issue was as important as prohibition and declared that "prohibiting subscription TV before the public has a chance to try it is prohibition in its worst form."

Theatre TV accounted for second largest boxing gate in history, topped actual stadium take for Marciano-Moore championship bout night of Sept. 21, drawing 325,000 fans to 129 movie houses at total admission charge of \$1,240,000. Combined receipts from TV, radio & box-office were \$2,221,367, radio accounting for \$33,250, stadium \$948,117. Of theatre take, International Boxing Club received \$325,000, split 40-40-20 between IBC, Marciano & Moore. Thanks to TV, Marciano picked up additional \$130,000, Moore \$65,000. Nathan L. Halpern's Theatre Network TV reportedly grossed over \$400,000, as did theatres. More than 50,000,000 heard fight on ABC Radio; Trendex gave it 32.6 rating. Though home TV was blacked out, in radio interview before fight IBC pres. James D. Norris paid tribute to boxing's bread and butter: "If it weren't for television, instead of running a hundred shows a year, sometimes more, we'd only run probably 8 shows in N. Y., 4 shows in Chicago and maybe 2 others around the country."

First closed-circuit evangelist meeting in Canada will be conducted by Billy Graham Sept. 27-Oct. 15 at Toronto's Coliseum, with DuMont TV equipment carrying sermons to overflow audience on 6 theatre-size screens.

TV may span Atlantic within 5 years via submarine cable or relay links, Henry Cassirer, head of UNESCO, predicted in Paris.

Most interesting comment on Sarnoff's proposal came from *Washington Daily News* TV columnist Dave Reque: "I think Sarnoff was kicking a sleeping dog. I found no sentiment in favor of pay TV when the arguments were raging last year and the public has pretty much forgotten the idea."

\* \* \* \*

Other developments on the fee-TV front, now relatively quiescent and not likely to be resolved for years (Vol. 11:37):

(1) All subscription-TV proponents were revealed to have turned down offer for use of Armed Forces TV Service's 7 TV stations for any tests they wanted to make. Armed Forces are interested in scrambled TV as possible solution to problem of keeping TV signal confined to military personnel only. Offer was rejected for variety of reasons: all necessary tests had been made, no equipment was available, Armed Forces should pay for any tests it wants, etc.

(2) First series of public debates featuring all pay-TV proponents and representatives of anti-toll groups (Vol. 11:38) generated more heat than light, often had to be called to order by moderator for "delving into personalities." Series was conducted last week end by Cincinnati's WCPO-TV, featuring representatives of Zenith, Skiatron, Telemeter, Jerrold and Committee against Pay TV. Station said its switchboard was "jammed with calls" from viewers who wanted their questions answered on the air, added that most frequently asked question was: "I am happy with TV as it is now; why should it be changed?"

(3) Authoritative *Advertising Age* defended Zenith's right to espouse pay TV and urged "open-minded hearing even from the advertising and broadcasting business"—but slapped hard at Zenith's current TV set advertising as being reminiscent of "the orphan who grows to manhood and clobbers his foster parents so he can steal the family bankroll." Said Sept. 19 editorial: "We're a little fed up with indications that Zenith and others are out to really chew up the hand that fed them. We are referring to current Zenith-prepared co-op advertising, which features Flash-Matic tuning and particularly the fact that this permits the listener to 'eliminate long, annoying commercials' without having to get out of his chair . . ."

Community antennas vs. illegal boosters will be theme of Sept. 28 meeting at Walla Walla, Wash., attended by 2 champions of the unlicensed northwestern stations—Senators Magnuson (D-Wash.) and Morse (D-Ore.). Occasion is meeting of Pacific Northwest Assn. at which Pacific Northwest Community TV Assn. & National Community TV Assn. propose to demonstrate superiority of wired systems over boosters, and to urge Senators to use their influence to help change FCC rules to permit direct ownership of microwave facilities by community antenna system operators. Commission now requires purchase of service from a common carrier.

Another community antenna microwave application was filed this week with FCC—by Television Microwave, Martinez, Cal. (accountant John E. Griffin & dentist Wilbur J. Fahden). It proposes to pick up signals from Salt Lake City's KSL-TV with Spruce Mt., Nev., relay point, send them 47 mi. to Television Transmission Inc., Elko, Nev. System's cost was estimated at \$18,643.

Changes in eligibility rules for industrial radio service were finalized last week by FCC, terminating controversial proceedings lasting 5 years. Commission order is file No. 55-923, mimeo 22654, available from FCC.

Broadcasting Executives Club is new name of Radio-TV Executives Club of New England, Boston, which elected Hoag & Provandie's Paul H. Provandie as pres.

**Network Accounts:** Daylight Time snafu means that baseball fans on Pacific Coast will get Gillette-sponsored colorcasts of World Series starting Sept. 28 on NBC-TV at very "un-baseball hour" of 9:30 a.m. It's all because many large cities, including several on west coast, returned to Standard Time Sept. 25 while others, including N. Y., remain on Daylight Time until Oct. 29. Biggest headache for networks is clearing station time for early evening programs in cities returning to Standard Time, creating overlap between network and local for station time. Result is that some network programs won't be seen for month in certain markets where time has been sold locally . . . NBC-TV is pitching for CBS-TV's highly-coveted \$64,000 *Question* when its contract with Revlon expires Jan. 1—offering Tue. 9:30-10 p.m. for that show and Thu. 8:30-9 p.m. for Revlon's proposed new program which would pit \$64,000 *Question* contestants against each other on a panel; latter is also packaged by Louis G. Cowan Inc., whose head is a CBS-TV producer . . . Philco reportedly has decided not to renew its option for 1956 NBC-TV coverage of political conventions, which it sponsored in 1952; neither Philco nor network would comment . . . Toni buys 2 partic., Philip Morris & Hoover Co. (vacuum cleaners) one each, on J. Arthur Rank *Famous Film Festival* series on ABC-TV starting Sept. 25, Sun. 7:30-9 p.m.; show is "double-teamed," with affiliates permitted to sell locally all unsold network time—and already WABC-TV & WBKB report several national sponsors signed. ABC-TV is also turning over to local stations unsold Mon. 9-9:30 p.m. period (opposite CBS's *I Love Lucy* and NBC's *Medic*), probably will turn over Tue. 10-10:30 p.m. (opposite CBS's top-rated \$64,000 *Question*) . . . American Petroleum Institute, in observance of Oil Progress Week Oct. 9-15, to sponsor one-shot "telementary" 1976 on NBC-TV Oct. 9, Sun. 4:30-5:30 p.m., thru Sullivan, Stauffer, Colwell & Bayles; show is based on book, *Tomorrow*, be-

ing written by NBC pres. Pat Weaver, about how he believes world will look in that year . . . Borden Co. to sponsor Jackie Cooper's *The People's Choice* on NBC-TV starting Oct. 6, Thu. 8:30-9 p.m., thru Young & Rubicam . . . Colgate-Palmolive to sponsor *The Millionaire* on CBS-TV starting Sept. 28, Wed. 9-9:30 p.m., thru Ted Bates . . . Kellogg & National Carbon Co. to be alt. sponsors of 8:30-9 p.m. portion of *Arthur Godfrey and His Friends* on CBS-TV starting Sept. 28, Wed. 8-9 p.m., thru Leo Burnett & Wm. Esty Co. . . Minute Maid (orange juice) buys alt. Wed. 12:15-12:30 p.m. segment of *Tennessee Ernie Show* on NBC-TV starting Nov. 2, Mon.-thru-Fri. 12-12:30, thru Ted Bates . . . Upjohn Co. (drugs), in first network sponsorship, buys 52-week partic. schedule on NBC-TV's *Home* starting Oct. 5, Mon.-thru-Fri. 11 a.m.-noon, thru Medical Radio & TV Institute of N. Y. . . Un-sponsored *My Friend Flicka*, produced by 20th Century-Fox for CBS-TV Fri. 7:30-8 p.m., has been shelved temporarily and replaced by *Adventures of Champion*, filmed western produced by Gene Autry's Flying A Productions; plan doesn't affect GE-sponsored *20th Century-Fox Hour* on CBS-TV Wed. 10-11 p.m. . . General Cigar to sponsor one-fourth of NCAA football schedule on NBC-TV this fall, thru Young & Rubicam; announcement of sponsorship was made on closed-circuit colorcast Sept. 10 to its distributors and dealers in key cities, using NBC facilities . . . Football one-shots, all on NBC-TV: Buick & Miller Brewing Co. to be alt. sponsors of National Football League title game Dec. 26; Gillette sponsors Rose Bowl Jan. 2 and Blue-Gray game from Montgomery, Ala. Dec. 31; Dodge buys Cotton Bowl from Dallas Jan. 2 . . . CBS-TV switches *Schlitz Playhouse of Stars* to Fri. 9:30-10 p.m., effective Oct. 7.

World Series will be on nearly 200 stations, originating from N. Y. on NBC-TV in color (sponsored by Gillette) starting Sept. 28. MBS is carrying it on radio.

**PROGRAMMING OVERHAUL** of virtually its entire night schedule was disclosed to affiliates this week by ABC Radio as its pattern for comeback. It's in keeping with the "quick listening" format of NBC Radio's week-end *Monitor*, which will be extended to weekdays 10 a.m.-6 p.m. starting Nov. 7, and similar in sales format to CBS' "segmentation" plan (Vol. 11:37-38).

ABC plan, effective Oct. 24, divides Mon.-thru-Fri. 7:30-10 p.m. programming into 5 separate 30-min. "units," each with a separate theme. Within those units, there will be 5 & 10-min. segments bearing on those themes. One of those 5-min. segments will be a world news summary. Entire schedule will be sold in 5-min. partic., at \$800 per partic., with usual discounts.

