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Television Digest

with **ELECTRONICS REPORTS**

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FCC NETWORK STUDY report recommends multiple ownership clampdown, hearings on station sales, ban on option time (p. 1 & Special Report).

NEW RALLYING FORCE for opponents of networks provided by Barrow report. Study seen as more influential factor in Congress than within FCC (p. 3).

RCA REVISING PATENT licensing for TV-radio receivers; notifies set makers of changes "in near future." End of litigations seen (p. 4).

"VISUAL DECEPTION" CHARGES by FTC against TV commercials get first hearing; FTC wins right to isolate Roloids spots as evidence (p. 4).

NETWORKS' 1956 PROFITS from broadcasting shown in report: CBS \$40,733,000, NBC \$34,910,000, ABC \$9,727,000—before taxes (p. 6).

TOP TV BRANDS in 23 cities, as listed in survey by newspaper members of Consolidated Consumer Analysis, shown in table listing 14 makes (p. 10).

ELECTRONIC DEVELOPMENTS sparking U. S. economy seen by Hoffman pres. H. Leslie Hoffman; engineering center's staff to double in 2 years (p. 12).

PAY-TV DEVELOPMENTS: FCC to finalize proposal on test applications in next 2 weeks; San Francisco delays closed-circuit action (p. 7).

ALLOCATIONS ACTIONS stand as FCC turns down pleas for Evansville, St. Petersburg, Presque Isle. Go-ahead for Ch. 12, New Orleans (p. 8).

BILLINGS DOWN 9.5% for TV networks in Aug. vs. year earlier, when political conventions upped totals. Cumulative 1957 gain is 4.2% (p. 14).

I—NETWORK STUDY REPORT, WHAT IT SAYS: Staff report on "Network Broadcasting," submitted this week to FCC Network Study Committee by Dean Roscoe Barrow's study group, is so significant a document that we recommend close reading of at least its "summary and recommendations" by everyone whose livelihood or important decisions are geared to TV.

For this reason we have reprinted that portion of the 1400-page mimeographed report in handy supplement form for permanent reference, and enclose it herewith as a Special Report to all subscribers.

Probable long-range meaning of Barrow report is discussed on page 3. Here are highlights of the far-reaching changes in TV station and network regulation recommended as result of 2-year Congress-mandated study:

Station ownership & licensing policies—FCC should seek eventually to approach as close as possible a limitation of "one station to a customer"—but in order to reduce concentration with minimum dislocation it should specify that no owner be permitted more than 3 vhf stations in top 25 markets, while retaining present numerical ownership ceiling of 7 stations of which not more than 5 may be vhf. It's suggested that 3 years be allowed for affected owners to get rid of excess stations.

Under proposal, these owners would be required to sell stations: ABC, 2 stations; NBC, 2; CBS, 1; Westinghouse, 2; Storer & Crosley, possibly 1 each, depending on whether Storer's WVUE is considered Philadelphia or Wilmington outlet, and on market rank assigned to Columbus, O. (Crosley's WLWC).

Multiple owner divested of a station would be permitted to seek one in smaller market, but Commission rules would be stacked against his getting it. It would be even more difficult for network—which would have to prove acquisition is essential to prevent financial distress.

Diversification policy should be made far stronger—FCC adopting rule to establish "presumptions"

in favor of local applicants owning no other stations, placing on multiple and non-local applicants the "burden of rebutting the presumption."

Any station transfer application could be thrown into competitive hearing under proposal to repeal McFarland amendment to Communications Act and restore old "Avco procedure" which required that proposed station sales be advertised and anyone willing to meet offered price be entitled to compete in hearing. In transfer hearings, same "presumptions" against non-local and multiple owners would be applied.

To discourage "trafficking," station purchasers would be limited to ownership of only one station for first full 3-year license term, then permitted to apply for one additional station each year (subject to multiple ownership limits).

Option time—It should be prohibited. There is no indication that it's necessary to network operations, and there's strong evidence it may violate anti-trust laws.

"Must-buy"—Practice should be banned, but "minimum-buy" requirements—stated in terms of dollar purchase (ABC's practice), number of stations, circulation coverage, etc.—should be permitted without specific FCC regulation, at least at outset.

Rates—Networks should be required to publish rate-making procedures, including circulation credited to each affiliate and all changes in network rates of affiliates, but FCC shouldn't attempt rate regulation "at this time."

Affiliation & compensation—Operations should be conducted in goldfish bowl, Commission making public all affiliation contracts filed with it. Criteria for affiliation and disaffiliation should be filed with FCC by networks, along with reports on all affiliation changes, requests for affiliation and disposition of these requests. Two-year maximum affiliation term should not be extended.

Network sponsors should have access to unaffiliated stations where affiliates can't provide satisfactory clearance. FCC should seek comments on proposal to permit unordered affiliates to carry network shows with commercials deleted by paying reasonable price.

Spot sales reps—Networks should be barred from acting as sales reps of stations other than their owned-&-operated outlets.

Network regulation—To simplify regulatory procedure, FCC should ask Congress to authorize it to apply rules & regulations directly to networks, rather than regulating networks indirectly through affiliates and owned stations.

Enforcement—Commission should seek power to levy monetary fines on stations & networks for infractions of rules not serious enough to warrant license revocation.

Programming—Because of delay caused by legal battle with group of programmers over study group's right to obtain business and financial information, there wasn't time for complete study of programming ownership, etc. Study should be completed by newly constituted FCC Office of Network Study (headed by economist Warren Baum, a member of network study group).

Alternatives—Barrow states his report is attempt to "achieve effective competition" within framework of existing broadcasting system. However, he warns, if this stated goal isn't accomplished "within the next few years" through the recommended measures, "it may be necessary to consider basic structural changes in the system"—such as:

- (1) National TV service available to any subscribing station, as AP serves newspapers.
- (2) Rationing of station time among programmers and advertisers.
- (3) Commission regulation of rates.
- (4) "Recapture of monopoly profits or economic rent in the use of valuable frequency channels allocated to the large commercially desirable markets."
- (5) "Recapture of the value of the frequency itself upon [sale of] scarce, viable station facilities."

Summary and Recommendations of

FCC Staff Report on Network Broadcasting

From 1400-page Document Submitted Oct. 3, 1957 to FCC Network Study Committee by Network Study Group Headed by Roscoe L. Barrow, Dean of Law College, U of Cincinnati

Concluding 2-Year Study Ordered by Congress in June 1955

I. SUMMARY

A. Introduction

The Network Study was initiated by the Federal Communications Commission to determine whether the present operation of television and radio networks and their relationships with stations and other components of the broadcasting industry tend to foster or impede the development of a nation-wide, competitive television system.

The last comprehensive study of broadcasting by the Commission was conducted from 1938 to 1941. The results were incorporated in the Report on Chain Broadcasting of 1941. On the basis of that study, the Commission issued, in 1943, the Chain Broadcasting Rules governing relations between networks and stations. The rules were initially adopted for radio and, upon the advent of television as a commercial system, they were applied to it as well. No substantial changes have been made in the Rules, with respect either to radio or television, since their adoption. Since 1943, television has developed rapidly, and radio, due in part to the growth of television, has undergone fundamental change. The Network Study has undertaken a systematic reappraisal of the Chain Broadcasting Rules in the light of these developments. It has made recommendations for new regulations or legislation as required to effectuate Commission policies under the conditions existing in broadcasting today.

It was initially intended that the Network Study be addressed to both radio and television. During the course of the Study it became apparent, however, that the problems most urgently requiring Commission attention were in the television medium. Faced by limitations of budget and staff, the Network Study Staff concentrated its resources on the problems in television broadcasting. A brief survey of the current situation in radio is set forth in the Report. It is recommended that the Commission conduct a further study of radio for the purpose of determining whether modification of the rules is necessary in the light of current conditions in the industry.

A substantial portion of the Staff's time has been expended on a study of programming. Due to objections by some independent program producers to supplying the competitive business information required, and the attendant extended negotiations and litigation, some of the issues relating to programming are not considered in this Report. It has been recommended that these issues be studied as promptly as the information is available and that the results be made the subject of a supplemental report.

A few other problems initially were included in the study but were not covered because of limitations of time and staff. It is recommended that these be the subject of further study by the Commission.

At the outset, it was determined that the interest of the public and the Commission in a comprehensive and

objective appraisal of television broadcasting could best be served through the adoption of a "study" technique rather than a formal investigative hearing or proceeding. This technique has included a series of conferences with all of the components of the industry, during which background information was obtained on the operations and problems of each component; more intensive staff interviews with selected groups of stations, advertising agencies, station representative agencies, independent program producers, and with each of the network organizations; and a spot check of the networks' files. In addition, a series of questionnaires were sent to the television networks and a questionnaire was sent to all commercial television stations, approximately 60 advertising agencies and 34 national station representatives, and to all known non-network program producers. Through this technique, a large volume of information and statistics bearing on the problems under study has been acquired by the Network Study Staff. These materials have been analyzed in the body of this Report. The findings and recommendations of the Network Study Staff in its Report on Network Broadcasting will now be summarized.

B. History and Description

The report begins with a brief history of the development of television and a description of the principal components of the industry. The rapid development of television as a commercial service reaching a high proportion of American homes is traced, together with the principal policies of the Commission directed towards the establishment of the television service. Among the components of the complex broadcasting service are: the advertiser who provides the financial support for the industry; the advertising agency which assists the advertiser in his advertising campaign; the network, which provides substantial programming and an interconnected chain of affiliated stations over which the advertiser can broadcast his program to a national audience; the independent program producer and distributor, which develops programs for sale to advertisers, networks and stations; the American Telephone and Telegraph Co., which owns and leases to networks the coaxial cable and microwave relay facilities by which affiliated stations are linked; the stations, which are licensed to operate on frequencies assigned by the Commission and most of which, in television, are affiliated with one or more networks; the station representative agencies, which act as agents for individual stations in the "spot" sale to national and regional advertisers of portions of station time not used to carry network broadcasts; and the public, who owns the airways and is served by the industry.

C. Statement of the Public Interest

The touchstone of the Communications Act is broadcasting in the public interest. The Federal Communica-

tions Commission is empowered to establish rules and policies to further the "public interest, convenience, and necessity" with respect to broadcasting and also to "generally encourage the larger and more effective use of radio (television) in the public interest." The Report examines the various doctrines, policies and procedures through which the Commission has given substance to the "public interest" and which have guided the evaluation and recommendations of the Network Study Staff.

Specific definition has been given to the public interest standard in various decisional contexts by court opinions and by the Commission in both rule making and adjudicatory proceedings. In attempting to secure the maximum benefits of broadcasting to all the people of the United States, priority has been given by the Commission in its allocation plans to providing service to all areas. Additional objectives have been to provide for a local TV outlet in as many communities as technically feasible and for multiple services to the maximum number of communities so as to provide program choice and to encourage competition among all components of the TV industry.

Service to the public is the ultimate goal of the broadcast regulatory function. This policy is ordinarily phrased in terms of making available a broadcast service filling the needs and desires of the community served by each broadcast facility. In the implementation of this overall policy, the Commission has concentrated on three basic supporting policy themes: competition, diversification, and licensee responsibility.

Commission Encouraged New Stations

Various Commission actions have been taken for the purpose of encouraging the development of a nationwide, competitive broadcasting system. The Commission has undertaken to promote competition by encouraging new entry at the local station level, particularly in the "economic-injury" cases where it has refused to protect an existing licensee against possible economic loss through the establishment of a new station in the market. The rule prohibiting duplicate ownership and the policy of favoring applicants unassociated with other communications media within the community in comparative hearings have also contributed to increased competition at the local level. The competitive element has also been implemented by actions taken to equalize competitive opportunity at the station level through the VHF-UHF deintermixture proceeding and at the network level by the rule prohibiting dual network ownership in the same medium and by the ABC-UPT merger decision.

The Commission has also attempted to encourage competition among networks for affiliates and competition among stations for network affiliations. Several Commission policies are framed in terms of preventing concentrations of economic control which may be inconsistent with the public interest. This has been attempted by limiting the number of broadcast facilities which can be owned or controlled by the same person, by selecting licensees in comparative hearings so as to prevent monopolistic situations in mass media control of specific markets, by favoring autonomous operation of each broadcast facility where the licensee controls multiple facilities and by favoring autonomous operation of the broadcast facility where the licensee controls other communications media. The licensee is expected to give primary attention to the operation of the broadcast facility. Such facilities are not to be used as a mere promotion appendage to the operation of other commercial interests of the licensee. The Commission has also voiced strong disapproval of the employment of restrictive practices by network organizations with respect to affiliated stations. Such anti-competitive practices as forced combination advertising rates for two or more broadcast facilities or for a broadcast facility and other news and advertising media and the wielding of influence by network organizations on the non-network rates of affiliates have also been disapproved by Commission decisions and rules. Increased competition has usually been

associated with improved program service to the public.

It has been a basic policy objective of the Commission to encourage a large group of qualified persons to participate in television in order to obtain a high level of diversified service and program viewpoints. Competition in service and program viewpoints has been encouraged by prohibiting duplicate ownership at the individual community level and by limiting the overall number of broadcast facilities which can be owned or controlled by the same person. Further, in comparative hearings those applicants un-associated with or having the lowest degree of ownership and control over other broadcast facilities and non-broadcast communications media have been favored, particularly where such media are located in the same community as the television facility.