Charles T. Ayres, radio network v.p., said themes will range from practical advice on marriage, family & career problems to special inspirational messages from spiritual leaders, will include on-the-spot visits to world-wide tourist attractions. The 5 themes are titled "Events of the Day," "The World Around Us," "A Better Tomorrow," "Sound-mirror," "Offbeat."

ABC pres. Robert Kintner, in letter to affiliates, commented: "Now that 75% of all radio homes have TV, we believe people expect from their radio sets a type of broadcast service different from that available from the TV set in the living room. If there is merit and value in our new concept for radio, I believe it is because instead of starting from the premise that radio is merely TV minus the sight or somehow irrevocably linked to standard programming patterns of the past, our research and creative people have evolved a new method of using radio to inform, advise, educate and entertain listeners in a lively and intimate manner new to the medium."

CBS is also reshuffling its radio programming, emphasizing music in lieu of mystery dramas. Dropped were old favorites *Mr. Keen*, *Tracer of Lost Persons* and *The Whistler*. Substituted are *Disk Derby*, *Young Ideas & My Son Jeep*. CBS also signed Buick for "segmentation" sponsorship of *Bing Crosby Show*, *Tennessee Ernie & Amos 'n' Andy Music Hall*. Also signed for Crosby show are Hallmark Cards (returning to network radio after 6-month absence) and Anahist.

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NBC meanwhile reported \$550,000 in gross billings signed so far for *Monitor* in 4th quarter. New sponsors are Lincoln-Mercury, Bristol-Myers & McGregor Co. (sportswear); renewals came from RCA, Philip Morris, Crowell-Collier, Charles Antell, Gruen Watch Co., Pond's (face cream).

Indicative of fierce competition among networks, NBC station relations v.p. Harry Bannister took sharp swipe at CBS Radio's claims last week that it was running 90% ahead of NBC in total hours sold for average week in Oct. 1955 (Vol. 11:38). In letter to affiliates, he stated: "CBS, while sounding onward and upward note, has led the way in all negative steps—the general rate reduction in July 1951, the reduction in evening rates in Aug. 1952 and further reductions in Aug. 1954."

He said that in first week of Sept. NBC Radio's sponsored hours were up 31% over same 1954 week, while CBS declined 14.9%. "The net result is clear," he wrote. "NBC is moving up; CBS is moving down." Latest Nielsen evening program ratings, he said, show NBC ahead of CBS. Finally, he pointed out that PIB figures for July show NBC as only radio network with increase over July 1954 billings (Vol. 11:38).



**Telecasting Notes:** Live re-runs of top TV dramas, which we have vigorously espoused (Vol. 11:17-21, 23, 31), are catching on in big way—and it appears that good dramatic material no longer must go down the drain after one TV performance. Biggest assist to the preservation of TV plays will be administered by new *NBC Matinee Theatre* in color, Mon.-thru-Fri. 3-4 p.m. starting Oct. 31. Announced this week was list of 56 script properties purchased for new series, including 17 which originally were used on top evening drama shows and will be re-produced with new casts. Also included were 23 original stories and 16 adaptations of plays, short stories, novels . . . These TV plays were purchased for re-runs: Originally on *Kraft TV Theatre* (NBC)—“Gallin—All American,” “The Gate,” “House on Wildwood Lane,” “One Left Over,” “Arrowsmith.” From *Studio One* (CBS)—“Dark Possession,” “Wuthering Heights,” “Beyond a Reasonable Doubt.” From *Philco Playhouse* (NBC)—“A Cowboy for Chris,” “The Happy Rest,” “Dinner at Antoine’s,” “Statute of Limitations.” From *Motorola TV Theatre* (ABC)—“Sins of the Fathers,” “Side by Side.” From *U. S. Steel Hour* (formerly ABC, now CBS)—“One for the Road.” From *Ford Theatre* (NBC)—“The Touchstone.” From *Robert Montgomery Presents* (NBC)—“For These Services” . . . Rapid repeat: Ballantine Beer sponsoring Ziv’s *Highway Patrol* beginning late Oct. on New York’s WRCA-TV, Mon. 7-7:30 p.m., and WPIX Wed. 9:30-10 p.m., same episodes each week on both stations . . . First returns are in from the critics on major fall programming debuts: Of the 3 movie studio entries on ABC-TV, new *Disneyland* series got the usual raves, *Warner Bros. Presents*’ first effort got a ho-hum, *MGM Parade* got fair-to-good nod with almost all critics pointing out it’s a “program-long commercial.” New “adult westerns”—CBS-TV’s *Gunsmoke* and ABC-TV’s *Wyatt Earp*—were well received, particularly the former. Critics loved Phil Silvers’ *You’ll Never Get Rich* on CBS-TV, had mild praise for *Navy Log* documentary on same network. NBC-TV’s first 2 spectaculars of the fall season—*Skin of Our Teeth* and *Our Town*, both by Thornton Wilder—got excellent notices, though latter was far greater popular success. ABC-TV’s *Medical Horizons*, a sort of non-fiction *Medic*, also received good notices . . . TV film series adapted from hit spectacular adapted from hit play: Inspired by critical acclaim of NBC-TV’s first *Producers’ Showcase* spectacular of fall season, “Our Town,” Sol Lesser-Jack Denove TV Films is planning weekly filmed program based on the story for 1956 season. Lesser made movie version of “Our Town” in 1939 . . . Two more Broadway hits become spectaculars: NBC-TV plans to colorcast “Wonderful Town” with Rosalind Russell on *Producers’ Showcase*, possibly Nov. 19. CBS-TV will present Paul Gregory’s production of “Caine Mutiny Court Martial” Nov. 19 on *Ford Star Jubilee*, featuring Broadway cast—Lloyd Nolan, Barry Sullivan, John Hodiak, Russell Hicks . . . Drive-in TV: WLWD, Dayton, originated Sept. 23 *Studio Party* show from its parking lot, inviting public to attend.

Gian-Carlo Menotti, whose *Amahl & the Night Visitors* has become an annually-produced Xmas classic since first presented on NBC-TV in 1951, has been commissioned to compose a 1½-hour opera for production by Samuel Chotzinoff’s *NBC Opera Theatre* during 1956-57 season. Note: In Oct. 4 *Look Magazine*, Menotti is listed in article titled “VIP” among the “world’s 100 most important people.” List also includes RCA-NBC chairman David Sarnoff, who next month will receive his 16th honorary degree—from Notre Dame.

Digests of outstanding program texts will be published in *Radio-TV Scripts*, new monthly to be issued by Facts on File Inc., 119 W. 57th St., N. Y.; Fred McGhee, editor.

NBC-TV’s first uhf operation on its own, stemming from purchase of WBUF-TV, Buffalo (Ch. 17) for \$312,500 cash (Vol. 11:11, 15), was approved by FCC this week as it deferred action, presumably until next week, on proposed Westinghouse swap of its WPTZ, Philadelphia (Ch. 3) with radio KYW (50 kw, 1100 kc) for NBC’s WNBK, Cleveland (Ch. 3) with radio WTAM (50 kw, 1100 kc) plus \$3,000,000 cash (Vol. 11:21). Because its affiliation contract with WGR-TV, Buffalo (Ch. 2) has until Aug. 1956 to go, NBC will be in position of operating an independent in that city—though WBUF-TV is now getting some ABC and a few NBC shows as they’re released by WGR-TV. NBC takeover, with big push to be put behind uhf, is expected to occur before end of year; station is presently under management of Sherwin Grossman, signing on nightly at 6:45 p.m. Plans are to erect new studio building with 549-ft. tower and transmitter at 2101 Elmwood Ave. Meanwhile, WBUF-TV having leased its present studios to WGR-TV before NBC deal, the network has no adequate Buffalo location for full-time owned-&-managed operations. However, it has committed itself to “prove economic feasibility” of uhf and has indicated work will go forward immediately on new plant and possibly will ask for increased power to 1,000,000 watts. Note: CBS, also committed to promote uhf, began operation of its WXIX, Milwaukee (Ch. 19) exactly year ago and is reported to be making steady progress and operating at profit.

Two more movie distributors followed lead of Republic Pictures (Vol. 11:38) this week and signed consent decrees agreeing to release films to TV and other non-theatrical outlets, as trial began in Govt.’s anti-trust suit against group of film companies. Signing decree were independent 16mm distributors Films Inc. and Pictorial Films Inc., neither a significant factor in feature film business. As hearing opened in Los Angeles, Govt. announced it would introduce 1000 documents and film companies indicated they may call about 125 witnesses—indicating trial could run for as long as 2-3 months.

Network color schedules for next 2 weeks: NBC-TV—Sept. 26-30, *Home* segments, 11:45-noon; *Howdy Doody*, Sept. 26-30 and Oct. 3-7, 5:30-6 p.m.; Sept. 27, new *Milton Berle Show* featuring Esther Williams’ TV debut, 8-9 p.m.; Sept. 28, start of complete World Series coverage, 12:45-4 p.m.; Oct. 1, *Max Liebman Presents* “Heidi,” starring Jeannie Carson, Wally Cox, Elsa Lanchester, 9-10:30 p.m. CBS-TV—Sept. 27, *Red Skelton Show*, 9:30-10 p.m.; Oct. 1 & 8, *Gene Autry Show*, 7-7:30 p.m.; Oct. 6, *Shower of Stars*, “Time Out for Ginger,” starring Jack Benny and Claudette Colbert, 8:30-9:30 p.m.

Broadway trade press, even current *Sponsor Magazine*, persists in reporting that merger of Screen Gems and TPA (Vol. 11:36-37) is a fait accompli—but TPA pres. Milton A. Gordon tells us it simply isn’t so. “There is no contract,” he said, “there has been no deal, and I don’t know frankly where this thing is going.” He admitted only that talks looking to a merger, which would set up possibly the biggest single entity in the TV film field, have recently been resumed.