The Commission has defined the responsibility of the broadcast licensee as that of rendering the best practicable service to the community reached by his broadcasts. A preference has been recognized, therefore, for local ownership and control. Where two or more applicants are competing for the same channel, favorable consideration has also been given to the diversification factor. But since service to the public is the overriding criterion for selection, a good performance record of past programming which shows an ability to effectuate program proposals is also considered a strong basis for preference in comparative proceedings. The programming responsibility of the licensee is to be discharged within the broad framework of presenting a well-rounded program service suited to the needs and desires of the community served.

Within the broad limits of the well-rounded program doctrine, the licensee has the primary responsibility for selection of the programs presented over his station. Presentation of local live programming frequently has been emphasized by the Commission. Delegation of programming authority to non-licensees has been strongly disapproved. The Commission has recognized, however, that the network system of program distribution is an essential element in the American system of broadcasting. In discharging his public interest responsibility, therefore, the licensee of an affiliated station must have the privilege of final decision in the acceptance of network programs in order to maintain his ability to select programming consistent with a well-rounded program schedule for the particular community served. In pursuance, thereof, the Commission has established by rules and case doctrine limits to network control over affiliated stations so as to preserve for the affiliate a degree of freedom of selection which is consistent with utilization of broadcast facilities in the public interest.

D. Network Concentration and Control

The first issue considered in the report is whether the degree of concentration of control by networks within the telecasting industry is consistent with the public interest.

The essential business function of a television network is to provide a national advertising medium. Among national advertising media, television is the only one which makes it possible to convey the advertising message by a combination of sight, sound and motion. Television is sufficiently distinct from, and non-comparable to, radio, magazines, and other national media that most national advertisers look upon television as a complement to, rather than as a substitute for, their other forms of national advertising. The most appropriate "market" in which to measure network concentration is therefore the national television advertising market.

In addition to national television advertising on the networks, advertisers may obtain national television exposure on a "national spot" basis from a composite of individual stations. The concentration of control in this market which the network organizations have by virtue of their ownership of stations is not high. The networks have contractual relationships with affiliated stations that permit them, in effect, to act as the sales agent for the affiliates in connection with network time sales. Networks

also act as sales representatives for a small number of affiliated stations in connection with national spot sales. The concentration of control by networks in their capacities both as owners of stations and agencies is comparatively high; collectively, the three networks account for close to 70 percent of national television time sales, with CBS and NBC accounting for over 60 percent.

Network concentration is also measured in other relevant market dimensions. In terms of their share (by ownership) of total industry assets, total industry revenues, or the production of programs shown on the network, network concentration is not particularly high. In terms of one significant measure—the proportion of network programs during prime evening hours on television stations throughout the country—network concentration is very high. During the three prime evening hours subject to network option, the three networks account for close to 80 percent of the total programs carried by commercial TV stations. The proportion is over 90 percent in the case of the “basic” stations of the CBS and NBC networks.

There is little prospect that a new national network can gain entry and approach the size of the existing networks until there are substantially more comparable station facilities than now exist in the top 50 or 100 markets of the United States. In markets with few firms and high profit levels, the entry of new firms is essential as a means of assuring a more effectively competitive situation. While “networking” profits, notably those of CBS and NBC, have risen to high levels in recent years, these are major obstacles to the entry of new firms. These barriers arise in part from the nature of the network-station affiliation arrangements and the mutual benefits derived therefrom, from the existing structure of A. T. & T. rates for interconnecting stations, and from certain economies of large-scale operations in “networking.” The principal factor, however, accounting both for the high concentration in “networking” and for the effective barriers to the entry of new networks is the shortage of competitive TV station facilities in the VHF spectrum. These factors suggest that, absent a major technological change in the nature of the television industry or in the form of telecasting, “networking” will continue to be characterized by a small number of firms enjoying substantial profits without the possibility that new networks will be able to enter and compete for these profits. It is generally agreed that, the lower the degree of concentration and the more numerous the firms, the greater is the possibility of effective competition.

Specialized “Networks” May Add Competition

While there is little prospect in the near future that more effective competition can be obtained through additional nationwide networks, an additional competitive element exists in that the networks are in competition for national advertising business with the national spot system of advertising made up of national station representatives and independent program suppliers. Also, there is a prospect for the development of more limited or specialized “network” organizations such as National Telefilm Associates (NTA), Program Service, and the Sports Network. Although the existing degree of network concentration in the national television advertising market is high, whether or not the present structure of networking is compatible with the public interest in an effectively competitive television system cannot be conclusively determined until the possibilities of greater competition from national spot and specialized networking systems are examined. The concentration analysis, however, highlights the fact that the public interest in a workable system of competition can be achieved in part by encouraging competition between network and national spot television. In this connection, the network practices in affiliation, rates, option time, compensation, and other relationships with affiliated stations play a vital part, since they bear directly on the ability of non-network organizations to compete effectively with the networks.

E. Affiliation

Affiliating with a network has very significant effects upon the operation of a station. It determines in substantial measure the program service which the station offers to the public. It also determines in large measure the economic well-being of the station. Most stations consider network affiliation to be their most important single asset, next to the Commission license. The importance of network affiliation to station operation is such that a searching appraisal of network affiliation practices has been undertaken by the Network Study Staff. The broad policy issue involved is whether these practices properly serve the public interest.

In selecting affiliates, the general objective of the networks is to provide an advertiser with potential access to practically all television homes in the United States at a reasonable cost. To implement this objective, networks have developed criteria with respect both to the selection of markets and of the individual stations within a market, and regular procedures for processing affiliation decisions. The choice of markets has been based essentially on economic considerations with respect to market size, buying power, and growth potential. Selection of the affiliates within a market, in cases where alternative stations are available, has turned on a variety of complex factors, among them station ownership (by newspapers, multiple station owners, radio affiliates of the network), the physical facilities of the stations, and past broadcasting experience. A major criterion in affiliation decisions is the size of a station's unduplicated circulation. Duplicate coverage is considered wasteful and disadvantageous to the advertiser, and networks seek to maximize the extent of unduplicate coverage. Many affiliation decisions have turned on the circulation factor. However, the criterion of unduplicated circulation is not applied uniformly; in a number of affiliation decisions offsetting considerations may be involved. Moreover, a station's circulation is far from being a simple or readily determined measure, and the networks exercise considerable latitude and business judgment in applying this criterion.

One of the criticisms directed against networks is that they have “discriminated” against UHF stations, thus impeding the development of the UHF service and the possibility of achieving a nationwide, competitive television system. In the face of widespread ownership of sets equipped to receive VHF signals only, UHF stations have needed substantial network programming as an incentive to the public to invest in UHF equipment. However, until UHF stations could deliver circulation, they were unable to compete effectively with VHF stations for advertiser acceptance or network service. Within the context of a competitive market system, the networks preferred VHF stations, with larger circulation, to UHF stations as the most economical way of reaching a large audience at a low unit cost. May UHF stations were unable to obtain network affiliation or, if affiliated, to obtain sufficient network commercial orders from advertisers. This has been an important factor in the limited development of the UHF service. The VHF band was the first to be utilized and television sets were equipped to receive signals broadcast only in this portion of the spectrum. A high stage of technological and economic development was reached in this frequency band before allocations to television were made in the UHF band. The more advanced development of VHF has made it difficult to achieve comparable development of UHF. The UHF problem was aggravated by the assignment of VHF and UHF stations in the same markets and by the continued manufacture of sets equipped to receive VHF only. Given this situation, the business interests of national advertisers, and hence of the networks, dictated primary reliance on VHF facilities.

Another criticism of networks has been their alleged unwillingness to affiliate with stations in small markets. As in the case of UHF, a conflict exists between the public interest in maximizing the number of communities with

local TV outlets and the economic interests of network advertisers. Network advertisers are most concerned with access to the top 75 markets; their interest in markets below this level decreases proportionately to market rank. As a result, it may be unprofitable for networks to affiliate with stations in some of the smaller markets. Even if the small-market stations do obtain affiliation, they are ordered for, and therefore receive, only a minor proportion of the network's commercial programs. CBS and NBC have established plans designed to extend affiliation to small market stations and to increase the opportunities for these and other affiliates to carry network programs. In some respects, however, they illustrate the underlying economic difficulties of aiding small market stations and of increasing the access of affiliates to the network's commercial program service.

Network Affiliation Criteria Reviewed

Another issue is the soundness of the network criteria governing affiliation with stations in communities within service range of affiliates located in nearby communities. Unavailability of affiliation may deprive "overshadowed" communities of local television outlets, despite the fact that these cities may be of substantial size. There is some doubt whether the networks have followed well-defined and consistent affiliation criteria in these cases. There is a question whether the influence in these affiliation decisions of discussion with existing affiliates in the "overshadowing" communities is consistent with the Commission rule requiring that network affiliation in such cases be a unilateral decision. In addition, there is a question whether appropriate measures of overshadowing are used; whether, for example, consistent consideration is given to the quality of service available to the public, or undue attention is given to protecting the service areas of basic stations.

In choosing among stations competing for affiliation, the networks, particularly CBS and NBC, have, as a matter of policy, strongly preferred those television licensees who were also their radio affiliates in the same market. This policy has served the radio and television interests of the networks and of their radio affiliates. However, the joining of radio and television interests in the affiliation process has not served to promote competition among stations for network affiliation, nor among networks for affiliates. Thus, the late DuMont Television Network, which was not in radio "networking," was at a competitive disadvantage in seeking access to television stations which were also long-time NBC or CBS radio affiliates.

At least one of the networks has demonstrated, in its affiliation criteria and decisions, a preference for multiple-station owners over single-station owners. The basis for this preference is the advantages that may accrue to the network from affiliation with other of the stations held by the multiple owner. This preference is contrary to the Commission's policies of promoting local ownership and the widest diversification of ownership in the television medium. Also, the preference granted to multiple owners effectively hinders competition among stations for affiliation; a licensee having a scarce facility in one community thereby obtains an unwarranted advantage in the competition for affiliation in another community.

A network expects its affiliates to cooperate in clearing time for network commercial programs. This cooperation is well understood by the stations entering into an affiliation agreement. On some occasions, however, at least one of the networks has sought to exact a promise from a prospective affiliate in a market with scarce facilities that he would serve as a "primary" affiliate of that network and grant the bulk of his clearances to it rather than to other networks. This practice appears to contravene the intent of Chain Broadcasting Rule Sec. 3.658(a) which prohibits any agreement or understanding, express or implied, preventing or hindering a station from accepting programs from more than one network.

Another issue closely tied in with the general affiliation process is what the length of the term of affiliation should be. The Commission currently prescribes that each term shall not exceed two years, although no limit is placed on the number of times the contract may be renewed. Each of the networks has different policies with respect to the effective term of its contracts, both in the "standard" contracts and in the many exceptions that are made. Some persons in the industry have expressed the view that the Commission should permit a longer affiliation term. At issue are two different policy approaches. On the one hand, a longer affiliation term is advocated, by some stations, on two grounds: it would provide the affiliate with greater security, so that he could make the long-term capital investments necessary for programming in the public interest; and it would strengthen the bargaining position of affiliates in relation to the networks. On the other hand, a longer contract term tends to lessen the competitive opportunities for changes in affiliation. A two-way competition among networks for affiliates and among stations for network affiliation should stimulate networks and stations to improve their service to the public.

Network affiliation contracts grant the affiliate a "right of first call" with respect to network programs offered in its community. The intent of this policy is to have the affiliate serve, insofar as possible, as the exclusive distributor of network programs in the station's coverage area. An affiliate is, in effect, the network's "chosen instrument" in a community. While this relationship serves the interest of both network and affiliate, it severely limits the access of unaffiliated stations to network programs. In the view of the Network Study Staff, the "right of first call" is an essential feature of network operations, and elimination of it might undermine the network system and jeopardize the supply of popular and public service network programming. On the other hand, once a program has been rejected by the primary affiliate, it should be made available to another station in the market if the network advertiser so desires. In these circumstances, the networks have sometimes sought to discourage the advertiser from placing his program on another station in the market. Occasionally, the networks have had discussions with their primary affiliates with respect to such program placement that appear to be incompatible with the Chain Broadcasting Rules. Similarly, the networks attempt to protect the territorial exclusivity of their affiliates by discouraging advertiser placement of the same program on more than one station in the same general area.

F. Option Time

The standard affiliation contracts provide that the affiliate will accept and broadcast all network programs offered to it during certain hours of the broadcast day, known as network "option time." Under Section 3.658(d) of the Commission's Chain Broadcasting Regulations, network option time is restricted with respect to the number of hours that may be made subject to the network option, the amount of advance notice required before the option may be exercised, and the rights of the affiliate to reject network programs for specified reasons or to substitute therefor a program of outstanding importance. Also, a network cannot exercise the option right to preempt time in which the station is broadcasting the programs of another network.

The option-time arrangement has been the subject of considerable controversy. Film syndicators, national station representatives, and an independent station manager have appeared before Congressional Committees or the Network Study Staff to attack the practice as a *per se* violation of the antitrust laws or as a competitive restraint. The three networks, and representative groups of their affiliated stations, have defended option time as essential to the functioning of the existing system of network broadcasting and as consistent with the station's responsibilities to program in the public interest.