Zoo Parade’s Marlin Perkins, who gets \$10,000 a year as director of Chicago’s Lincoln Park Zoo, offered his resignation this week when informed his superiors took dim view of plan to take his NBC-TV show to different zoos around the country. They want him to cut down on his TV activity. He’s now in Africa shooting films which are already being shown on his Quaker Oats (Ken-L Ration dog food) Show.

DuMont Electronicam TV-film production will gross \$500,000 in next 3 months, according to Werner Michel, DuMont Broadcasting’s Electronicam production director.

**F**IRST TV GRANTS in 2 months were issued this week by FCC as it returned to work and began to whittle at backlog of long pending matters. CP for Ch. 18 in Orlando, Fla. went to Orange County Bcstrs. (WABR, Winter Park), and Ch. 6 satellite at Hayes Center, Neb. was granted to KHOL-TV, Kearney, (Ch. 13). Both applications were unopposed.

For the second time, Commission postponed for 30 days the effective date of its decision lifting Zone I vhf stations' ceiling to 1250 ft. (Vol. 11:35-36). It wants more time to sift through complaints from stations, aviation interests, etc., pushed effective date of decision from Oct. 1 to Nov. 1.

Most celebrated of all "protest" cases—Spartanburg site-change case—moved another notch this week in initial decision by examiner James D. Cunningham, who recommended approval of Paris Mt. site for upcoming WSPA-TV (Ch. 7) despite protests of economic injury from WGVL, Greenville, S. C. (Ch. 23) and WAIM-TV, Anderson. Last year, Commission approved WSPA-TV's proposed move from Hogback Mt. (as temporary measure) without hearing, but Appeals Court reversed action and FCC held hearing on WSPA-TV's application for permanent Paris Mt. site (Vol. 10:6, 8, 10, 28). Cunningham held this week that protestants hadn't proved that the move violated Communications Act or Commission's rules or that they will necessarily suffer economic loss by move to new site.

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Among batch of other actions this week, the Commission:

(1) Refused to institute revocation proceedings or issue cease-&-desist order against WXEX-TV, Petersburg (Ch. 8) to prevent it from identifying itself with Richmond, Va. area, as requested by WTVR, Richmond (Ch. 6).

(2) Turned down "economic injury" protest by Pittsburgh's WENS (Ch. 16) against grant of Ch. 11 there to WIIC (owned by joint WWSW-WJAS interests) but promised to take up later WENS requests for reconsideration and rehearing of Pittsburgh case on grounds merger agreement which preceded grant was violation of FCC rules (Vol. 11:36).

(3) Proposed to move Ch. 7 from Ponce to Mayaguez,

Puerto Rico, as requested by El Mundo Inc. & Ponce de Leon Bestg. Co., both currently applicants for Ch. 3 in Mayaguez. Comments are due by Oct. 21.

(4) Granted No. Dakota broadcaster John Boler permission to extend his private microwave system—which now connects his KXJB-TV, Valley City (Ch. 4) and KCJB-TV, Minot (Ch. 13)—to his upcoming KBMB-TV, Bismarck (Ch. 12). Comr. Bartley dissented, calling grant premature and raising possibility that "duplication of facilities" could result in raising common carrier costs and that case-by-case authorization of private microwave facilities "may delay the further expansion of common carrier facilities to points beyond the area of the stations granted such private facilities."

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Petitions filed with Commission this week included 2 requests for allocations changes by prospective applicants: Mohawk Valley Television Inc. wants Ch. 2 allocated to Fairfield, N. Y., which it says can be done without upsetting any other allocations. Westcoast Bestg. Co., Wenatchee, Wash. requests that Ch. 18 be moved from Bellingham to Wenatchee. Other items filed with FCC this week:

(1) Hearing on alleged "concentration of control of mass media" by Triangle Publications Inc. (Walter Annenberg) was sought by WHP-TV, Harrisburg (Ch. 55), one of eastern Pa. stations opposing Triangle's proposed purchase of off-air uhf WLBR-TV, Lebanon, Pa. (Vol. 11:31, 38). Included in hearing would be Triangle's application for power increase of its WBNF-TV, Binghamton (Ch. 12), as well as its proposed purchase of WFBG-TV, Altoona (Ch. 10) and its application for Ch. 18 satellite in Elmira, N. Y.

(2) Objections to proposed move of WCHS-TV, Charleston, W. Va. (Ch. 8) to new site west of Charleston were filed by upcoming WHTN-TV, Huntington (Ch. 13) and WTAP, Parkersburg, W. Va. (Ch. 15).

(3) WICS, Springfield, Ill. (Ch. 20) asked Commission to hold up grant of Ch. 2 in Springfield until it acts upon deintermixture proposal for the area.

(4) FCC's Broadcast Bureau favored proposal by WJRT, Flint, Mich. (Ch. 12) to locate transmitter 23 mi. northwest of Flint in proposed findings filed after hearing on protests by WKNX-TV, Saginaw (Ch. 57), WTOM-TV, Lansing (Ch. 54) & WWTW, Cadillac (Ch. 13).

**L**ONDON'S first taste of commercial TV, which started Sept. 22 with juxtaposed spots for a toothpaste, chocolate drink & margarine and has on tap such big-name sponsors as Esso, Kellogg, Heinz & Johnson Wax in addition to a native variety, appears to have been a satisfactory one despite the jaundiced attitude of some elements.

United Press reported "critics praised Britain's first TV with toned-down American-style commercials and generally agreed that the state-owned BBC is in for some competition." AP also found critics rating commercial TV "a formidable threat to the state-sponsored BBC variety."

General verdict was that commercial TV had come to stay, UP reporting all 11 London morning newspapers save Communist *Daily Worker* giving it "high praise for production techniques and commercials alike." *New York Times'* Jack Gould described press reaction as "cautiously cordial" and some London papers, as AP put it, warned that "the effects of the advertisements may be cumulative, like Rocky Marciano's punching." Film Daily's London correspondent cabled that, far from being a take-off on the American commercial, initial showing "typified the well-known staid British manner."

It's estimated some 2,500,000 people within 50-mi. radius of Croydon transmitter witnessed first night of Independent TV Authority's service via its first outlet (Vol. 11:38) on the perhaps 20% of London area's 1,300,000 sets thus far converted to get a second channel. But they liked what they saw, apparently—and, judging from the reports, they particularly liked the idea of competition for BBC, just as we predicted they would (Vol. 10:45).

Americans were very much in evidence at the 4-hour opening ceremonies and shows, including NBC pres. Sylvester Weaver, and warm greetings were cabled by NARTB pres. Harold Fellows. Many of the top British ad agencies are branches of or associated with major U. S. agencies, and the admen appeared pleased with their initial efforts albeit they have no control over programs; 1-min. ad spots (at \$2800 per) are limited to 6 per hour, and use of American shows must perforce be limited.

American productions and American talent will be prominent on British TV henceforth, both on ITA & BBC, just as British programs and artists are prominent here. ITA has already taken on *I Love Lucy*, *Hopalong Cassidy*, *Dragnet*, *Inner Sanctum*, *Liberace*, *4 Star Playhouse*, among other films, and has versions of *People Are Funny* and *Beat the Clock* on tap. It will have Bob Hope,

Johnny Ray, Xavier Cugat, Lena Horne among others in variety show *Sunday Night at the Palladium* patterned after *Toast of the Town*.

BBC has *Burns & Allen*, *Amon 'n' Andy*, *The Cisco Kid*, *I Married Joan*, among other U. S. shows. More British shows exported to U. S. are foreseen, *New York Times* writer Jack Gould noting that "as in other phases of British life, London TV must export if it is not to have a relatively austere screen at home."

Gould saw the "zip and zaniness" of *Burns & Allen* providing "successful ambassadors" for U. S. good will. Witnessing ITA's first output, he cabled from London that "the British have something in their form of commercialism" which he said differed from the American version in its "restraint and brevity." In quality, he observed, "some plugs were inept and reflected a lack of experience. But others, especially those of the beer and gasoline concerns, were amusing or interesting in themselves. In virtually all cases, however, the voices were soft and subdued. The peace was wonderful."

Gould called the variety program "corny stuff" but liked the big-name dramatic episodes and said camera work on the prizefight was exceptionally good. *N. Y. Herald Tribune* correspondent described the first night program as "decorous as a court ball" and said that, though many London homes had "commercial TV parties," the opening was "something less than epoch-making."

Extraordinary amount of space is being devoted in U. S. newspapers and magazines to Britain's effort to parallel govt. operation with private enterprise, and clips from the British TV commercials will undoubtedly be seen soon on U. S. screens. Despite cynicism and outright opposition toward the system on the part of some, fact that it's an honest and serious effort, conducted by Britons of highest repute, and particularly fact that it brings longed-for competition, seems to weigh most opinion on both sides of the ocean in its favor.

Parts jobbers did \$500,000,000 business in 1954, gain of 100% in 5 years, reports National Credit Office. Trend is seen continuing upward this year, though at a slower pace. During first 6 months this year, 28 new parts distributorships were formed, compared to 42 in first half of 1954. Of the 22 companies which failed last year, 12 were liquidated, one was sold, 2 were reorganized under Bankruptcy Act, 3 are operating under Chapter X & XI arrangements, 4 are still awaiting bankruptcy court decisions.

General Teleradio's \$25,000,000 purchase of RKO Radio Pictures Corp. (Vol. 11:30) is disclosed as financed by Chase National Bank loans covered by notes for \$10,000,000 (at 3¼%) and \$15,000,000 (at 3½%, reducible to 3¼%), secured by agreement with General Tire and payable at semi-annual rate of \$1,000,000 & \$750,000 respectively—General Teleradio agreeing to pay no dividends until both notes are paid up.

Consolidated Electronic Industries Corp. (formerly Reynolds Spring Co.) reports loss of \$395,889 for 9 months ended June 30, though there was operating net profit of \$335,167. Sales for the 9 months totaled \$4,872,157.

Oak Mfg. Co. has increased its common shares from 524,950 to 656,129 as result of distribution Sept. 15 of one new share for each 4 held as of Sept. 1.

General Instrument Corp. stockholders this week approved increases in authorized common shares from 1,500,000 to 3,000,000; there are presently 1,373,273 outstanding.

Dividends: Emerson Radio, 10¢ regular and 5¢ extra payable Oct. 15 to stockholders of record Oct. 1; Howard W. Sams & Co., 10¢ Oct. 25 to holders Oct. 18; American Phenolic, 20¢ Oct. 28 to holders Oct. 18; Monumental Radio, Baltimore, 25¢ Sept. 30 to holders Sept. 22.

**Financial & Trade Notes:** Spinoff of newly-formed DuMont Broadcasting Corp. from Allen B. DuMont Laboratories Inc. (Vol. 11:33-34) is designed "to separate the element of showmanship and entertainment from research and manufacture," according to 60-p. proxy statement to stockholders this week accompanying notice of special meeting Oct. 10 at Clifton, N. J. plant. Statement discloses that new DBC, which will have 2,500,000 common shares of \$1 par (944,422 outstanding at the outset as result of distribution of one share for each 2½ shares of DuMont now held), will seek additional capital of \$1,500,000 through offering pro rata rights to DBC stockholders to subscribe to additional shares.

Such offering, it's stated, will be underwritten by Carl M. Loeb, Rhoades & Co., whose partner Armand Erpf has been prime mover in DuMont reorganization and now sits on board; by Kuhn, Loeb & Co., which also has a board member (Percy M. Stewart) and by Paramount Pictures Corp., which presently owns 26.6% of DuMont stock and has 3 board members (Barney Balaban, Paul Raibourn, Edwin Weisl).

New DBC will embrace DuMont stations WABD, N. Y. & WTTG, Washington, along with Telecentre and other properties and obligations—all inventoried in detail in the proxy statement. FCC this week approved transfer of WABD & WTTG licenses to DBC.

Besides voting on the spinoff, DuMont stockholders are asked to approve elimination of Class A & B stock distinctions and increase authorized shares of parent company to 5,000,000 in order "to have shares available for financing or acquisitions should favorable opportunities occur." At present, 1,801,054 A shares are outstanding, with entire 560,000 B issue owned by Paramount.

Stockholders are also asked to approve contract with Dr. DuMont, now chairman, whereby he gets annual salary of \$50,000 until 1966, or \$36,000 a year should he elect to go on consultative basis after end of 1961, plus \$20,000 a year for 10 years after 1966; also, to give him option on 35,000 shares of common stock at 17 and to set aside 90,000 shares for granting of long-term options to a new president (now being sought) and other key executives.

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DuMont Network was virtually discontinued as of mid-July (Vol. 11:34), and pro forma financial summaries indicate how it has fared. Proxy report shows that broadcasting income (other than WABD & WTTG but including then owned WDTV, Pittsburgh, later sold to Westinghouse) amounted to \$11,402,393 out of company's gross income of \$73,997,620 in fiscal year ended Dec. 28, 1952, thus representing pro forma profit of \$1,697,610 (72¢ per share); that for fiscal year ended Jan. 3, 1954 the broadcasting gross was \$14,550,396 out of \$87,569,588, giving profit of \$1,458,564 (62¢); for fiscal year ended Jan. 2, 1955, it was \$15,440,550 out of \$87,803,659, giving profit of \$823,445 (35¢) exclusive of net profit of \$6,726,939 from sale of WDTV. For period from Jan. 3 to July 17, 1955, the broadcasting gross fell to \$2,553,335 out of \$31,410,417, representing loss of \$1,492,292 (63¢).

Losses are attributed in pro forma summaries to the operation of the 2 DBC stations and other facilities now transferred to DBC. Thus combined net operating incomes of WABD & WTTG, plus these other facilities, are given as \$2,830,742, loss \$834,524 for fiscal year ended Dec. 28, 1952; income \$4,534,401, loss \$84,433 for year ended Jan. 3, 1954; income \$5,384,053, loss \$161,386 for year ended Jan. 2, 1955; income \$2,697,185, loss \$222,359 for period Jan. 3-July 17, 1955.

Network-station fiscal operations were interlocked, so pro forma summaries of earnings were prepared on basis of expense allocations for operating Telecentre, salaries paid executives and staff, depreciation, etc.

**ROANOKE'S NEW WDBJ-TV (Ch. 7)** and Ohio State University's educational uhf, WOSU-TV, Columbus (Ch. 34), began testing this week, bringing on-air total to 451 (108 uhf) as Canada's 29th outlet began operating in Barrie, Ont. Week also saw one station knocked off air temporarily when its antenna tower collapsed, apparently without cause — KELO-TV, Sioux Falls, S. D. (Ch. 11). Another about to start, WITN, Washington, N. C. (Ch. 7) was hit by third hurricane within 30 days and had to postpone tests.

Roanoke's WDBJ-TV aired first test patterns Sept. 19, plans commercial debut as CBS outlet first week in Oct. It starts with 25-kw ERP from 5-kw DuMont transmitter, 6-section RCA antenna on 667-ft. modified former tower of defunct uhf WROV-TV, will boost to 316-kw ERP early in 1956. Owner is *Roanoke Times & World News*, director is Ray P. Jordan, with John W. Harkrader, from radio station, as commercial mgr.; Blake H. Brown, sales mgr.; Paul E. Reynolds, program director; Charles A. Ballou, program mgr.; Harry D. Wiseman, production mgr.; J. Edward Newman, technical director. Base rate will be \$450, going to \$600 next April 1. Rep is Free & Peters.

Columbus' WOSU-TV becomes 18th non-commercial educational TV, 5th uhf educational. Starting test patterns Sept. 19, it plans program start in Nov. It uses 12½-kw RCA transmitter with RCA pylon on 550-ft. Ideco tower. Robert C. Higgy is director.

CKVR-TV, Barrie, Ont. (Ch. 3) started testing last weekend, plans Sept. 28 programming via microwave from Toronto, 55 mi. south. It has 5-kw GE transmitter with 3-bay antenna on 393-ft. Stainless tower. Ralph T. Snelgrove, operator of radio CKBB, is pres.-gen. mgr.; board includes former Mayor Peter Sinclair of Barrie and R. Stanley Dilworth, Toronto. Claude Baikie, ex-CHCH-TV, Hamilton, is production mgr.; Jack Mattenley, chief engineer. Base rate is \$240. Reps are Weed and Paul Mulvihill.

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The KELO-TV tower & antenna collapsed at 7:50 p.m. Sept. 20, but station got STA for interim operation with 200-ft. tower and single-section antenna. Its newly-installed satellite KDLO-TV, Florence, S. D. (Ch. 3), reported ready to start test patterns (Vol. 11:38), may delay its program debut accordingly.

The Washington, N. C. station's mgr. W. R. Roberson Jr. had planned Sept. 20 test patterns, Sept. 26 NBC hookup, when equipment was struck by hurricane Ione. Its 102-ft., 5-bay Alford antenna on 818-ft. Stainless tower withstood Ione's blasts, reported Roberson, and studios are ready. But transmitter house had to be cleaned out and other damage appraised in order to complete installation of 20-kw GE transmitter, and men are working around clock to get things going.

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

KHOL-TV's satellite in Hayes Center, Neb. (Ch. 6), which got CP this week (see p. 8), begins construction immediately and will be in operation by late Nov., wires mgr. Jack Gilbert. Hayes Center is over 100 mi. from parent KHOL-TV, Kearney (Ch. 13). Unique feature of new outlet is that it will be built with help of residents in area to be served who are contributing \$140,000 toward estimated \$188,166 it will cost, having entered into agreement with KHOL-TV to turn over funds collected by county committees as soon as CP was granted. Satellite will have

**FARM TV CENSUS** tabulations completed this week by U. S. Census Bureau show that 82.8% of New Jersey's 22,686 farms—or 18,798—were equipped with TV in Oct.-Nov. 1954 when the count was made on basis of 20% sample. In Tennessee, 50,123 or 24.6% of 203,149 farm homes had TV. The county-by-county farm TV count, from 1954 Census of Agriculture:

NEW JERSEY					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Atlantic	1,279	1,012	Monmouth	2,486	2,146
Bergen	547	467	Morris	1,023	847
Burlington	1,835	1,431	Ocean	1,214	1,009
Camden	658	575	Passaic	314	255
Cape May	315	246	Salem	1,478	1,225
Cumberland	2,237	1,926	Somerset	1,035	874
Essex	154	111	Sussex	1,021	754
Gloucester	1,608	1,425	Union	208	165
Hudson	52	43	Warren	1,120	882
Hunterdon	2,204	1,765			
Mercer	828	662	State Total	22,686	18,798
Middlesex	1,070	978			