The option time right of the networks is a limited one. Only three hours in each of the four segments of the broadcast day may be optioned by a station to any or all networks. Legally, the station retains the power to reject network programs if deemed unsatisfactory, unsuitable or contrary to the public interest. In practice, network programs are frequently rejected without any specification of the reasons involved. Programs straddling option and station time fall into a special category. Technically, problems of time zone differences and daylight saving time make it difficult to utilize the option-time hours to maximum advantage in some markets.

The networks very seldom invoke their option-time rights, and there has never been a legal contest of these rights. Option time does not generally play an important part in the network's efforts to obtain station clearances for its programming, for a variety of reasons. From a mechanical standpoint, option time has no appreciable effect on the time required to complete the clearance process. Emphasis on option time might complicate the network's efforts to arrange clearances for its programs originating outside of option-time hours. Also, the network is aware that stations have many affirmative reasons for desiring a large schedule of network programs, and in this situation it has other and, in the aggregate, more influential bargaining powers in its efforts to effectuate clearance. Finally, the network-affiliate relationship is, to some extent, looked upon by both parties as a "partnership" arrangement. Mutual cooperation is required, and this necessitates that the option time clause be administered, flexibly.

Option Time and Clearances

Despite these qualifications, most affiliated stations feel a stronger obligation to clear for programs originating in option time than for those originating in station time. Option time is more frequently alluded to in station responses to network requests for clearance, and is used by the stations as a means of safeguarding the hours specified as station time from further "encroachment" by network programming. Option time, therefore, has some effect on the network's ability to arrange program clearances, as is confirmed by a comparison of average program clearances during option and non-option hours. However, it does not appear to be the most important factor in the clearance process. Program quality and the programming of competing networks bring about substantial variations in the clearance record of individual programs, both within and outside of the option-time hours.

Since the contractual provision of option time has created some obligation on the part of affiliated stations to clear for network programs, the station licensee is not entirely free to exercise his judgment with respect to program selection. Most stations do not simply "plug into" the network but act with considerable discretion in accepting or rejecting network and other programs. Nevertheless, as a result of the option time provision, affiliated stations accept some network programs that they would not otherwise carry, or else that they would otherwise carry on a delayed basis. To this extent, the station licensees have relinquished some of their programming responsibility to the networks. If this were not the case, option time would be of no effect in the clearance process and the networks would have no reason for including option time clauses in the affiliation contract.

Other business groups competing with the networks or with advertisers using network television have been placed at a competitive disadvantage through network option time. Producers and distributors of syndicated film programs (designed specifically for television) have had only very limited access to the broadcast schedules of affiliated stations during the most desirable viewing hours. For this and other reasons, these producers and distributors have tended to favor direct sale to the networks or to network advertisers, and the quality and quantity of syndicated film programming have been reduced below what they would

otherwise be. Similarly, national station representatives have been handicapped in their efforts to sell program time periods in competition with the networks, since the most desirable periods are under option to the networks. National, regional, or local advertisers seeking access to television in competition with network advertisers have also been placed at a competitive disadvantage. Although other (and in some cases more important) factors are also involved, option time has acted to some extent to restrain competition in a manner contrary to the public interest in each of these areas.

It is not apparent that option time is necessary or essential to network operations. Since stations clear more readily during the option-time hours, the arrangement is clearly a business convenience of some usefulness to the networks. That it is not essential is evidenced, among other things, by the fact that both CBS and NBC are now programming to a considerable extent in station-time hours. Some "erosion" of clearances might occur without option time, as stations made their programming decisions with greater freedom. On the other hand, there are many reasons for believing that program clearances would remain at high levels, particularly if the quality of network programming is maintained. Relatively few programs require the simultaneous live clearances for which option time is most useful. It is also possible that network clearance outside of option time would be improved if the distinction between "network option" and "station time" were no longer recognized.

Acceptance of the argument that option time is "essential" to networking would necessitate various forms of direct network regulation—however undesirable some of them might appear—to make certain that the quasi-monopoly power conferred on the networks was exercised in the public interest.

An antitrust analysis of option time on the basis of court decisions reached subsequent to the promulgation of the Chain Broadcasting Rules indicates at least a strong possibility that it would be found to be a *per se* violation of Section 1 of the Sherman Act on analogy to the motion picture "block-booking" practice condemned in the *Paramount* case. Substantial support for each of the elements of the "block-booking" formula can be demonstrated. While there is clearly a large area of mutuality of interest in network-affiliate program transactions, there is also an area of conflict. At least a limited number of network programs are apparently forced upon some stations. This situation might prove sufficient to satisfy the elements of the "block-booking" doctrine.

For the reasons given above, the Network Study Staff has concluded that the option time arrangements have operated in television in a manner contrary to the public interest.

G. Rates

One of the most significant functions attributed to networks under the affiliation contract is that of establishing the time rate of each affiliate for sales to network advertisers. The network setting of rates raises a number of important policy issues, the first of which is whether it is appropriate or necessary for the networks to exercise this function. The Network Study Staff concludes that network determination of the level of network rates appears to be necessary for several reasons: to handle overlapping circulation between affiliated stations so that the advertiser does not pay twice for the same circulation; to provide a uniform method for estimating circulation in order to avoid arbitrary rates on the part of individual stations which might prejudice the interests of other affiliates; and to translate circulation data into a rate structure that is competitive with other networks and other advertising media. At the same time, the financial stake of the network in obtaining the highest possible level of network rates provides some assurance that it will set rates in a manner compatible with the general interests of the affiliates as a whole.

Another issue considered is whether the networks act arbitrarily with respect to individual stations or otherwise against the public interest in their determination of the network time rates of affiliated stations. The available evidence indicates that networks have attempted to establish objective bases for measuring circulation and translating circulation data into rates through the use of a rate formula. In addition, the networks have taken into account various other qualitative factors in setting rates, and these factors have influenced both the timing and magnitude of particular rate changes. Some of these factors, such as the competitive situation with respect to other networks and advertising demand, appear to be reasonable. However, the practice, extensively followed by each of the networks, of using rate decisions as a lever for obtaining clearances from affiliates is, in the view of the Network Study Staff, contrary to the public interest. Moreover, it appears that the networks, on occasions, have used their rate-making powers to influence affiliates in respect to their clearance of programs of competing networks. Such a practice appears to be contrary to Section 3.658(a) of the Commission's rules. In addition, networks do not appear to have kept their affiliates adequately informed of their rate criteria and rate procedures. Some stations have engaged in the practice of making the acceptance of a network program or programs conditional on the granting of a network rate increase; this practice is also inconsistent with the public interest.

Rate-Fixing Restrictions

As a result of the Chain Broadcasting Investigation of 1938-41, the Commission adopted a rule prohibiting a station from entering into any contract or agreement with a network that hindered it from fixing or altering its national spot or local rates. The broad purpose of the rule was to prevent the networks from taking actions that would influence or restrict the freedom of the station to fix independently its rates for competitive non-network business. All of the networks have engaged in practices which are contrary to the broad purpose of this rule and to the public interest in the maintenance of free competition. These practices have acted to restrict the freedom of the station to fix its national spot rate at will and to enter into competition with the network should it choose to do so. In the case of CBS and ABC, evidence exists that the networks have used their power to fix network rates in order to influence the level of the stations' national spot rates in a manner which raises a question with respect to violations of the Chain Broadcasting Rules, and possibly also of the antitrust laws. In addition, NBC and CBS have adjusted the level of national spot rates of their owned and operated stations in order to influence the national spot rates of their affiliates.

In attempting to influence, directly or indirectly, the level of national spot rates fixed by their affiliated stations, the networks have had two objectives in view: 1) to reduce competition between national spot and the networks for the business of national advertisers; and 2) where a direct loss of business to national spot was not involved, to maintain a rate relationship that would not provide network advertisers with a basis for seeking a reduction in the level of rates set by the network.

There is no specific Commission rule with respect to rate competition among the networks, but the relevant portions of the antitrust laws are applicable to network activities in this area. The CBS and NBC networks compete freely with each other with respect to the establishment of network rates. The Network Study Staff has found no evidence of any understanding or agreement between the networks that would interfere with or restrain this competition. The ABC network competes with CBS and NBC by setting lower rates for its affiliated stations. ABC has sometimes engaged in the practice of consulting with the other networks with respect to their rate plans prior to taking action on the network rates of its own affiliates. The other networks have cooperated in providing the de-

sired information. This practice among the three networks is not compatible with the Commission objective of preserving free competition and may have antitrust implications.

H. Compensation

The revenue obtained from network time sales is shared between the network and its affiliates on the basis of a compensation formula which is specified in each affiliation contract. Typically, the station agrees to waive compensation for a designated number of commercial broadcasting hours, called "free hours." After the free-hour waiver, the station receives a specified share of the gross network time billings or of its card rate for commercial-network broadcasts. Each network has one or more "standard" compensation formulas, to which a number of exceptions are made in particular cases.

It has sometimes been alleged that the networks, by virtue of their bargaining position, retain an unreasonably large share of the receipts from network time sales. On the average, the station receives less than 30% of the proceeds from the sale of its time by the network. However, from the network's share must be deducted discounts to the advertisers, commissions to the advertising agency, and the substantial costs incurred by the network in leasing the interconnection facilities of the A. T. & T. In addition, the network incurs financial losses in its program service, most of which is provided to the station without direct charge. Network affiliated stations in the large markets of the country have earned substantially higher profits than the networks, or than the networks and network-owned stations combined. The available evidence, therefore, does not indicate that the network's share of network time sales is unreasonably large.

The differences in compensation arrangements within each network have resulted in some cases in substantial differences in revenues received by individual stations. To some extent, these differences are based on the relative cost, or on the relative profitability, of the station to the network. The networks tend to provide more favorable compensation to the larger stations, from which they, in turn, earn a larger profit. However, there is no systematic relationship between cost and/or profitability to the network and the observed variations in compensation provided to particular affiliates. Other considerations are also involved, which relate to the bargaining strength of particular affiliates and to the competitive situation with respect to program clearances. Affiliates in important single-station markets, as well as large multiple owners, have succeeded in obtaining more advantageous terms than the standard formula. The networks have agreed to these terms, or in some cases initiated them, in order to protect and improve their station clearances at the expense of competing networks or other program sources.

To some extent, preferential compensation arrangements are inherent in the business framework of the industry, and all differentials in compensation provided to individual stations could not be eliminated without imposing a serious competitive handicap on the smaller networks and network-type organizations. On the other hand, preferential compensation arrangements can have practical competitive disadvantages, as when they are given to multiple-station owners. In addition, there is an objection in principle to having program clearances based on financial rewards rather than program suitability in the public interest. Sliding-scale or "incentive" types of compensation formulas—which, except for the "free hours" arrangement, are thus far used by the networks only to a limited degree—are potentially open to serious abuse through their effect on the programming freedom of the station licensee.

I. "Must Buy"

The CBS and NBC networks have a sales policy that requires network advertisers to order a specified minimum group of stations. These are referred to as "basic" or "basic required" stations, and the sales practice is commonly known as the "must buy" policy. The ABC net-

work has a somewhat different arrangement, called the "minimum buy" requirement. The latter requirement is fixed in terms of gross dollar cost, that is, the network advertiser must purchase stations the aggregate rates of which are at least equal to the prescribed dollar minimum, but is not required to purchase any designated station.

The "must-buy" practice dates from the early days of radio. With the rapid economic changes in the radio medium since the war, the radio networks have virtually abandoned the practice. Recently the "must-buy" requirement of network television has been criticized as a violation of the antitrust laws and a restraint upon the advertiser and the independent station. The question has also been posed whether the network's power to select the affiliates to be included in the "basic" group has been used in a manner consistent with the public interest. Whether or not the "must-buy" requirement may be considered to be "essential" to the network operation is also a pertinent question.

NBC and CBS have established objective criteria for the selection of the particular affiliates that comprise the "basic" groups. These criteria, which relate primarily to the importance of the station as part of a national advertising medium, are followed closely in most cases. A few stations have been included in the list although not qualified under the principal standards. Exceptions to the requirement have been granted to individual advertisers, in infrequent instances.

NBC and CBS Basic Groups

The large majority of network advertisers order substantially more than the required minimum number of basic stations. A few network advertisers have probably been required to order a somewhat larger line-up of stations as a result of the "must-buy" policy. However, these advertisers are clearly in the small minority. A greater problem for advertisers has been created by the requirement of NBC and CBS that a designated group of basic stations be purchased. In some cases, the basic stations have been selected by the network on grounds that do not reflect the relative value of the station to national advertisers. Also, not all national advertisers have sufficient distribution in all of the basic markets to warrant their inclusion in the network order. However, the large majority of network advertisers are willing to order the large majority of the basic stations.

Small national advertisers may be placed at a slight additional handicap relative to larger national advertisers as a result of the "must buy" and "minimum buy" requirements. Fundamentally, however, there are other and more important economic reasons why relatively few small advertisers use network television.

The final decision regarding the inclusion of stations in the basic list rests with the network. There may be considerable discussion with individual stations concerning their inclusion in the list. Except in the largest markets of the United States, stations receive more orders as a result of their inclusion in the basic group than they would otherwise. Stations are therefore anxious to be included and retained on the list. This situation gives the network an additional bargaining advantage in its relationship with affiliated stations, an advantage which the network may use in order to obtain better clearances for network programs. As a consequence, some affiliates are led to accept network programs that they might not otherwise be disposed to carry, or would otherwise carry only at a delayed time.

There is no evidence that independent stations are placed at a competitive disadvantage to a significant degree as a result of the "must buy" policy. The principal reason that most independent stations have very little opportunity to carry network programs is that the network's primary affiliate in the area has a right of first call with respect to all network programs.

The networks have taken the position that the "must buy" practice is necessary in order to define the contours of a national network and to prevent the fragmented sale of the network on an uneconomical basis. Little support

can be found for this position. While fragmented sales that would not permit recovery of the network's fixed costs would clearly be uneconomical, it is not the "must-buy" policy that prevent such sales from taking place. The size of advertiser orders is determined primarily by the economics of the television market, and has little to do with the basic-required policy. At present, most network advertisers voluntarily order considerably more than the required line-up. If most advertisers were prepared to order only much smaller line-ups, the networks could not, through the "must-buy" practice, compel them to do otherwise. Without the "must-buy" requirement, networks would still be free to require that all orders must be acceptable to the network. Presumably only orders which represented a reasonable national coverage would be acceptable.

There is no direct relationship between the revenue from the basic-required list and the fixed costs of the network operation. The list is selected on the basis of criteria unrelated to these costs, and the revenues obtained are in fact far in excess of the overhead or fixed costs of networking. In general, there is no apparent need for the network to select the particular affiliates to be included in the required group. The principal reason for originally doing so—the need to recover the expense of costly segments of the transcontinental cable—ceased to be an important factor several years ago. It is possible that there is a somewhat greater need for the network to be able to designate required stations in connection with multi-weekly programs sold in small time segments and sponsored by a considerable number of different advertisers.

An anti-trust analysis of the "must buy" practice creates serious doubt as to its legality. At least three doctrinal variations of a *per se* violation under Section 1 of the Sherman Act appear applicable to the "must-buy" practice: "tie-in" arrangements as described in *Times-Picayune Publishing Co. v. U. S.*; "tie-in" arrangements as described in *United States v. Northern Pacific Railway Co.*; and the "block-booking" formula of *United States v. Paramount Pictures, Inc.*, based on the finding that the grant of a broadcast license involves the conferral of a limited monopoly. The "must-buy" practice, therefore, presents a substantial antitrust question.

It cannot be said that the "must-buy" practice constitutes a major problem, from the point of view of networks, stations, advertisers, or the public. Nevertheless, the practice has been found to be a restraint on the freedom of some advertisers. Of particular significance, it has given the network a bargaining power in its relationship with affiliated stations that has not always been exercised in a manner consistent with the public interest.

J. Network Representation of Stations in National Spot Sales

NBC and CBS operate spot sales services in radio and television. These spot sales organizations represent the networks' owned and operated stations and a small group of affiliated stations in national spot business. ABC does not have a spot sales organization. In the national spot field its owned and operated stations are handled by independent national representatives.

The propriety of network representation of stations (other than network owned and operated) in national spot business was not discussed during the Chain Broadcasting Investigation of 1938-41 and is not the specific subject of any Commission rule. In 1948-1949 the Commission held a hearing pursuant to a complaint from the National Association of Radio Station Representatives to the effect that network representation in national spot sales was contrary to the purposes of the Chain Broadcasting Rules and otherwise against the public interest. The Commission decided that no violation of the rules was involved, but made no finding as to whether the practice was otherwise contrary to the public interest or whether new rules should be adopted.

The broad policy issue involved is whether the public interest is served by having the networks engage in the representation of stations in the national spot field, which

is in direct competition with network television for the business of national advertisers. In this connection, two issues are examined: a) whether the networks, by virtue of their strong bargaining position in relations with affiliated stations, restrain competition with independent national representatives for the business of representing affiliated stations, in a manner contrary to the public interest; and b) whether the networks restrain competition for national advertising business by their national spot activities with respect to rates and/or programming, in a manner contrary to the public interest.

The networks do not occupy a dominant position in the national spot representation business. Only a small number of stations are represented by the networks, about half of which are network owned and operated stations. Because of their strong position in affiliation and other relations with many stations, the networks are clearly in a position potentially to restrain competition by soliciting or accepting the representation of substantially more stations than at present. As a matter of deliberate policy, first enunciated by CBS in 1948-1949, the networks have not exercised this latent power and have never represented more than 15 TV stations.

No affirmative reasons have been found for permitting networks to engage in national spot representation other than for their owned and operated stations. The networks state that their national spot and network organizations are administered separately and compete actively with each other. There is a strong *prima facie* case that a corporation cannot compete effectively against itself. In practice, the spot sales and network units have worked together cooperatively on some rate matters. In the case of CBS, this cooperation embraced a "campaign" to equalize national spot and network rates for the purpose, and with the effect of restraining competition between network and national spot sales. In these instances the network's spot sales organization was acting in the interest of the network and contrary to the interest of the represented stations. There is no evidence that a similar situation has prevailed with respect to the limited part played by the networks' spot sales organizations in station programming decisions.

K. Interconnection

A central element in networking is the interconnection of stations, which permits simultaneous broadcasting of network programs in communities throughout the nation. The networks, themselves, do not provide the interconnection facilities but are customers of the AT&T System, which interconnects most network affiliates by coaxial cables or by microwave radio relays. The three television networks in total paid approximately \$35 million for use of these facilities in 1956.

The ready availability of program transmission facilities at reasonable rates is essential to the growth of "networking" and to the development of a competitive television industry. Stations in smaller communities and less populous areas must somehow economize on interconnection costs if they are to obtain network affiliation and network programming on a remunerative basis. A number of stations have objected both to the rate level and to the rate structure of the AT&T. In connection with the latter, it is alleged that the rate for occasional use is unduly high, thus hampering stations in obtaining network business and developing local, live, remote programming. Moreover, smaller networks and other organizations with limited program offerings appear to require a rate structure more closely tailored to the realities of their initial programming schedules, as well as equitable access to the interexchange facilities.

The reasonableness of the rate level and the rate structure of the AT&T for interconnection facilities are before the Commission in Docket No. 8963. As another solution, at least in part, for the need of smaller stations to economize on line costs, it is proposed in Docket No. 11164 that stations be permitted to construct and operate private

relay facilities, despite the availability of AT&T facilities.

Since these matters are now before the Commission, the Network Study Staff has not attempted an appraisal of the conflicting views of the broadcasters and the Telephone Company with respect to the issues either of rates or of private relay facilities. The Study Staff is of the view, however, that the issues involved have substantial implications for network entry and access of stations in small markets for network programming. Hence, they merit Commission resolution at an early date.

L. Multiple Ownership

One of the principal problems confronting the Commission is that of determining the number of television stations which any one interest should be permitted to own.

A number of Commission doctrines point to a policy of limiting the extent of station ownership by any party. One such doctrine is that broadcasting stations should be locally owned. The Commission has sought to achieve for stations the character of local institutions having a "grass roots" interest in the service and program needs of the community. A second Commission doctrine limiting multiple ownership is that ownership of stations should be diversified in order that the variety of opinion, program, and service viewpoints may be maximized. Closely related to the diversification doctrine is a third Commission doctrine designed to prevent monopoly or concentration of economic power contrary to the public interest.

Carried to their logical conclusion, these doctrines would result in a "one to a customer" limit on station ownership. However, the Commission has balanced these doctrines with that of favoring an applicant having a sound record of past performance, and with other competing doctrines. This equipoise of doctrines has resulted in the current Multiple Ownership Rule, under which a maximum of seven TV stations may be owned by one licensee, no more than five of which may be in the VHF band. Within this seven-station limit, the rule envisages consideration of applicants of station owners for the acquisition of additional stations on a case-by-case basis. In practice, however, no applicant having less than the prescribed maximum has been denied an additional station on multiple-ownership grounds. In part, this is due to the fact that in cases where a licensee seeks to purchase an additional station, the Commission is precluded, under the MacFarland Amendment, from considering the qualifications of other potential purchasers in a comparative hearing.

Notwithstanding the limitation imposed by the Commission multiple ownership of television stations has grown greatly and the trend is toward a multiple-unit system of station broadcasting. Of the 468 commercial stations on the air in November 1956, over 40 percent were held by multiple station owners. Multiple owners tend to concentrate their holdings in the top markets of the country, where station ownership is the most profitable. In the top 25 markets, serving half the population of the United States, 70 percent of the stations were held by multiple owners. Indications are that, to the extent permitted by Commission Rules, the proportion of multiple ownership in desirable markets will continue to rise. The image of an individual station owner, devoting his efforts in television to serving a single community which he has been licensed to serve, is a myth for most large cities, and, hence, for a majority of the listening public of the United States.

Multiple-station owners, by bargaining with networks, national spot representatives, and independent program suppliers for their group of stations as a whole, have been able to obtain more favorable terms, which give them a competitive advantage over single-station owners in the same communities. This is the principal manner in which multiple ownership has had an impact on competition in the market place. The competitive advantage of multiple owners may be one of the factors encouraging the trend toward multiple ownership and further concentration of control in the broadcasting industry.

While the capabilities of particular multiple owners to perform broadcasting service are difficult to appraise em-

pirically, or to compare with those of single-station owners, there is not strong evidence that multiple owners, *per se*, serve the public interest more effectively than single-station owners. The character, ability, resources, and interest in the community served may be of greater significance than the broadcaster's status as a multiple- or single-station owner. Any realistic comparison can be made only in a factual setting involving a comparative contest between a multiple- and a single-station owner for a station license in a specific market. All broadcasters were at some time inexperienced persons seeking entry to this field of service. While it is appropriate to give some weight to past favorable performance, this should not be given such weight that multiple ownership is increased and other entrepreneurs desiring to make a contribution to broadcasting are denied entry. Permitting licensees to own two UHF stations in addition to the five VHF stations has not resulted in an encouragement of the UHF system to a significant degree.

Networks are now subject to the same Multiple Ownership Rule which applies to non-network multiple owners. The networks state that network ownership of stations is essential because of the need to obtain a stable source of financing to support high-risk networking operations. Network-owned stations are also said to be laboratories for program ideas and talent, and are said to serve the local community interest well.

On the other hand, there may be an area of conflict of interest between the networking operation and the network's ownership of stations which it would be in the public interest to avoid. Also, network ownership of stations may impede the entry and growth of new networks and program services. In addition, since the network-owned station automatically becomes the network's outlet in the market, acquisition of a station by a network may result in the displacement of an existing affiliate even though it has been properly serving the network and the viewing public.

The need for income from station ownership in order to support the networking operation is much less apparent today, in the case of CBS and NBC, than it was during the developmental years of television. The substantial income earned by the networks on network time sales has more than offset the risks and losses in programming and made it possible to earn high profits on networking as such. Also, to the extent that additional capital resources may be required, conventional means of financing and the resources of the parent companies of the networks are available. On the other hand, the need for station ownership as a source of income to support networking may be greater, at least temporarily, in the case of ABC or new networks or network-type organizations seeking entry. Also, it is important that caution be exercised lest the ability of the networks to provide quality programming and to experiment with new program concepts be reduced below a level consistent with the public interest.

M. Radio

The Network Study Report has been concerned primarily with television because of its relative newness, the urgency of the problems associated with it, and the absence of any Commission regulations designed especially for television.

A cursory review of changes that have occurred in the field of AM radio broadcasting since 1938 reveals a very marked increase in competition. In the case of radio stations, increased competition has resulted both from a large increase in the number of stations and from the development of television. In the case of radio networks, increased competition has come from the growth of television and the greater independence of radio stations as a result of low-cost program alternatives to the networks.

The kind of competition that has developed appears to be healthy. While it has reduced the power of networks, there appears to be nothing in the current situation to suggest the demise of radio networks. It is reasonable to believe that the ingenuity of networks will provide new

methods for servicing station affiliates and the radio listening public—and at a profit to themselves.

The Congress and the Commission have historically placed major dependence upon competition as a regulator of radio broadcasting in the public interest. In the case of radio, it has been possible to provide a plentiful supply of frequencies for local use. These have been available to qualified entrepreneurs willing to compete with others for audience and advertiser favor. Results of the past several years would indicate that rules established by the Commission have helped to provide an environment which has been conducive to effective competition. It should be recognized, however, that the Network Study Staff has not undertaken an exhaustive study of the current status of radio and all of its components. There are important problems in the radio field that require detailed study by the Commission.

N. Application of Commission Rules and Regulations to Network Organizations

The Chain Broadcasting Rules apply directly to stations and indirectly to networks. However, they are intended, for the most part, to achieve for stations freedom from undue network influence in designated respects, so that the stations may exercise their duty to broadcast in the public interest. An issue has arisen as to whether the Commission's public interest objectives can be achieved by applying its rules to stations or whether they can only be achieved by applying them directly to networks.

Various Commission policies are infringed in some degree by the network structure and practices. For example, the responsibility of stations to broadcast in the public interest is affected by network practices which contribute to the very high percentage of station time occupied by network programming, particularly during prime viewing hours when the audience is greatest. The Congressional and Commission policies of achieving regulation through competition among components of the industry are affected by the strong position of the networks in bargaining with many affiliates, by the technical barriers to new network entry due to the scarcity of viable VHF outlets, and by the limited opportunities for competition between network and non-network program sources due in part to the option time and other network practices tending to restrict competition. While some network activities have helped to develop a nationwide television system, others have operated in a contrary direction.

The touchstone of Commission policy is encouragement of broadcasting in the public interest. Just as the stations serve a public interest of their communities, the networks serve a national public interest in broadcasting.