TENNESSEE					
Anderson	1,555	475	Lawrence	3,200	550
Bedford	2,299	871	Lewis	529	106
Benton	1,035	155	Lincoln	3,407	697
Bledsoe	827	58	Loudon	1,400	351
Blount	2,847	916	McMinn	2,016	291
Bradley	1,430	306	McNairy	2,599	502
Campbell	1,467	295	Macon	2,409	721
Cannon	1,503	390	Madison	3,594	852
Carroll	3,205	370	Marion	894	145
Carter	2,446	631	Marshall	1,887	620
Cheatham	1,232	509	Mauzy	3,010	1,021
Chester	1,399	255	Meigs	684	103
Clairborne	2,622	347	Monroe	2,540	350
Clay	1,089	128	Montgomery	2,475	669
Cocke	2,451	309	Moore	764	150
Coffee	1,698	537	Morgan	908	192
Crockett	2,607	801	Obion	2,488	667
Cumberland	1,549	207	Overton	2,194	349
Davidson	2,374	1,676	Perry	715	62
Decatur	1,046	61	Pickett	778	46
De Kalb	1,527	520	Polk	770	115
Dickson	1,898	641	Putnam	2,544	572
Dyer	2,653	1,097	Rhea	1,005	234
Fayette	4,188	613	Roane	1,306	272
Fentress	1,464	119	Robertson	3,002	1,412
Franklin	2,262	519	Rutherford	3,441	1,398
Gibson	4,880	1,337	Scott	1,016	76
Giles	3,301	552	Sequatchie	433	72
Grainger	2,249	206	Sevier	2,577	466
Greene	5,955	977	Shelby	5,145	2,190
Grundy	596	120	Smith	2,505	835
Hamblen	1,558	260	Stewart	1,134	237
Hamilton	1,908	787	Sullivan	3,499	1,083
Hancock	1,748	155	Sumner	3,522	1,314
Hardeman	2,710	542	Tipton	3,906	1,523
Hardin	2,008	149	Trousdale	847	260
Hawkins	3,646	527	Unicoi	954	120
Haywood	4,294	833	Union	1,426	335
Henderson	2,423	300	Van Buren	479	85
Henry	2,503	417	Warren	2,253	649
Hickman	1,407	413	Washington	3,541	1,138
Houston	622	156	Wayne	1,447	85
Humphreys	1,040	299	Weakley	3,402	470
Jackson	1,884	392	White	1,822	321
Jefferson	2,084	346	Williamson	2,669	1,094
Johnson	1,807	261	Wilson	2,990	997
Knox	3,599	1,280			
Lake	760	222	State Total	203,149	50,123
Lauderdale	3,368	989			

Note: Previously published tabulations—Nev., N. H., Vt. (Vol. 11:28); Wyo. (Vol. 11:29); N. D. (Vol. 11:30); Ida., Utah (Vol. 11:31); Mont., S. D. (Vol. 11:32); Colo., Minn. (Vol. 11:33); Wis., Kan. (Vol. 11:34); Okla. (Vol. 11:35); Neb. (Vol. 11:36); Iowa (Vol. 11:37).

GE transmitter, antenna on 581-ft. Stainless tower. Rep is Meeker.

KBMB-TV, Bismarck, N. D. (Ch. 12), has installed 10-kw Federal transmitter, but bad weather has delayed installation of 4-bay Federal antenna atop State Capitol. City's 2nd TV expects to meet Oct. 1 test pattern and Nov. 1 programming targets, reports pres. & principal owner John W. Boler, also operator of North Dakota's KCJB-TV, Minot (Ch. 13) & KXJB-TV, Valley City (Ch. 4). KBMB-TV plans 10-12 hours of local programming weekly, will rebroadcast CBS programs of Valley City outlet for most part. Its base hour will be \$150, with all three stations offered at combination \$637.50 rate. Weed is rep for the 3 stations.

**'BEGINNING OF BREAK-THROUGH' ON COLOR:** The whiplash of big promotions, expansion of programming (including World Series starting Sept. 28), coordinated merchandising effort of National TV & Radio Week -- all these factors are combining to speed tempo of color sales this month. RCA chairman David Sarnoff, in Sept. 20 address to Ad Club of Washington, called it "the beginning of the break-through," said color will be a "major factor" in the industry by end of 1956.

Officials of RCA, which appears to be carrying color ball almost alone among manufacturers (in combination with NBC programming), express themselves as "quite pleased" with movement of color sets at all levels -- though obviously the numerical total is not impressive when stacked up against black-&-white. Still, they hope that the "Cadillac trade" -- perhaps as many as 35,000 -- will have purchased color sets by year's end, and are banking on accelerating sales from 1956 forth.

They're also pleased with perking interest by hotels, bars and other public users who were among first with black-&-white. This week, the big Governor Clinton Hotel in N.Y. bought 50 RCA 21-in. color sets to be placed in suites at no extra charge to patrons, and announced plans to have color sets in all 1200 rooms eventually. RCA pres. Frank M. Folsom commented: "We feel certain that countless other hotels will follow the lead of the Governor Clinton."

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Two big deterrents to all-out color splurge thus far have been lack of enough color programs and high prices. NBC and CBS are taking big steps this year to lick first problem. But from a high RCA source this week came word that there are "no plans for the moment" to reduce prices of RCA's color sets (\$795 & \$895). He said there's no prospect of lower prices, short of mass production. However: "If any set maker can make and sell 25,000 a month, it's conceivable they could come down."

Some big RCA distributors are reporting success in efforts to push color among dealers, recognizing that many retailers are hesitant to take on \$700-plus merchandise, especially in view of color's "false starts" in past. Biggest RCA distributor Bruno-N.Y. reported 150 of its dealers now have color sets in stock, indicated average sales to consumers had been running about 15 per week until this week, when dealers reported total of about 100 sales. Said Bruno's Irving Sarnoff:

"We sold 32 sets to dealers Sept. 19, the day after "Our Town" was on NBC. We're selling some every day. I think we'll run short of them before the end of the year, based on present production schedules."

Thomas F. Joyce, pres. of Raymond Rosen & Co., Philadelphia, has announced immediate goal of 150 color set sales a week, and has assigned promotion specialist exclusively to color, with \$45,000 earmarked for advertising. Washington RCA outlet Southern Wholesalers Inc., in area with 350-500 color sets already in use, reported 40 dealers are demonstrating them, said sales to date are "satisfactory."

NARDA chairman Mort Farr, a color enthusiast, is currently on cross-country speaking tour exhorting dealers to push color. "Women love color and you have to demonstrate it properly," he told Phoenix audience. "The profit realized from sale of 30,000 color sets is equal to 180,000 black-&-white table models." NARDA pres. Harry B. Price Jr., Norfolk chain retailer, personifies bearish attitudes of some dealers. He said no color sets have been sold to consumers in his market, so far as he knew. He said he could not see any enthusiasm for it because of (1) high prices and (2) poor local transmission, which made it difficult to demonstrate sets.

RCA meanwhile is promoting color to beat the band in its ads. Campaign began with full pages Sept. 18 in 141 newspapers in 126 markets, then with heavy plugs on "Our Town"; it will continue with local space in color areas and with regular spots on Milton Berle Show, Fibber McGee & Molly, Monitor and other TV-radio programs.

"Every market in the U.S. where a color TV signal can be received will be heavily covered," said RCA Victor TV adv. mgr. J.M. Williams.

Other manufacturers are virtually mute by comparison. Admiral & Motorola say they're shipping "to demand" only, report only trickle thus far. Latter says it will promote color sets in its partic. sponsorship on NBC's color Matinee Theatre.

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TV prices keep inching up, Philco boosting 36 receivers out of 48-model line by \$10-\$30 this week. RCA spokesman says company is still hoping to avoid price hike -- but there's known to be talk of raising one or 2 leader models by \$10. It depends on market conditions in next month. Admiral, Motorola, Emerson, DuMont, Stromberg-Carlson, Trav-Ler and a few others had raised prices previously. Zenith, Westinghouse and Sylvania, in addition to RCA, haven't raised them yet.

Brief highlights of other major trade developments this week:

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**Philco Objects:** Philco takes vigorous exception to "guesstimate" we published last week (Vol. 11:38), quoting report showing that Philco sales of TV receivers ran 11% of the market -- after RCA, first with 18%. While neither Philco nor any other set maker has released exact percentages, and our figures came from a highly regarded research source, Philco spokesman said "our percentage is much higher . . . Philco's new 1956 line of TV receivers, now going to distributors and dealers, is in even greater demand than any TV line in the industry. Philco factories are operating on an overtime and Saturday basis to meet the foreseeable demand for the fall market. Note: What wasn't made abundantly clear in our story, which referred to "sales during most of last year and 1955," was that the research period covered the 15 months preceding July 1955, hence meant 9 months of 1954. Those 9 months embraced the 45-day strike at Philco plants which began May 3 and ended June 17, 1954 (Vol. 10:18,15).

**Economic Boom:** U.S. Chamber of Commerce quarterly report, released this week, predicts best Xmas business in history at all levels of industry. It notes almost all businesses except agriculture currently hitting new highs in sales volume, says economy is operating close to capacity. Construction, it declares, is expected to continue upward climb through 1956. Other indices of prosperity noted in report: (1) Gross national product is currently at annual rate of \$390 billion, having hit peak of \$385 billion in second quarter. (2) Employment reached all-time record of 65,500,000 in Aug. (3) Federal Reserve Board index soared to high of 140 in July, 3 points above previous peak of 1953. On negative side, it called attention to some "doubtful spots" in economy, particularly increase in consumer installment credit.

**Whirlpool Merger:** Shifts of manufacturing personnel and distributors are under way in earnest, in wake of recent formation of Whirlpool-Seeger Corp. in which RCA owns 20%. John W. Craig, v.p. of RCA Estate, was elected one of 7 v.p.'s of new company; Austin Rising, gen. mgr. of RCA room air conditioners, also moved over to Whirlpool-Seeger as gen. mgr. of air conditioners & ranges; Joseph B. Ogden, an RCA regional sales mgr., will become air conditioner sales mgr.; T.H. Ford, engineering mgr. of RCA air conditioners, becomes product mgr. of air conditioners; E.W. Simms becomes gen. mgr. of Estate div. at Hamilton, O. They are among twoscore changes to be announced next week by new company, many involving RCA stove and air conditioner personnel. Distribution pattern was equally fluid. Four RCA distributors reportedly were lopped off by Norge, in anticipation that they soon would handle Whirlpool. They were Leo J. Meyberg Co., San Francisco; Morris Distributing Co., Syracuse; R.T.A. Distributors, Albany; D & H Distributing Co., Harrisburg. And in Minneapolis, the rumored distribution shift materialized, in which F.C. Hayer Co., RCA distributor, took over Whirlpool from Reinhard Bros.