The Chain Broadcasting Rules are addressed specifically to stations in some instances. They provide for the revocation of a station's license if, in effect, the station permits itself to be influenced by a network in designated respects. The proscribed conduct is, with few exceptions more likely to be initiated by a network than by a station. The recommendations in this Report for amendment to the Rules or adoption of additional rules, are likewise directed, for the most part, to conduct or potential conduct of networks. There are administrative and practical difficulties in effectuating Commission policy through application of some of these recommended rules to stations. With respect to the recommended rules relative to "must buy," there are legal difficulties, as well, in the absence of authority by the Commission to apply the rule to networks. There are similar difficulties in connection with any rule which might be proposed, as the result of a subsequent study of programming, in connection with the national public interest served by networks. Moreover, effective enforcement of rules is made more difficult when the party to which the sanction applies, the station, is not the party responsible for the conduct, and when the stations may be obliged, in the interest of the affiliation relationship, to submit to the inducement of the networks.

Power and responsibility go hand in hand; not weakness and responsibility. Decisions are more responsible when those who make them are answerable to those affected

by the decision and to the public. The networks, which are the strongest decision making component in the television industry, should be answerable to the viewing public through Commission policies expressing the public interest.

Application of Commission rules directly to networks does not affect the jurisdiction of the Department of Justice in anti-trust matters. However, it may have the practical effect of making antitrust actions more difficult to prosecute. This is because approval of industry practices through promulgation of rules by the agency charged with regulatory responsibility is a factor to which a court or jury is likely to give conscious or sub-conscious weight in determining whether such practice constitutes a violation of the antitrust laws. However, the Commission not only recognizes that it is under the obligation of maintaining a broadcasting system compatible with the antitrust laws, but also to promote the broader degree of competition among various components which assures the development of the broadcasting industry in the public interest. The gain from maintaining this public interest level of competition outweighs the possible loss in effectiveness of antitrust prosecution which application of Commission regulations to networks may entail.

Application of Commission rules to networks should be made only in those areas in which Commission objectives are infringed by network structure and practices. Whether effectuation of Commission policy requires a rule in a particular public interest area depends upon the circumstances in the industry, which undergo continual change. Hence, it is not possible to predict the complete range of potential future regulation. However, it would not appear that application of Commission rules to networks would involve the establishment of station rates, the division of compensation between networks and stations, or rules relevant to programming which go beyond balanced programming within the national public interest context.

It is very doubtful that the Commission has authority to apply rules and regulations directly to networks. In view of this and the fact that the Commission has for the past 15 years disclaimed this authority and has regulated networks indirectly through rules addressed to stations, the Commission rules should not be applied directly to networks unless and until the Congress expressly authorizes the Commission to do so.

The Network Study Staff concludes that the Commission's rules and regulations relating to network-station relations should be applied both to stations and networks; those applying only to network conduct should be applied exclusively to networks. Because of the problem of overlapping jurisdiction of the Department of Justice and the Commission relative to Communications matters having antitrust aspects, it is suggested that the official views of the Department of Justice be requested. Unless the adverse effect on prosecution of antitrust matters is greater than anticipated in this study, the applicable parts of the Commission's rules should, after appropriate authority has been obtained from Congress, be applied directly to networks.

II. RECOMMENDATIONS

In formulating the general philosophy underlying its evaluation and recommendations in the various areas under study, the Network Study Staff has been guided by the several doctrines through which the Commission, in the course of its administration of the Federal Communications Act, has given substance to the "public interest, convenience, and necessity." The fundamental objective of Commission policy is the best possible service to the public. The implementation of this primary objective has been sought through the policies of: 1) promoting competition and preventing undue concentrations of economic control; 2) diversifying ownership and control of broadcast facilities, and 3) fortifying the independence of station licensees in order that they may exercise a high degree of discretion in providing a service consistent with the needs and desires of the community reached by their broadcasting. In implementing these objectives, the framework of

certain physical and operational conditions existing in the industry must be recognized. These are: 1) that television channels are limited, and that, in all probability, the present VHF structure constitutes the major portion of available broadcast facilities, 2) that the television industry will continue to be supported by advertising revenue, and 3) that the interconnected network organization will continue to be an essential component of the TV broadcast system. The task becomes one, therefore, of adjusting the primary regulatory policy objectives to the limits imposed by these basic conditions in order to attain optimum performance in the public interest.

The Commission's doctrines emphasize competition as the means through which the public interest in broadcasting can best be assured. The dominant theme of this Report is the importance of achieving or maintaining the conditions necessary for effective competition in the television industry. To this end a number of recommendations are made for the removal of practices, principally on the part of networks, which restrain or otherwise interfere with the free play of competitive forces. The option time and "must buy" practices, and the use of network rates, including those of network-owned stations, to influence national spot rates are examples of practices of this kind. Some of the proposals of the Network Study Staff with respect to the prohibition of competitive restraints are designed to promote competition among the existing networks and to increase the possibility of competition through the entry of new networks. Other proposals are designed to increase the effectiveness of competition between "networking" and the national spot "system" of telecasting. Since there are only three major national networks, with little prospect for a fourth in the near future, the principal thrust of policies aimed at providing more effective competition must be in this direction.

FCC Rate Regulation Rejected

Consistent with this basic reliance on the competitive process as the best means of safeguarding the public interest, the Network Study Staff has recommended that the Commission not become directly involved in reviewing, with the purpose of approving or disapproving, the detailed business decisions of the networks. The Staff believes that such day-to-day judgments must be left to the forces of the market place, and that the role of the Commission should be confined, to the extent possible, to the prohibition of practices which restrain competition or are otherwise contrary to the public interest. Thus, the Network Study Staff has rejected such alternative recommendations as a rationing of the time of stations among the existing networks and other program suppliers, and Commission review of individual network decisions with respect to network rates, compensation arrangements, and affiliation or disaffiliation actions.

It must be recognized, however, that even if all of the existing competitive restraints were removed, the bargaining positions of the various parties would remain disparate. Although networks and their affiliated stations have a large area of mutual interest or "partnership," they also have conflicting interests. In this area of conflict, where use of the stations' facilities for competing with non-network groups may be involved, the major networks are likely to be in a strong bargaining position in many market situations. When disparate positions exist, it is imperative to insure that bargaining power is not used in ways that are incompatible with the public interest and impinge upon Commission policy. The prohibition of restrictive practices, as summarized below, will serve this end. In addition, the Network Study Staff has recommended that the salutary effect of publicity of network policies be used, in lieu of specific regulations prohibiting restraining practices, whenever it appears that publicity will achieve the objectives of the public interest. The possibility of arbitrary, discriminatory or restrictive action in such areas as affiliation, disaffiliation, rates, and compensation can be substantially reduced if adequate publicity is given to network actions. In this way, these in-

dustry practices will tend to be self-regulating, and bargaining power may be kept within reasonable bounds without further Commission action.

Another fundamental Commission doctrine, to which the Network Study has sought to give added strength through its recommendations, is that the station licensee must ultimately bear the responsibility for programming in the public interest the facilities licensed to him by the Commission as a public trust. This responsibility cannot be delegated to another party, nor should it be restrained by contractual or other relationships which interfere with its free exercise by the station licensee. Specific recommendations with respect to the option time and "must buy" practices and to network-station relations in the rate area reflect this underlying philosophy. Also, it has been recommended that, through its policy on the renewal of station licenses, the Commission insure that this responsibility is exercised in a manner consistent with the public interest.

A third Commission objective on which particular recommendations of the Network Study Staff are based is the establishment of a nationwide television system, providing the largest possible proportion of the population with at least one facility and as many additional communities as possible with two or more facilities. To a major extent, the establishment of a nationwide television system along these lines depends upon allocation policies with which this Study has not been concerned. Within the scope of the Study, attention has been focused on preserving the essential features of the "networking system," which has provided the best basis for extending a quality program service to stations reaching a very high proportion of the nation's television homes. This consideration underlies, for example, recommendations made with respect to the "right of first call" of network affiliates, to the "must buy" policy, and to the network ownership of stations within prescribed limits. In addition, various proposals are made concerning the access of independent stations and of stations in smaller markets to network programs and Commission action on the structure of AT&T rates with the intention of strengthening the financial and programming base of some of the station outlets required for a nationwide television system.

Another set of Commission doctrines with respect to the public interest have guided recommendations addressed to the growing problem of multiple ownership of stations. This includes the doctrine that the station, in order to fulfill its role as a local community institution, should be owned by local interests with roots in the community to be served; the doctrine that the public interest is best served by a diversity of opinions and program sources; and the doctrine that a concentration of economic control in the hands of a small number of ownership units is inconsistent with the public interest.

Against this background of the "public interest," the following recommendations are made with respect to Commission policies and procedures in the various areas embraced in this Study:

A. Affiliation

1. Networks should be required by rule to file with the Commission a full and detailed statement of the criteria governing their affiliation policies.

2. Networks should be required by rule to file reports with the Commission setting forth changes in affiliation as they occur and the basis of each change. The networks should also be required to report to the Commission all requests for affiliation and the disposition of such requests, including the specific factors used by the networks in granting or denying the requests.

3. A rule should be drawn specifying that networks may not use as a basis for affiliation the fact that a licensee is a multiple owner of television stations.

4. In connection with the proposed study of radio networking, particular consideration should be given to the effects on competition of the practices of the networks of holding open regular television affiliation until their radio affiliates have obtained competitive television facilities.

5. The practice of one of the networks of requiring certain applicants for affiliation to promise to serve as its primary outlets, to the exclusion of other networks, should be referred to the Commission for appropriate inquiry in the light of Section 3.658(a) of the Commission's rules. Similarly, further inquiry should be made by the Commission as to the policies and practices of the networks with respect to holding discussions with existing affiliates concerning the granting of affiliation to other stations.

6. The Commission should seek comments from all interested parties with respect to a proposal that networks be required to provide affiliated stations in markets not ordered by the advertiser the opportunity to carry the program with commercials deleted, upon reasonable payment by the stations to the network and the advertiser.

7. The Commission should not extend the present two-year maximum affiliation term.

8. The networks should be required by rule to report to the Commission their specific criteria for disaffiliation and should report each disaffiliation action and the bases thereof.

9. Pursuant to Recommendation numbered 3 above, the Commission should require by rule that networks may not use the criterion of multiple ownership as a factor in disaffiliating with a station, in order to affiliate with another station held by a multiple-station owner.

10. The networks should be permitted to continue to grant first call and territorial exclusivity rights in a community to an affiliated station.

11. The Commission should require by rule that if an affiliate is ordered for a network commercial program, but does not provide clearance satisfactory to the sponsor, the network in good faith should undertake to place the program in another station in the community, if the sponsor so chooses. If a clearance suitable to the advertiser can be obtained, the network should not, for a reasonable period of time, be permitted to recapture the program in order to place the program on its regular affiliate.

12. The Commission should require by rule that if an affiliate is carrying a network commercial program, but the advertiser wishes to have the program carried also on a station in another community, the network should undertake to place the program on the other station.

13. The practice of the networks of discussing with affiliated stations the proposed placement of network programs on non-affiliated stations should be examined by the Commission to determine whether such practice is consonant with Section 3.658(b) of the Commission's rules.

B. Option Time

14. The option-time arrangement between networks and affiliated stations should be prohibited by Commission rule. The proscription of option time should not be accompanied with any proposal to ration or otherwise limit the amount of programming that a station licensee may accept from any source. The language of the Commission rule should be phrased so as to preclude similar or more restrictive arrangements which might appear if option time is abolished.

C. Rates

15. A rule should be adopted requiring the networks to publish currently their rate-making procedures, including the circulation credited to each affiliate, the formula used for rate purposes, and all changes made in the network rates of individual affiliates.

16. The Commission should watch the development of the rate situation closely and continuously, but assume no responsibility for reviewing individual or general network rate decisions at this time.

17. New rules should be adopted, or current rules expanded, to prohibit any attempt by a network organization to influence the non-network rates of affiliated stations, and any attempt by a network to use the setting of network rates to influence station decisions with respect to program clearances.

18. The evidence with respect to possible infractions of Chain Broadcasting Rules 3.658(a) (through the use of

network rates to influence the station's acceptance of programs from another network) and 3.658(h) (through the use of network rates to influence the national spot rates of affiliated stations) should be referred to the Commission for appropriate action.

19. The evidence concerning possible violations of the antitrust laws with respect to network-national spot rate competition and inter-network rate competition should be referred to the Department of Justice.

D. Compensation

20. The Commission should make public the affiliation contracts which licensees are required to file with it, including the compensation provisions of these contracts.

21. The Commission should make a regular and continuous study of compensation arrangements between networks and their affiliated stations. While a potential for abuse exists, the present compensation practices of the networks do not require the adoption of a more specific rule at this time.

E. "Must-Buy"

22. The "must-buy" requirement of the CBS and NBC networks should be prohibited through a Commission regulation. No objection should be raised to the adoption of some form of "minimum-buy" analogous to the present ABC practice. In the course of rule making, the Commission should consider whether or not an exception would be desirable permitting the "must buy" practice in the case of multi-weekly programs sold in small time segments to a considerable number of different advertisers. The opinion of the Department of Justice should be requested on this subject.

23. The Commission should not undertake at this time to regulate the particular minimum requirements adopted by the networks. However, the situation should be followed closely and continuously, so that the Commission will be in a position to take action promptly at a later date, should the "minimum-buy" practice require regulation.

F. Network Representation of Stations in National Spot Sales

24. The Commission should adopt a rule prohibiting the networks from representing stations other than their owned and operated in national spot sales. A reasonable period of time, such as two years, should be allowed for the stations to transfer their representation to a non-network organization.

G. Interconnection

25. The Commission should resolve at the earliest practicable date the issues involved in Docket No. 8963 and Docket No. 11164.

26. The Commission should examine closely the procedures for allocating scarce AT&T program transmission facilities to determine whether they are fair and equitable and otherwise in the public interest.

H. Multiple Ownership

27. In the long run, the Commission should seek through its regulation a pattern of ownership which approaches as closely as circumstances permit the objective of limiting station ownership to one station for each licensee.

28. With respect to the grant of original applications for station licenses, the Commission should promulgate a rule relative to local ownership and diversity of ownership which establishes presumptions that a local applicant will serve the community interest better than an absentee licensee and that an applicant who owns no other station will be in a better position to serve the local community than an applicant who is already licensed to serve one or more other communities.

29. In connection with the renewal of station licenses, a similar presumption should not be established. However, in instances where a multiple owner is providing only marginal service and other entrepreneurs are contesting for the channel at renewal time, the Commission

should give appropriate weight to the local ownership and diversity of ownership factors.

30. With respect to the transfer of station licenses, the Commission should recommend to the Congress the repeal of the MacFarland Amendment so that applicants other than the proposed transferee may also be considered in a comparative hearing context. If the Amendment is repealed, it is further recommended: a) that the Commission apply in such cases the presumption in favor of local ownership and diversity of ownership, mentioned in recommendation numbered 28 above; and b) that the Commission require that all proposed sales of stations to existing station owners be on a cash basis, so that other applicants may have the opportunity to make a comparable offer.

31. The Commission should require that each person acquiring a television station be limited in ownership to one television station until such station had been operated for a full license term. Thereafter, the owner might apply for an additional station each year, subject to the other limits of the Multiple Ownership Rule, including the presumptions recommended herein.

32. The present numerical limitation that no licensee may own more than 5 VHF stations and 2 UHF stations should be retained. In addition, it is recommended that the Multiple Ownership Rules be amended to provide that no licensee be permitted to own more than 3 VHF stations in the top 25 markets of the United States. To the limited extent that divestiture is required by this proposed rule, a reasonable period of time, such as three years, should be permitted for the sale of the stations.

33. Networks should be treated on the same basis as other multiple-station owners with respect to all of the above-recommended rules. However, in the event that networks, having disposed of station holdings in excess of three in the top 25 markets, should seek to acquire additional stations in lower-ranking markets up to the permissible limits of 5 VHF and 2 UHF stations, the presumptions against a network multiple owner on local ownership and diversity grounds should, in a comparative hearing context, be overriding unless it can be demonstrated that acquisition of the station or stations is essential to the financial welfare of the network and that financing from conventional capital sources is not available.

I. Radio

34. The Commission should undertake a detailed study of network radio and of other components of the radio industry.

J. Application of Commission Rules Directly to Networks

35. The Commission should recommend to Congress that it be expressly authorized to apply the pertinent parts of its rules and regulations directly to networks. The official views of the Department of Justice should be requested before such a recommendation is made.

36. Pending any such recommendation or express grant of authority to apply its rules directly to networks, it is recommended that the existing Chain Broadcast Rules continue to be applied to stations, and that all changes in the rules or new rules recommended in this Report be made applicable to all stations, or to stations owned by the networks, as the circumstances warrant.

37. Should express authority be granted to the Commission by the Congress to apply its rules directly to networks, the Commission should then review its Chain Broadcasting Rules, as they may have been amended or expanded, with a view to making them applicable to networks only, to both networks and stations, or to stations only, as the conduct reached by each rule indicates.

III. ENFORCEMENT

It is axiomatic that no rule can be effective unless it is properly enforced. In the past, several factors have complicated the Commission's task of effectively enforcing the existing Chain Broadcasting Rules. One of these factors is that the sanctions applicable under the rules have not

generally been suited to the types of infractions against which the rules are addressed. This problem has two aspects: some of the rules are directed against the injured parties rather than against the parties most likely to have been responsible for the infraction of the rule; and the penalties imposed under the rules are excessive for most of the infractions involved. Another factor is that the Commission has been able, because of other and more pressing tasks, to devote only limited staff and funds to the continual observation of industry practices necessary for effective rule enforcement.

As has already been pointed out, the Chain Broadcasting Rules are framed in terms of station licensees, and provide that no license shall be issued to a station which engages in any of the proscribed practices. The types of practices against which the rules are directed generally involve a contract, understanding, or agreement between a station and a network, and the rule could thus be directed against either party. In practice, however, there is little reason why a station should wish to engage in most of the proscribed practices, while there is a greater incentive for a network to do so in order to limit competition from other networks or from non-network sources. In cases where a station licensee has violated a Commission rule at the instance or insistence of a network organization, penalization of the station rather than the network clearly poses a problem of equity which can interfere with effective rule enforcement. A rephrasing of some of the existing and proposed rules to address them to networks as well as, or in lieu of, stations, as recommended in Chapter 14 of this Report, would make it possible to apply sanctions directly against those parties most likely to be the moving parties in violations of some Commission rules.

Regulations directed against stations may have a considerable, if indirect, influence on the networks with which they are affiliated. In instances where a rule infraction has been initiated by a network organization, it would presumably not require revocation of many station licenses for strong pressures to be brought to bear by affiliates on the network to discontinue the practice in question. Nevertheless, the Commission may understandably be reluctant to revoke the license of a station in such circumstances. On the other hand, if the evidence should indicate that the network had instigated the rule infraction, this would presumably reflect on the network's qualifications as a licensee of its owned and operated stations. This raises the question, however, whether the penalties involved are appropriate for rule infractions, by stations or networks.

Revocation "Drastic"

There can be no question that revocation or non-renewal of a station's license, whether the license is held by a network or by a non-network organization, is a drastic penalty for the Commission to impose. Such action clearly reflects on the character of the licensee and his ability to perform in the public interest. The financial penalty involved may be quite substantial. In most cases the licensee will have made a substantial investment in plant and facilities, program materials, etc. It is not unlikely that there would be a financial loss in the forced sale of the station's facilities to the new licensee authorized by the Commission to operate on the assigned frequency. As previously indicated, in the *Don Lee* case in which the Commission was dealing with clear-cut violations of the Chain Broadcasting Rules by a radio network, the Commission concluded that revocation of any of the station licenses of the network would be too extreme a penalty.

In addition to its power to revoke, or not to renew, a station's license, the Commission, under authority granted to it by the 1952 Amendment to the Act § 312(s) may issue a "cease and desist" order in cases when the licensee has violated any provision of the Act or any Commission rule or regulation. The "cease and desist" order, in certain circumstances, can be a useful tool in rule enforcement. The effectiveness of this sanction may be limited, however, for the reason that the only remedy provided by the Act for failure to observe a "cease and desist" order

is the extreme penalty of license revocation. Also, this penalty applies to failure to observe the "cease and desist" order, rather than to engagement in the practices violative of the Commission's rules, which are the subject of the order.

It appears, therefore, that the Commission's vital function of effective rule enforcement would be aided if it were empowered to impose penalties (other than revocation of a station's license) for practices which, after proper investigation by the Commission, were found to be infractions of the existing rules. In any case where the Commission is authorized, pursuant to § 312(a)(b) to revoke a license, or to revoke a permit, or to issue a cease and desist order, the Commission, after the hearing required by subsection 312(c), or waiver thereof, in lieu of revoking a license, or revoking a permit, or issuing a cease and desist order, or in addition to issuing a cease and desist order, should be authorized to order the licensee or permittee to forfeit to the United States a specified sum for each day during which the Commission finds that any offense set forth in the order to show cause issued pursuant to subsection 312(c) occurred. Since the magnitude and importance of the rule infractions are likely to vary from case to case, the Commission should be permitted some latitude, within prescribed limits, in relating the amount of each forfeiture to the nature of the infraction and the particular circumstances involved. Such a system of forfeiture would give the Commission more flexibility in applying its rules to varied and changing situations.

The Network Study Staff therefore recommends that the Commission request Congressional legislation that would empower it to adopt a system of forfeitures in the case of demonstrated infractions of Commission rules. This procedure for handling alleged violation of Commission rules is preferable to considering such complaints in the license renewal context.

Continued Surveillance Recommended

In the past, the main thrust of Commission activity in the broadcasting area has necessarily been in the assignment of frequencies for the development of radio and television broadcasting and in licensing of stations to operate on the assigned frequencies. These were clearly the most urgent of the Commission's tasks and, with the limitations of budget and staff, required a heavy concentration of Commission personnel. Now that the Commission has succeeded in getting a substantial number of television stations on the air, and has issued licenses for virtually all commercial assignments in the VHF portion of the spectrum, it is possible for the Commission to devote more of its resources to some of the other problems before it. With respect to a number of practices which it has examined, the Network Study Staff has discovered apparent violations of existing Commission rules. The mutuality of interest between stations and networks in many areas, and the overriding importance to stations of affiliation with a network, may make it unlikely that some stations will inform the Commission in cases where the network has been seeking to influence station behavior in ways that may be contrary to the Commission's rules. For these reasons, the Network Study Staff concludes that continued and close surveillance by the Commission of such practices is essential, including field investigations, where appropriate, in connection with alleged violations.

Television is a dynamic industry, and its structure and practices will undoubtedly undergo numerous changes with the passage of time. The Network Study Staff therefore recommends that the Commission take such administrative steps as it considers necessary in order to insure an adequate staff organization both for the effective enforcement of the existing and proposed rules and for a continued reexamination of the rules in the light of their impact on the industry and of other developments. Only in this way can the Commission insure a broadcasting system that is serving the public interest through effective competition.

IV. CONCLUSION

The Report on Network Broadcasting recognizes the great contribution of the networks to television. It was the nationwide, interconnected network system of broadcasting, providing free program service through national advertiser support, which made possible the phenomenal growth of television. In this way, national program service was brought to virtually all our people in a brief span of years. Through this system, public service programming as well as popular entertainment is provided and simultaneous broadcast to a nationwide audience of events of national interest is made possible. The network system also provides a vital means of linking together our people in the event of national emergency. In these and other respects, network activities are consistent with, or help to promote the public interest and to effectuate Commission policy.

On the other hand, there are respects in which the networks' concentration of control, and the practices in which they engage, have been found incompatible with the public interest. An important Commission policy impinged upon by network structure and practices is that of making the station licensee responsible for broadcasting in the public interest. As has been seen, stations are highly dependent on the network program service, and the network affiliate carries a large schedule of network programs. The networks, through their use of the contractual right of option time, and other practices, have persuaded affiliated stations to accept a larger schedule of network programs than they would otherwise be disposed to carry. In this way, network practices have, to some extent, restricted the programming responsibility of the station licensee and limited the licensee's opportunities to program according to the specific needs of his local community. They have also curtailed the availability of alternative program sources to the station and thus to the public which it serves.

Another statutory and Commission policy directly affected by networking is that of preserving effective competition in broadcasting. Networks have a high concentration of control over important facets of the telecasting industry. The principal factors accounting for the high concentration of control by networks are the shortage of competitive station facilities in the VHF spectrum and the economic advantages, to networks and stations, inherent in the affiliation relationship. Despite the very high network profits of CBS and NBC, there is little prospect for the immediate entry of a fourth network. While the three existing networks compete among themselves in many areas, the small number of networks and the formidable barriers to new network entry are limitations on the effectiveness of competition at the network level. The encouragement of greater competition between networks and national spot telecasting, therefore, holds out the principal hope of providing more effective competition in the public interest. However, a number of network practices have served to restrain competition between network and national spot advertising and to place the station representatives, program suppliers, and advertisers using national spot, at a competitive disadvantage. These practices, in combination, have restrained competition between networking and the national spot "system" to a significant degree.

A third policy of the Commission is that of providing a nationwide television system, with one or more broadcast services available to as high a proportion as possible of the people of the United States. The network system has done much to foster the realization of this objective. But some practices of the networks designed to protect the area of their primary affiliates, especially in the larger and more profitable markets, have impeded rather than assisted this Commission policy.

This Report accepts the network system as a necessary and highly desirable component of the American broadcasting system. The recommendations which have been

made are designed to provide effective competition in television by removing those competitive restraints which impinge upon Commission policy relating to the public interest in broadcasting. It is the opinion and hope of the Network Study Staff that the present system of broadcasting, in which the networks play so large a role, will be rendered more competitive by adoption of these recommendations, and thus will better serve the interest of the public at large.

It should be recognized, however, that the high concentration of control exercised by networks, the barriers to the new network entry, the strong bargaining position of the networks in their relations with stations in many markets, and the limited opportunities for non-network groups to compete, present in combination a serious problem for the realization of the objectives of the Commission. Should measures recommended in this Report, together with technological change in the industry within the next few years, not achieve effective competition in the broadcasting system, it may be necessary to consider basic structural changes in the system. The changes which might have to be considered under these circumstances include such alternatives as: a national television service available to any subscribing stations, as national news sources now make their services available to all newspapers; rationing of station time among program suppliers and advertisers; Commission regulation of rates; recapture of monopoly profits or economic rent in the use of valuable frequency channels allocated to the large commercially desirable markets; and recapture of the value of the frequency itself upon the sale of scarce, viable, station facilities.