**Production:** TV output totaled 198,874 week ended Sept. 16, highest this year, compared to 183,912 preceding week and 185,114 week ended Sept. 2. It was 37th week of year and brought TV production to date to about 5,375,000 vs. 4,500,000 in same 1954 period. Radio production totaled 270,207 (127,129 auto) week ended Sept. 16, highest in 4 months, compared to 234,812 week ended Sept. 9 and 239,401 week before. For 37 weeks, radio production was 9,380,000 vs. 7,450,000 in same 1954 period.

**Topics & Trends of TV Trade:** "Today's TV sets are the greatest retail value of any consumer commodity," said RETMA pres. H. Leslie Hoffman Sept. 21 in address marking Los Angeles celebration of National TV & Radio Week. He explained:

"While I was in the East, I asked the RETMA statistician to take the average price that the consumer paid for a TV set [\$200 currently], the average trade-in value [\$30-\$40] and the average cost of servicing [about \$14 a year], together with the life of the TV set [7 years] and figure out how much the average consumer was paying per hour for the great entertainment that he was receiving in his home. He came up with the almost unbelievable figure of 3 cents an hour!

"I have argued with statisticians before, but never successfully, so I will take this as an established fact. It still seems too low to me, however. But let us say that it is a nickel an hour—even here we could give any major industry a very substantial argument that we have the greatest bargain in the consumer field."

Note: RETMA emphasizes that its estimates are only "educated guesses," admits that some marketing experts in industry would quarrel with them. For example, some manufacturers contend that industry is still too young to estimate the life of a set, that some of earliest receivers are still in use.

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Sylvania's 10,000,000th TV picture tube came off the Seneca Falls (N.Y.) plant line this week, a 24-in. unit; chairman-pres. Don G. Mitchell, present at ceremony, remarked that if the 10,000,000 were laid end-to-end they would reach from N. Y. to London and said: "It is symbolic that I have just returned from London and I can say that Sylvania is going to bring its tube production know-how to England via the formation of a picture tube company there in conjunction with Thorn Electrical Industries Ltd. [whose] initial output will be more than 500,000 a year."

New 16 $\frac{2}{3}$ rpm phono-record package being produced exclusively for 1956 Chrysler line by CBS-Columbia and Columbia Records under "Highway Hi-Fi" title (Vol. 11:38) will sell for \$80 as optional equipment. The 6-record package to be supplied with first sale includes selections from *Pajama Game*, symphonic record by Philadelphia and N. Y. Philharmonic orchestras, original-cast recitals of *Don Juan in Hell*, selections by Andre Kostelanetz, Percy Faith, Paul Weston, Fess Parker, Gene Autry. Columbia later will make available 25 more records.

TV shipments to dealers totaled record 3,549,877 in first 7 months, when production was 4,173,088, according to RETMA state-by-state report released this week (county-by-county tables available to members from RETMA on request). They compared with shipments of 2,977,177, production of 3,152,132, in first 7 months of 1954. New York led with 347,900; California second, 302,613; Pennsylvania third, 217,660. July shipments totaled 465,160, compared to 407,087 in 5-week June, 329,574 in July 1954.

Ed Sullivan, TV impresario and newspaper columnist, lost suit for injunction to restrain Ed Sullivan Radio & TV Inc., Buffalo, N. Y., from using that name—Supreme Court Justice Walter A. Lynch ruling this week that there's no conflict of interest and remarking that there were Ed Sullivans long before plaintiff was born and will doubtless be many more Ed Sullivans in future.

NARDA's successful Institute of Management for TV-radio dealers (Vol. 11:34) will be repeated next year at American U, Washington, with enrollment expanded to 100 and fee of \$125 covering week's tuition, text material, housing in campus dormitory, ticket for "graduation" banquet. Inquiries should be sent to Dean N. A. Baily.

**Trade Personals:** Frederick D. Ogilby, v.p.-gen. mgr. of Philco TV div., returned to his desk this week after long illness . . . Percy L. Spencer, Raytheon v.p. & gen. mgr. of its microwave & power tube operations, elected to board . . . J. A. (Shine) Milling, for last 3 years exec. v.p. & gen. mgr. of Howard W. Sams & Co. and ex-v.p., RCA Service Co., elected pres. of the firm; Mr. Sams, who founded big technical publishing firm in 1946, becomes chairman of board . . . Robert F. Herr, Philco v.p. in charge of tech-rep div., returned Sept. 20 from 6-week European business trip . . . Mannie Sacks, RCA staff v.p. and Albert F. Watters, RCA international div. v.p., due back from European business tour first week in Oct. . . . Harold J. McCormick, GE district sales mgr. in N. Y., named TV-radio adv. & sales promotion mgr., replacing G. A. (Tony) Bradford, resigned . . . Leonard A. Freeman, ex-mgr. of CBS-Hytron's new Kalamazoo plant, named asst. to Joe Benaron, pres. of Pacific Mercury TV Mfg. Co., partly owned by Sears Roebuck . . . G. W. Wallin, ex-Webster-Chicago engineering v.p. & onetime chief engineer of Motorola home products div., joins Bell & Howell as exec. v.p. of its TDC (high-fidelity) div. . . . Bryan Hardwick promoted to Hoffman Electronics northwest district mgr. . . . Robert F. Kaufman, ex-CBS & Paramount Pictures, named adv. & public relations v.p., Precision Radiation Instruments Inc., parent of high-fidelity equipment manufacturer Radio Craftsmen Inc. . . . Robert L. Wolf elected engineering v.p. of Globe-Union's Centralab div. (parts) . . . Eugene Duffner, ex-chief TV-radio purchasing agent for Sears Roebuck, and Earl Pruitt named Fla. and Ill.-Ind. sales mgrs., respectively, for Channel Master Corp. . . . Gene Gold, ex-Audio & Video Products Corp., named merchandising mgr., Granco Products Inc.

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**DISTRIBUTOR NOTES:** CBS-Columbia appoints Radio Electric Service Co., 3rd & Tatnall Sts., Wilmington, Del.; Arthur Fulmer of Kentucky, 118 W. Chestnut St., Louisville (Robert Goodlin, gen. mgr.); Major Appliance Distributors Inc., 1213 W. Morehead St., Charlotte (Charles M. Lowe, pres.); Buchanan-Williamson Supply Co., Grundy, W. Va. (George Bishop Jr., pres.) . . . Raytheon appoints Standard Electric Supply Co., 1045 N. 5th St., Milwaukee, ex-CBS-Columbia outlet . . . RCA Victor Distributing Co., Detroit, appoints Reid Donaldson home instrument sales mgr., succeeding George Mansour, now in record div. of RCA Victor Co. Ltd., Montreal . . . Allied Appliance Co., Boston (Motorola) appoints Robert Cheyne gen. merchandising mgr., Paul L. Bishop major appliances sales mgr. . . . Sues, Young & Brown Inc., Los Angeles (Zenith) appoints Ford C. McElligott merchandising mgr. . . . J. A. Williams Co., Pittsburgh (Zenith) appoints C. E. Stauffer gen. sales mgr., Morris B. Epstein asst. to pres., Charles H. Weaver adv. & sales promotion mgr. . . . Epting Appliance Co., Charlotte (Hallicrafters) appoints Furman Ferguson, ex-Fred A. Barnette Distributors, as a v.p. . . . CBS-Columbia of N. Y. appoints Robert Segal as controller . . . Thurow Distributors Inc., Miami (Sylvania) moves headquarters to 1800 NW 23rd St. . . . Sylvania appoints Appliance Merchandisers, 802 Hayden St., Ft. Wayne (M. E. Kumle, pres.).

Willard H. Sahloff, v.p.-gen. mgr. of GE small appliance div., to receive first annual housewares & appliance industries' distinguished service award from Joint Defense Appeal at testimonial dinner Oct. 11 at Hotel Plaza, N. Y.

GE advertising of TV broadcast equipment won Direct Mail Advertising Assn. award at Chicago convention last week; adv. mgr. Roy Jordan accepted citation.

Dr. Allen B. DuMont's 54-ft. yacht *Hurricane II* was declared season's point winner last week of predicted-log cruiser racing, receiving national championship trophy.

**Electronics Reports:** A \$30-\$40 billion electronics industry, with 92,000,000 TV sets in use, many of wall-screen type and nearly all in color—that's what 3 leaders foresee 20 years from now in written predictions they were asked to supply for inclusion in sealed cornerstone of new financial office building in Elizabeth, N. J. Highlights of their forecasts:

RCA pres. Frank Folsom—Industry's annual dollar volume will rise from \$11 billion today to \$30 billion because "a constantly growing America will buy more such items as color and 'wall screen' TV sets; electronic home controls and appliances, such as electronic refrigerators, electronic air conditioners, and possibly even washers; electronic heating; TV tape recorders . . ." By 1975, "there will be at least 92,000,000 TV sets in the United States, 90% of which will feature color," receiving live programs from all over globe.

CBS pres. Frank Stanton—Electronics industry today accounts for more than \$8 billion annually, or 2-2.5% of gross national product. By 1975 "it may account for 4-5% or something in the neighborhood of \$35 billion." Also: "General acceptance of color."