Designed to Improve Structure

In lieu of considering such basic structural changes, the Network Study Staff has followed the policy of working within the framework of the existing network system and recommending the minimum changes necessary to remove competitive restraints and to effectuate Commission policy relative to licensee responsibility, diversity of ownership and control, and broadcasting in the public interest. Thus, it has been recommended that the self regulating value of publicity as to affiliation practices, rates, and compensation be relied upon to the extent possible. Where this is not feasible, it has been recommended that the restraints on station freedom and the competitive opportunities for non-network groups, resulting from option time, "must-buy," the use of affiliation and rate decisions to influence station behavior and other practices, be prohibited or further limited. The recommendations are designed to improve upon the existing structure rather than to provide a substitute for it.

Through these recommended changes, stations will have additional freedom in programming to meet the needs of their local communities; there will be somewhat greater opportunity for access to the valuable television medium of non-network groups, such as program producers and national station representatives provided a wide range of program choice; some greater access of local and regional advertisers to television will be provided; multiple ownership will be reduced and more entrepreneurs will be brought into broadcasting, thus increasing opinion sources and the opportunities for local community service; and the networks will be subject directly to the Commission's rules so that any restraining conduct in matters affecting the public interest may be more effectively administered. Adoption of the recommendations should result in a greater degree of competition in broadcasting, programming which is more responsive to community needs, and a more nearly nationwide service. The viewing public would have available a wider variety of television services and a more varied program fare.

In the opinion of the Network Study Staff, these recommendations, if adopted, will bring about important and substantial improvements in television broadcasting service to the people.

II—NETWORK STUDY REPORT, WHAT IT MEANS: No one in Washington—or at the networks—is attempting to minimize importance of Barrow report as portent of stepped-up drive to substantially stiffen network and multiple-ownership rules.

By same token, it goes almost without saying that any major administrative or legislative proposals would probably take years to put into effect—either via FCC rule-making or Congressional law-making.

Report is classified as “unofficial”—not a report OF the Commission, but TO the Commission, or more properly to Commission’s Network Study Committee (consisting of Comrs. Doerfer, Hyde & Bartley). This Committee could accept report, change it, order more study, pass it on as is to full Commission—even sit on it.

But despite its unofficial status, Barrow report carries much weight: It was administered by outside experts selected by ex-Chairman McConnaughey, on express mandate from Congress, which twice appropriated funds for the network study. You can expect legislators to take proprietary interest in it, to prod & poke Commission to start translating recommendations into rules.

And you can expect introduction of legislation to carry out some of the proposals almost as soon as Congress reconvenes—from Congressmen who don’t choose to wait until FCC decides whether to “request” changes in Communications Act.

■ ■ ■

Impact of report is multiplied when considered in terms of cumulative effect—coming on top of Senate Commerce Committee’s Plotkin and Jones reports of 1955 (Vol. 11:6-8), testimony by Justice Dept. officials concerning possible network anti-trust violations in 1956 (Vol. 12:9, 37), House anti-trust subcommittee’s Celler report and Senate Commerce Committee’s Cox report in 1957 (Vol. 13:23, 26).

Barrow report shows more similarity to the extremely tough Plotkin report than any of the others—though in some cases (i.e., return to “Avco procedure”) it goes beyond Plotkin, and in others (rejection of principle of rationing station time among networks) it doesn’t go as far. Many of Barrow’s recommendations are common to most of the previous “network practices” reports.

Current FCC network study report is far more carefully documented, more thorough, than any to date—and fact that vast 2-year study reached many of same conclusions will add considerably to its influence, particularly in Congress.

■ ■ ■

Like all previous network researchers, Barrow found one area in which he was unable to reach any conclusions—the allegations of network tie-ins of time sales with program sales. This is one field of inquiry in which Justice Dept. has been most active—and is known to be one of focal points of its network anti-trust investigation. It’s understood Justice feels it has already uncovered extremely significant information in this area.

■ ■ ■

All networks declined immediate comment on Barrow’s report or recommendations, stating they hadn’t had time to study it completely.

Congressman Celler is known to be extremely pleased with it.

Former FCC asst. gen. counsel Harry Plotkin—as might be expected—thought report “excellent,” and added: “The Commission is not going to have much choice” but to go along with recommendations.

■ ■ ■

Barrow’s group worked in extreme secrecy, shunning the usual “leaks” and trial balloons so common in Washington. Indicative of his way of working is fact that he never permitted any member of his staff to accept free lunch from anyone in industry.

Dean Barrow returned this week to his post as head of U of Cincinnati law school. Value of his contribution to theory and practice of TV regulation will be hotly debated for many months—but there’s no question that it is destined to become the new rallying point for those in and out of Congress who would chip away at power of the networks.

NEW DEAL FOR RCA TV PATENT LICENSEES: In wake of settlement of bitter 11-year RCA-Zenith patent litigation (Vol. 13:37-38), all TV-radio manufacturers who hold RCA "package" patent licenses received this letter, signed by RCA commercial dept. v.p. R. A. Correa:

"Subject: Broadcast receiving set licensing agreement.

"This is to advise you that changes in our patent licensing are now under active consideration by us and we hope to reach a conclusion in the near future.

"The purpose of this letter is to inform you that as soon as a conclusion is reached we will promptly communicate with you and advise you of the manner in which our licensing relations with you may be affected. We believe you will find our proposal of benefit to your company."

Big RCA, TV-radio industry's patent landlord, thus confirms industry speculation that Zenith settlement is prelude to liberalization—and perhaps some rather drastic changes—in its licensing procedures (Vol. 13:38).

As is traditional when questioned about patent matters, RCA sources are refusing any comment on subject—but it's believed new proposal is just few weeks away, despite fact that current "package" licenses don't expire until end of 1959.



All litigation between RCA & Zenith now has been dismissed ("with prejudice") in both Chicago & Wilmington Federal courts. Terms of settlement, though not filed in courts nor made "public record," conform closely to earlier reports.

Some set makers looked at this clause in settlement agreement as possible clue to RCA's future licensing intentions:

"RCA to grant Zenith & Rauland, and Zenith & Rauland to grant RCA, royalty-free licenses for radio & TV receiving sets, including tubes therefor (except color TV, color tubes and Phonevision) for a term beginning on the dates hereof and extending to Jan. 1, 1963, under all U. S. & foreign patents issued prior to Sept. 1, 1957, to the extent to which each of them has the right to grant such licenses [other than licenses granted to Zenith & Rauland by GE & Western Electric under terms of settlement]."

To settle past claims for infringement between RCA & Zenith, agreement proposes that Supreme Court Justice Minton "or a man of comparable standing" be selected as arbitrator.

Still not revealed is how much of the \$10,000,000 payment to Zenith is to be paid by RCA, how much by GE & Western Electric. Latter company has already paid to bank which is handling transaction the full amount required of it; other 2 companies will make 10 yearly payments. There has been some "educated guessing" that 85-90% of total amount will be paid by RCA.



RCA pres. John L. Burns this week confirmed some more industry speculation: He said RCA hopes to clear up litigation in which it is involved—but each dispute will be considered separately and no settlement will be accepted which conflicts with best interests of stockholders or industry.

GOVT. WINS 1ST ROUND IN FTC VS. TV ADS: Milestone FTC unfair-TV-advertising case, first to be tied directly to "visual deception" by commercials, reached govt. hearing phase this week in what promises to be long litigation—and FTC won initial point.

Over strenuous objections by defendant American Chicle Co., FTC examiner John D. Poindexter ruled that two 60-sec. TV spots, picked out of program content, constituted evidence in themselves to support charges by FTC's monitoring unit that advertiser misrepresented Roloids alkalizer and falsely disparaged competitors (Vol. 13:20, 33).

FTC is trying to establish guilt by implications which viewer might draw from spots alone, without reference to whole continuity on TV screen, argued defending attorney H. Thomas Austern.

Asserting that any TV commercial must be judged within context of program, Austern said that "projection of a fragment of a TV presentation is a complete departure from what the TV viewers see,

hear, and read, and therefore cannot be made the basis for determining what, if any, fact representations are impliedly made by any TV continuity."

This argument was called "reductio ad absurdum" by FTC counsel Daniel J. Murphy, who said Roloids commercials alone were in issue.

But Austern entered vigorous exceptions for case record when examiner Poindexter ordered spots screened for him in hearing room. One showed man in white coat, addressed as "doctor," who extolled remedy as preferable to "old-fashioned alkalisers." Other showed "beaker test" for "stomach acid." Question of claims for Roloids wasn't reached at hearing, which continues next week.

Personal Notes: Edward P. Shurick resigns as CBS v.p. & station relations director to join Blair-TV as exec v.p. . . . Martin Codel, publisher of *Television Digest*, has returned to his desk following a long illness . . . Dr. George Gallup & Dr. Claude E. Robinson step down as chairman & pres., respectively, of Gallup & Robinson Inc., succeeded by v.p.'s L. E. Purvis & Dr. Paul I. Lynes . . . Robert Lemon, ex-WTTV, Bloomington-Indianapolis, named program director of WRCV-TV, Philadelphia; Bob Benson promoted to program director of radio WRCV . . . John H. Hanna named business mgr. of WTIC-TV, Hartford . . . John Scuoppo promoted to field exploitation mgr., NBC . . . George C. Castleman, new TV business development mgr. of rep Peters, Griffin, Woodward, elected a v.p. . . . Robert S. Jones, ex-CBS, joins MBS as midwest operations mgr., Chicago; John Irish promoted to field representative, headquartering in N. Y.; Norman Baer, ex-Lewin, Williams & Saylor and AP & INS, joins exec. staff to handle special events & sports programs . . . Charles H. Phillips, ex-Petry, joins WCKT, Miami, as national sales mgr. . . . Ted Sack, ex-CBS-TV producer and creator of *Let's Take a Trip*, joins WTVJ, Miami, as operations director . . . Fred M. Whiting, ex-NBC, Chicago, promoted to asst. dean of Medill School of Journalism, Northwestern U . . . Henry G. Kirwan resigns as secy.-treas. of radio WINS, N. Y. to re-establish CPA firm specializing in TV-radio & theatrical accounts . . . Leslie A. Hollingsworth resigns as public relations mgr. of WPIX, N. Y. . . . Stanley Raiff, ex-WHEN-TV, Syracuse, and WMAL-TV, Washington, joins NARTB public relations staff . . . Arthur M. Mortensen named mgr. of KERO-TV, Bakersfield . . . Gene P. Loffler, ex-mgr. of KMMT, Austin, Minn. named v.p. & mgr. of KICA-TV, Clovis, N. M. . . . James R. Keen promoted to program mgr., WFIE-TV, Evansville . . . Ken Corbitt, program mgr. of WTIK, Durham, named director of promotion & publicity of WTVD, same city . . . Russell Furse, ex-Los Angeles TV consultant, appointed exec. asst. to pres., CHEK-TV, Victoria, B. C. . . . Frank A. Balch, mgr. of radio WJOY, Burlington, elected pres. of Vt. Assn. of Radio & TV Broadcasters . . . Wm. E. Young, ex-Unity TV Corp., named north central div. mgr. of Screen Gems; Gene Plotnik promoted to publicity mgr. . . . Wm. C. Brearley named eastern sales mgr., George P. Hollingbery Co. . . . Samuel G. Henderson Jr. promoted to mgr. of WGAN-TV, Portland, Me.

Obituary

Charles E. (Ned) Midgley Jr., 51, TV-radio mgr. of Ted Bates & Co. who became a v.p. of agency in Aug., died Oct. 1 at home in Yonkers, N. Y. He joined Bates in 1950 after 9 years with CBS, for which he was sales service mgr., and in 1948 published book, *The Advertising & Business Side of Radio*. Earlier he was sales service mgr. of BBDO. Surviving are widow and 2 sons.

Frank Finney, 84, co-founder of Street & Finney, one of oldest N. Y. ad agencies, died last week at Summit, N. J.

ADVERTISING AGENCIES: Henry Halpern promoted to v.p. of MacManus, John & Adams, in charge of media & research, N. Y. . . . John Egan, in Compton Adv. TV-radio programming dept. since 1951, promoted to v.p. . . . John Hoagland promoted to TV account executive, BBDO, N. Y., Don Rowe to TV-radio account executive, Hollywood.

Add agency mergers: Chambers & Wiswell Inc., and Shattuck, Clifford & McMillan Inc., both Boston, become Chambers, Wiswell, Shattuck, Clifford & McMillan Inc. Nov. 1. Announcement says combined agency, which will have annual billings of more than \$3,000,000, expects to "offer stiff competition to N. Y. agencies which have been attacking the New England markets."

Progress Medal Award of SMPTE, organization's highest honor, was presented to director Ralph M. Evans of Eastman Kodak's color technology div. at 82nd semi-annual convention Oct. 4 at Sheraton Hotel, Philadelphia. He was cited for achievements in motion picture color film development and color photography generally. Other SMPTE prize winners: Charles P. Ginsberg, Ampex, David Sarnoff Gold Medal Award for technical contributions to TV; Col. Richard H. Ranger, Rangertone, Herbert T. Kalmus Gold Medal Award for color film processes for TV & theatres; Earl M. Lowry & J. Gordon Jarvis, Eastman, *Journal Award* for best paper.