Admiral pres. Ross Siragusa—"Color TV will be standard in American homes with pictures projected from a central receiving instrument on flat tubes in picture frames that can be switched on like extension loudspeakers in each room." Solar-powered transistor radios will last a lifetime. Guided missiles may land on planets and transmit TV pictures back to earth.

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Nickel shortage is pinching tube industry again, representatives of 7 receiving tube manufacturers told Commerce Dept. Sept. 20 in second of series of electronics industry meetings with Commerce's Business & Defense Services Administration (BSDA) and officials of other agencies. Industry spokesmen said production cutbacks may be necessary unless more high grade nickel is made available. BSDA representatives replied that demand exceeds supply and that Govt. no longer controls distribution of metals for non-defense uses. Meeting of Receiving Tube Industry Advisory Committee was called in connection with upcoming study of industry's mobilization capacity. Committee approved list of proposed categories of tubes to be used in collecting data on requirements and production capacity. Represented at meeting were RETMA, RCA, Philco, CBS-Hytron, Raytheon, Sonotone, Sylvania, Tung-Sol. Other industry advisory meetings scheduled by BSDA Electronics Div. under Donald S. Parris: transmitting & special purpose tubes, Sept. 27; relays, Oct. 5; resistors, Oct. 6; capacitors, Oct. 11. Meeting with quartz crystal industry was held Sept. 12.

Portable transistorized receivers and transmitters which require no battery but operate from power radiated by standard broadcast stations are being developed experimentally by Hydro-Aire Inc., Burbank, Cal. As described by Dr. Hans Hollman at recent Western Electronics Convention, radiation from local broadcast station is picked up and rectified to provide sufficient power for transistor circuits.

First solar-powered telephone exchange will go into service Oct. 4, Bell Labs announces. Bell System will hook up 8 phones to solar battery atop utility pole at its all-transistorized experimental telephone exchange in Americus, Ga. (Vol. 10:18).

RCA tube div. will construct new \$3,000,000 plant near Somerville, N. J. to handle semi-conductor activities (transistors, diodes). It will have 126,000 sq. ft., be ready by fall of 1956, according to div. v.p.-gen. mgr. D. Y. Smith.

**T**V and RADIO SETS withstood atom blast last April, were found to be still operating after 35-kiloton explosion within 2 miles away at Yucca Flat. Results of experiment on atomic bomb's effect on electronic equipment were disclosed this week by Raymond H. Williamson, GE, who was in charge of RETMA-Civil Defense project. He said a TV set placed in a brick house 4700 feet from blast worked immediately thereafter, with no servicing needed, even though the house crumbled. The set was overturned and cabinet damaged. A portable radio, placed in frame house 10,000 feet from blast site, also was operable without servicing.

A standard mobile broadcast station located in a concrete slab house 4700 feet from the blast went off air because a gas power generator failed and a service wire broke when a telephone pole fell down during explosion, but service was restored in 15 minutes. Most mobile radios in cars less than mile from blast site also worked later.

Williamson said experiment proved that communications can be restored in reasonable time for use in evacuations, and that salvage is worthwhile in any but the "A" zone—area of complete destruction.

Companies participating were Admiral, American Phenolic, Andrew Corp., Antenna Specialists Co., Belden Mfg. Co., Bendix Aviation, Cook Electric, Corning Glass, Dale Products Inc., DuKane Corp, Erie Resistor, GE, Hallcrafters, Hughes Aircraft, Hydro-Aire Inc., I.D.E.A. Inc., J-B-T Instruments, Jefferson Electric, JFD Mfg. Co., Lenz Electric, P. R. Mallory, Motorola, North Electric Co., Permoflux Corp., RCA, Remler Co. Ltd., Simpson Electric, Speer Carbon, Sprague Electric, Stainless Inc.

Daystrom Inc. sold American Type Founders, its printing equipment subsidiary—as we predicted in Aug. (Vol. 11:32)—for \$9,000,000 this week to investor group headed by David Berdon and Jay Levine of N. Y., thus concentrating 85% of operations in electronic field (one subsidiary builds furniture). During past year, Weston Electrical Instrument Corp., American Gyro Corp. and Heath Co. were added to its Daystrom Instrument Div. & Daystrom Electric Corp. Firm will maintain executive offices in ATF plant, Elizabeth, N. J., until it builds new quarters.

IRE's Professional Group on Electron Devices (G. D. O'Neill, Sylvania, chairman) holds annual technical meeting at Shoreham Hotel, Washington, Oct. 24-25. Atlanta section, IRE (B. J. Dasher, Ga. Tech., gen. mgr.), and Professional Group on Instrumentation plans Southeast electronics conference & exhibit at Atlanta Biltmore Hotel, Nov. 28-30.

Russian electronics papers and articles, translated into English, now a regular feature of *Electronic Design Magazine*, which editorially urges Govt. "to start such a program of translating and disseminating foreign technical information on an official basis." First translation to appear in the publication was description of transistorized radio receiver from Soviet magazine *Radio*.

I.D.E.A. Inc., Indianapolis (transistor radios, uhf converters, etc.) has acquired Radio Apparatus Co., same city, makers of radios & communications equipment (R. G. True, pres.) via exchange of common stock. Radio Apparatus will operate as Monitor-radio div.

Walter E. Ditmars, pres. of Gray Mfg. Co., Hartford, received "patriotic advertising award" of Sons of the American Revolution for his firm's anti-Communist ad campaign. Charles Donahue Jr. appointed asst. to Gray gen. sales mgr. to direct adv. & sales promotion.

Yale & Towne Mfg. Co. has purchased new 12,300-sq. ft. plant at Addison, Ill. for production of ferrite components for TV-radio-electronics.



**P**OLITICAL FOOTBALL is being made of \$2.4 billion Air Force contract with AT&T for vast communications network, biggest such contract in history, following this week's disclosure by the Comptroller General that lease was signed without Congressional authority. Costing \$240,000,000 a year for 10 years, vast semi-automatic radar air defense network goes by name SAGE (Semi-Automatic Ground Environment), links 8 combat and 32 direction centers through 25,000 new telephone circuits. Air Force now leases 1500 circuits for all purposes at \$48,400,000 annually.

Adding to political uproar, which commanded considerable newspaper attention this week after story was first broken by a columnist, is fact that Air Force Secy. Donald Quarles is an ex-Western Electric v.p. and ex-pres. of its guided missiles subsidiary, Sandia Corp. WE's Fred R. Lack was absent in Europe when story broke.

As week ended, Democrats were hurling fresh "big business" charges at Republican Administration; Rep. Cannon (D-Mo.) ordered full-scale investigation by House Appropriations Committee, but hearings aren't expected before Jan.; many subcontractors were in confusion about what may come next; General Accounting Office said Air Force lacked authority to sign contracts but agreed to reconsider case if AF asked and stated that if work continues without authority it would be at AT&T's "risk".

AT&T appeared undisturbed, observed contract represented very little profit to it, if any, stated:

"The telephone company's sole interest in the SAGE project is to help meet the defense needs of the country. The work undertaken by us has been at the specific request of the Dept. of Defense in every instance and the rates for facilities are identical with those charged other customers and are in accordance with the rate schedules supervised by State and Federal regulatory bodies . . . There has been no attempt on our part—nor will there be—to extend the scope of the facilities needed for SAGE. We stand ready, as we always have, to provide the Defense Dept. with whatever communication facilities it feels it needs for the safety of the country, and that is the extent of our interest in this whole matter."

In early editorial comment, there was no inclination to suggest skullduggery; for example, Sept. 22 *Washington Star* editorialized: "One can only deplore the readiness—eagerness might be a better word—of House Majority Leader McCormack to play partisan politics with the legal dispute over the plan for constructing a far-reaching air defense communications system . . . Perhaps the Air Force should have obtained specific authorization for the additional circuits, which will cost a large sum of money. But it thought it already had authority to go ahead. And it seems clear that appropriate Congressional committees were kept informed of the Air Force plans. This hardly adds up to a conspiracy or scandal . . ."

Registering with Congress under Federal Lobbying Act for first 6 months of 1955 were these firms and their Washington representatives. AT&T, Edward B. Crosland, Ronald J. Foulis, Blake T. Newton Jr.; CBS, Earl H. Gammons; Clear Channel Bestg. Service, Hollis M. Seavey; GE, Robert T. Borth; Hughes Tool Co., Seymour Mintz, Wm. T. Plumb Jr., Robert K. Eifler, R. A. Mullens; Motorola, F. Cleveland Hedrick, Maurice J. Paul; NARTB, Thad H. Brown Jr., Oscar Elder, Harold E. Fellows, Ralph W. Hardy, Vincent Wasilewski; NBC, Francis M. Russell; Philco, Henry H. Glassie, Henry B. Weaver Jr.; RCA, George Y. Wheeler II.

Technograph Printed Electronics Inc., Tarrytown, N. Y. reports licensing RCA under its printed circuit patents.

Maj. Gen. Jerry V. Matejka, due to retire Aug. 31 as asst. to Army Deputy Chief of Staff for Logistics, appears likely choice to succeed Harold M. Botkin as Office of Defense Mobilization's asst. director for telecommunications, important policy job of charting nation's communications mobilization. Botkin returned Sept. 19 to AT&T long lines dept. as asst. to v.p. H. T. Killingsworth, after completing year's service in the mobilization post. Gen. Matejka, 61, has been detailed on "temporary assignment" to ODM's telecommunications office. ODM officials were wary, however, of commenting on the possibility that he would succeed Botkin as asst. administrator, though it's believed he'll be offered the post after his retirement from army. Well known to communications-electronics industry, Gen. Matejka has served in Office of Chief Signal Officer, Munitions Board, as Chief Signal Officer of European Command and as commanding general of Ft. Monmouth.

Dr. Vladimir K. Zworykin, pioneer TV inventor and honorary RCA v.p., accompanied by Mrs. Zworykin, sailed Sept. 23 on the *Conte Biancamano* to address 3rd annual International Meeting on Communications in Genoa, Italy, Oct. 9-11, sponsored by Instituto Superiore della Telecomunzioni. He'll speak on "Contributions of TV and Electronic Optics to Spreading of Knowledge Among Men," will return to U. S. by air Oct. 20.

George Stevenson, ex-Radiation Inc., named sales coordinator of International Resistance Co. subsidiary Circuit Instruments Inc., St. Petersburg, Fla.; Ernest W. Yonick, ex-Sperry Rand, named eastern sales mgr. IRC last week broke ground in Sylmar, Los Angeles County, for 26,000-sq. ft. building to house its subsidiaries Hycor Co., IRCal Industries, Emec Inc.

Dr. James B. Fisk, exec. v.p. of Bell Labs, and Robert C. Sprague, chairman of Sprague Electric Co., were among signers of top-level report submitted to National Security Council by Killian committee, headed by MIT pres. Dr. James J. Killian Jr., which probed this country's position in air-atomic weapons.

Dr. Harry F. Olson, director of RCA's acoustical-electro mechanical research lab, will receive SMPTE Warner Memorial award Oct. 4 at convention at Lake Placid Hotel, N. Y.

George T. Scharffenberger, Federal Telephone & Radio Co. v.p., named v.p. in charge of operations of Kellogg Switchboard & Supply Co., also an IT&T subsidiary.

Brig. Gen. Albert F. Cassevant, ex-Army signal officer in Far East, named chief, Signal Corps procurement & distribution div.

J. E. Sullivan, civilian chief of Navy Bureau of Aeronautics' airborne div., resigns to become mgr. of Washington office of Lear Inc.

Clevite Corp. opens new Washington branch office with Henry W. Gottfried Jr. in charge; he's ex-v.p., North American Aviation Co.

Brig. Gen. W. Preston Corderman, deputy Chief Signal Officer, promoted to major general.

Philip A. Portnoy, exec. asst. to Harry R. Ashley, pres. of Electronic Instrument Co. (Eico), promoted to v.p.

Steven Galagan appointed engineering director, Gabriel electronics div.

Edward L. Nelson, 64, chief scientist, Army Signal Corps research & development, died Sept. 21 at Arlington, Va. He retired from Bell Labs in 1951 after 34 years on radio development, held 11 patents and supervised aircraft & ship radar projects in World War II. He is survived by his wife, 3 sons, 2 daughters.

**F**CC COMR. Robert T. Bartley, taking exception to proposals by CBS pres. Frank Stanton and others that equal time rule on political broadcasts (Sec.315) be amended (Vol.11:22), told NARTB regional meeting at Saranac Lake, N. Y. Sept. 23 that "tampering with the statute would go a long way toward undermining one of the basic principles which guarantees the freedom of radio in this country." Law's requirement for equality and fairness to all shades of political opinion, he said, also protects broadcaster since it insulates him from unreasonable pressures by parties.

"The proposal to put in the hands of a network or an individual licensee the power to determine which candidate should appear on his network or station," Bartley said, "would not be a cure for the problems that exist in the handling of political broadcasts. Such a proposal might be a solution for the problems that national networks face during a presidential campaign. But is the suggested change in the law a solution for the local broadcaster and his local audience? . . . I think that such a proposed 'cure' would kill the patient instead, by removing one of the basic safeguards of fair play in our system of broadcasting today."

Free TV time issue erupted again earlier this week when N. Y. Gov. Harriman and NBC completed arrangements for monthly simulcast "Report to the People"—evoking quick Republican demand for equal time. Hamilton Shea, NBC v.p. in charge of WRCA-TV, replied that program—starting Sept. 25—is in "public interest," referred to similar broadcast by Gov. Devey in 1949, refused G.O.P. request for present, but promised equal time if Gov. Harriman injects partisanship into discussions. Gov. Harriman's reports are to be carried on NBC 9-station N. Y. State TV network and an NBC State radio network, originating live at WRCA-TV, and will be broadcast semi-monthly during legislature sessions next year.

Denver's KFEL-TV, whose purchase by J. Elroy McCaw has been approved by FCC (Vol. 11:31), this week got new gen. mgr., Jon R. McKinley, ex-WTAC-TV, Flint. At same time, McCaw announced that Founders Corp., subsidiary of Tele-Trip Inc., New York aviation insurance firm, has exercised option on 50% of KFEL-TV, taking over half of \$400,000 sale price and half of \$350,000 liabilities. John M. Shaheen heads Founders board, other members being Eugene duPont III, Wilmington; H. J. Rand, Cleveland; and H. B. Lamy Jr., Philip Gandert & Joseph P. Kane, New York. Founders Corp. operates radio KPOA, Honolulu, last year bought WTAC, Flint, from Campbell-Trendle interests, after latter turned in CP for off-air Ch. 16 WTAC-TV (Vol. 10:32, 40). Note: Seller Gene O'Fallon, who is retained as KFEL-TV management consultant, with offices at 550 Lincoln St., Denver, announces formation of Gene O'Fallon & Sons, representing Boothe Leasing Corp., national leasing service for industrial equipment & machinery; his new company also will operate a rental & leasing service that includes closed-circuit TV, lines including Fleetwood and Singer large-screen TV projectors.

Approval of \$150,000 sale of KAVE, Carlsbad, N. M. with CP for KAVE-TV (Ch. 5) to John Battison group (Vol. 11:32) is sought in application filed this week. New owners will be Nancy H. Battison, pres., holding 76% (with husband John becoming mgr.); Charles D. Cole, engineer of Austin Co., Cleveland, v.p., 3%; Philip M. Baker, Washington attorney, 5%. Edward P. Talbott, chief engineer of KROD-TV, El Paso retains 16% of present holdings. Principals selling out are KROD-TV gen. mgr. Val Lawrence and Norman R. Loose.

CBS-TV's *Gene Autry Show*, on film, will be color-cast for its 5 episodes during Oct., Sat. 7-7:30 p.m.

Signs of the TV times: NBC's KRCA, Los Angeles, reports local time sales in Aug. up 73% from year ago, all NBC o-&-m stations rising 29%; radio WMAQ, Chicago, was up 85% in month, all NBC radio stations up 29% . . . WOR-TV, N. Y. not only goes on all-night schedule (Vol. 11:38) but reports billings for first 9 months 82% ahead of same 1954 period, attributable chiefly to *Million Dollar Movie* and other feature films . . . Philip Morris, readying for color TV and launching "retina retention" ad campaign on TV-radio Oct. 1, is coming out with red, white & gold package; appliance people going in stronger for colored items, GE disclosing 17% of its major appliances are now in color . . . Siegler Oil Heaters advertised in big headlines: "As different from ordinary heaters as TV is from radio!"

Next Armed Forces TV stations will be at Army's Kagnev Station, Asmara, Eritrea, and at Clark Air Force Base, Philippines, with both scheduled to begin low-powered telecasts about Nov. 1. Guantanamo Bay Navy Base in Cuba is due to get outlet by year's end. Greenland's second installation is also due by same time. Navy has requested station in Kodiak, Alaska, and 2 closed-circuit TV installations will be built at Whittier and Big Delta Army bases in Alaska. Armed Forces TV Service, under Lt. Col. M. E. Williamson, now has 7 TV stations. Its only outlet in continental U. S., at Loring Air Force Base, Maine, will go off air if either of 2 proposed stations is built at nearby Presque Isle, according to Col. Williamson.

Sale of radio WUSN, Charleston, S. C. for \$110,000 by J. Drayton Hastie family and *Evening Post*, who retain WUSN-TV (Ch. 2), was approved by FCC this week. New owners, with 50% each, are TPA's Barry Winton and Sol Panitz, TV-radio director of Alvin Epstein Adv., Washington agency (Vol. 11:34). Also approved was sale of WTRX, Bellaire, O. for \$85,500 by John Kluge, Washington, also owner of several other AMs, who bought it last year (Vol. 10:41) from owners of WTRF-TV, Wheeling, W. Va. (Ch. 7). New owners are Washingtonians—ex-NARTB admin. v.p. Robert K. Richards, now a public relations counsel, and Walter Patterson, who also own 2 W. Va. radio stations.

RCA Color TV Caravan, with crew of 18 headed by James P. McCarvill, will show at Texas State Fair for its duration Oct. 7-23 and is expected to show color TV to some 2,500,000 people. Studio will be set up in Agriculture Bldg., from which KRLD-TV & WFAA-TV will both colorcast. Featured will be special color TV projector using 15x20-ft. screen in addition to the twenty 21-in. color sets that will be set up throughout the fair grounds. Some of the technicians manning 32-ft. caravan trailer recently returned from black-&-white demonstrations for RCA at international trade fairs in Karachi, Pakistan & Djakarta, Indonesia.

Agreement has been reached for sale of WFBG-TV, Altoona, Pa. (Ch. 10) with WFBG (250 watts, 1350 kc, NBC) for \$3,500,000 cash instead of the \$2,900,000 cash and \$750,000 advertising credit previously agreed upon (Vol. 11:32-33). Triangle Publications Inc. (WFIL-TV, WBNF-TV, *Philadelphia Inquirer*) is purchaser; Gable dept. store interests the seller. Formal application for transfer will be filed with FCC shortly.

ABC-Paramount is new name of AB-PT's record label, changed from Am-Par. Under pres. Sam Clark, it's compiling big-name catalog, plans big promotional campaign this fall featuring \$100,000 time purchase on ABC-TV's upcoming *Mickey Mouse Club*.

New application for Presque Isle, Me., Ch. 8, was filed this week by WAGM, bringing total on file with FCC to 156 (19 uhf). [For details see *TV Addenda 21-K* herewith.]