John Hay Whitney, whose J. H. Whitney & Co. owns 4 TV & 2 radio stations managed by Corinthian Bestg. Corp., went into newspaper business this week by making "an investment" in *N. Y. Herald Tribune*—reportedly \$1-\$2,500,000. Announcement by pres. & editor Ogden R. Reid of *Herald Tribune* didn't mention amount involved, but quoted Whitney, now Ambassador to Court of St. James: "Until such time as I become a stockholder of the paper, I will have no connection with its management or its editorial policies."

ARB establishes Chicago sales office in Tribune Tower, headed by Elliot Johnson, ex-A. C. Nielsen and Foote, Cone & Belding. At same time, N. Y. general sales office is moved to 400 Park Ave., advertiser service dept. remaining at 341 Madison Ave.

Edison Amateur Award nominations for 1957 were opened by GE this week for nation's 150,000 amateur operators. Jan. 3 is deadline for nominations submitted to GE award committee, Owensboro, Ky. Trophy and \$500 will be presented to winner at Washington banquet in Feb.

New reps: WSBA-TV, York, Pa. to Jack Masla & Co. Inc. (from Edward Petry & Co.); WXEX-TV, Petersburg-Richmond, Va. to Simmons Assoc. Nov. 15 (from Forjoe-TV Inc.).

Fleet Adm. Wm. F. Halsey resigns from boards of IT&T subsidiaries Mackay Radio and All America Cable to devote efforts to preservation of carrier *Enterprise*.

Joseph M. Sitrick, legislative asst. to FCC Chairman Doerfer, adds duties of security officer.

Network Profit Figures: CBS showed before-tax profit of \$40,733,000 on broadcast operations (network & owned stations) in 1956, NBC made \$34,910,000 and ABC \$9,727,000—each showing substantial increase over 1955. These figures are revealed for first time by FCC network study staff report (see pp. 1-3 & Special Report), in table showing that since 1955 all networks have realized profit from network operations as such—as well as from operation of their owned stations.

Table breaks down percentage of profit realized from o-&o stations in 3 biggest cities as compared with all o-&o stations. Interesting sidelight is fact that after one unprofitable year, CBS in 1956 made slight profit on operation of its 2 uhf stations (WXIX, Milwaukee & WHCT, Hartford), while NBC's uhfs (WBUF, Buffalo & WNBC, Hartford-New Britain)—acquired more recently than CBS's, were still quite deeply in loss column last year.

The table indicates that o-&o stations in 1956 accounted for 73.9% of ABC's total TV broadcast income, 45.1% of CBS's and 47% of NBC's.

Individual network profit figures for 1953-1955 had been revealed previously (in 1956) by Sen. Bricker (R-O.) & Rep. Celler (D-N. Y.)—but 1956 & 1950-52 figures have hitherto been kept confidential. (Complete 1953-1955 network revenue-expense-earning table will be found on p. 45, Spring-Summer 1957 *TV Factbook No. 24*.)

The network profit table, reprinted from FCC network study report (add 000 to dollar figures) :

Year	ALL O-&O STATIONS		STATIONS IN N. Y., CHICAGO & LOS ANGELES			
	Broad-cast income, network & o-&o stations	Broad-cast income	% of total income of network & o-&o stations represented by o-&o stations	Broad-cast income	% of network & o-&o income of o-&o stations	% of income of o-&o stations
ABC¹						
1950	\$(1,931)	\$ 1,522	---	\$ 1,334	---	87.6%
1951	(664)	1,679	---	979	---	58.3
1952	(2,178)	2,041	---	880	---	43.1
1953	(1,906)	2,478	---	542	---	21.9
1954	(2,504)	4,319	---	2,601	---	60.2
1955	5,589	5,108	91.4%	2,945	52.7%	57.7
1956	9,727	7,186	73.9	4,942	50.8	68.8
CBS						
1950	(2,337)	²	---	²	---	---
1951	4,280	²	---	²	---	---
1952	3,239	3,708	114.5	3,708	114.5	100.0
1953	11,885	7,008	59.0	7,008	59.0	100.0
1954	25,378	12,276	48.4	12,276	48.4	100.0
1955	34,870	14,505 ³	41.6	14,635	42.0	100.9
1956	40,733	18,362 ³	45.1	18,276	44.9	99.5
NBC						
1950	(3,894)	1,272	---	1,195	---	93.9
1951	8,645	5,639	65.2	4,641	53.7	82.3
1952	9,888	7,969	80.6	6,418	64.9	80.5
1953	8,846	8,464	95.7	7,388	83.5	87.3
1954	16,036	12,018	74.9	9,918	61.8	82.5
1955	30,179	15,577	51.6	12,408	41.1	79.7
1956	34,910	16,420 ⁴	47.0	13,592	38.9	82.8

(1) Indicates loss.

¹ Profits of ABC stations for 1954-1956 are not fully comparable to those for earlier years due in part to changes in allocations of costs as between the stations and the network.

² Included in network.

³ CBS had a loss of \$130,000 in 1955 and a profit of \$86,000 in 1956 from its uhf station(s).

⁴ NBC had a loss of \$515,000 from its uhf station in 1956.

Source: FCC Form 324.

Watchdog Muzzled? "Concerted plan" by 6 federal regulatory agencies to thwart House Commerce "watchdog" subcommittee investigation of them (Vol. 13:38) was alleged Oct. 4 by chairman Moulder (D-Mo.). He called in newsmen to complain that CAB already had instructed its staff to withhold needed files from subcommittee investigators, that he thought this meant "first step" by chiefs of all agencies, including FCC, to prevent full probe to see if they are being administered properly. Moulder summoned CAB to hearing Oct. 17 to explain attitude which he described as "arrogant & shocking"—tantamount to taking "high-class classified 5th Amendment."

FCC musn't investigate any religious faith, counsel for Oral Roberts Evangelistic Assn. Inc. warned Oct. 3 in filing comments with Commission on NAFBRAT complaint seeking revocation of license of KCOP, Los Angeles, for purported violations of "minimum program standards" (Vol. 13:37). Counsel Saul A. Yager and Cohn & Marks said that worth of Roberts faith-healing program, carried by KCOP and cited by NAFBRAT as objectionable, had been established by "impartial observers & investigators." But in any event, they said, any attempt by federal agency to judge any faith would "undermine the religious freedom of all Americans guaranteed by the First Amendment." In its reply to complaint, KCOP said NAFBRAT's attack on station was nothing more than attempt at censorship, that no violations of FCC rules had been shown. KCOP urged summary rejection by FCC of complaint.

President Eisenhower thinks TV—as "tremendously important" news medium—deserves to be "treated on a completely equal basis with all other media of public communication." Quote is attributed by Oct. *Television* to White House press secretary James C. Hagerty, who added: "In a press conference, I think the camera has the same right as the pencil. The President shares these views." Hagerty also told magazine he had suggestions for TV networks: (1) avoid over-commercialization of programs generally, (2) cover only the highlights of political conventions.

Equal time demand by White Citizens Councils of America to answer President Eisenhower's broadcast last week on Little Rock school integration crisis was rejected Sept. 30 by FCC chairman Doerfer. Protesting "one-sided explanation" of Arkansas trouble by President, chairman W. M. Rainach of segregation group asked FCC to persuade or order networks to give "nationally-recognized southern spokesman" time for rebuttal. Doerfer pointed out equal time rule doesn't apply to President's broadcasts when he isn't running for office.

Ban on giveaway shows which offer prizes for boxtops or other proof of purchase was invoked by CBC Sept. 30. Directive to Canadian TV & radio broadcasters said such shows are not in public interest, that any defiance of new policy would count as "an unfavorable factor" when CBC reviews station licenses. Not affected by directive were giveaways in which contestants must appear at station or in which written entries are judged on merit.

Deceptive statements in TV & radio commercials, newspaper & magazine advertising and other promotion is charged by FTC in complaint against Schick Inc., alleging that Jan.-May campaign this year misrepresented that "Lady Schick" shaver would be given free with purchase of "Schick 25" man's razor. Company is also accused of fixing prices illegally and discriminating among customers in prices, promotional allowances, demonstrator services.

Private microwave vs. common carrier economics and techniques are covered in detailed study submitted by GE's Wm. J. Morlock as exhibit in FCC's proceeding covering allocations above 890 mc.

Specifics Due on Pay TV: FCC gets down to toll-TV test consideration again next week, possibly week thereafter, and it looks as if it will finalize proposal to accept applications for tests. Big question: limitations.

Undoubtedly, pay proponents will term limitations too severe, while opponents label them lax—but some applications are expected, at any rate. Applications may be slow arriving at first, not only because Congress is picking up the ball but because it probably will take some head-scratching to answer FCC's questions about program supplier-franchiser-station-viewer relationships — including money involved.

Lawmakers' interest in dollars was emphasized this week when San Francisco's Board of Supervisors, goaded by theatre interests, conducted hearing designed to elicit wired pay-TV plans of Skiatron TV et al. Tone of questioning was set by board chairman Harold S. Dobbs, who told Skiatron representative Alan Lane that it was "an insult to the city" for Skiatron to refuse to disclose whether it has resources to carry out multi-million-dollar project. "I'm not going to be a party," he said, "to granting a franchise to any company that can't prove it has the finances to live up to the terms of the agreement." Lane protested that Skiatron had given N. Y. Giants \$500,000; that "we are further committed to many millions of dollars"—that Skiatron's finances therefore should not be questioned. Dobbs also asserted telephone company should testify as to its proposed role. Upshot: Final action on San Fran-

Exhibitor Again: Paramount Pictures Corp. is going back into theatre-operating business despite 1949 anti-trust consent judgment divorcing movie production & theatre activities, according to announcement Oct. 3 by v.p. George Weltner. He said producing company is acquiring Esquire Theatre, Chicago, as first-run outlet, but that "move represents no policy change" by Paramount in anti-trust restriction. It was pointed out that 1949 ruling permitted some optional leeway for motion picture companies to retain or acquire a few flagship theatres and that 20th Century-Fox, for example, owns Roxy Theatre, New York.

Rumors of purchase of Skiatron Electronics by Zenith were labeled "100% dope phony" by Skiatron spokesman, who extended his "unqualified denial" to include Skiatron Electronics licensee Skiatron TV. He stated that terms of Skiatron TV's license preclude it from merger or agreements with other companies without approval of Skiatron Electronics.

New community antenna systems being installed by Fred Welsh Antenna Systems, Vancouver, B. C., Jerrold distributor: Squamish, B. C., Reliance Distributors Ltd., 300 potential subscribers; Sarita River, B. C., Scverson Sales & Service, 40 potential.

First convention of National Community Antenna TV Assn. of Canada will be held Oct. 18-19 at Alpine Inn, Ste. Marguerite, Que.—arrangements being handled by acting secy. Ken Easton, 6301 Park Ave., Montreal, Que.

Color TV sales in Colo. for 8 months of 1957 totaled 463, compared to 751 for all 1956 and 252 for 1955, according to Rocky Mountain Electrical League.

cisco closed-circuit TV franchise further delayed.

But the Bartlesville cable-movie experiment has certainly prompted many movie and telecasting entities to make initial moves to protect themselves. In Houston, for example, there are now 7 applicants for franchises: Custom TV Inc., Austin Senators Baseball Club, Texas Bell Video, Trail Drive-In Theatre, Interstate Circuit, Loew's State Theatre, Bellaire Theatre. Denver has 3: KBTW, Gene O'Fallon (former owner of KTVR), McGee Briggs Enterprises.

Other subscription TV developments:

(1) 20th Century-Fox pres. Spyros P. Skouras explained why he hasn't released pictures for Bartlesville: "When we do go into something like this, I'll want a lot of money for our pictures, and guarantees, too."

(2) Writers Guild of America, West, refraining from asking pay increases from movie makers because of "depression" in film business, voted to ask for up to 7½% of pay-TV gross achieved with current movies, flat 10% on those made before Sept. 2, 1957.

(3) Wm. B. Lewis, pres. of Kenyon & Eckhardt ad agency, asking why commercials shouldn't be carried on pay TV, asserted: "People do not dislike advertising. They simply—and rightfully—resent bad advertising. It is a complete fallacy to state the people will not pay for something that has advertising in it."

(4) Big-city cable pay-TV systems are "technically impossible," FCC was informed by Robert J. Myers, pres. of Industrial TV, Los Angeles uhf translator installer. Former western district mgr. of DuMont TV transmitter div., he asserted that simplest and best way to provide subscription TV is to telecast picture without sound, let phone company supply sound via wire—similar to proposal of Sol Sagall (Vol. 13:38).

Quoteworthy Quotes: If the end aim of all advertising is sales—and I don't think that anyone will seriously quarrel with the fact that it is—we ought to rate media as we do salesmen. Print? Print advertising is good advertising, and millions of dollars are spent annually on its profitable use. Print is like the salesman who sits down and writes you a letter; he makes sales. Radio? This salesman picks up the phone and calls you; now, the added impetus of the human voice has been added. Television? He's the high-powered salesman who comes to see you; he demonstrates his merchandise, in actual use, right in your living room. That's television—sellevision—the only complete sales call in all advertising.—NTA Film Network v.p.-gen. mgr. Raymond E. Nelson, to Boston Ad Club.

ANA annual meeting will be held Oct. 28-30 at Chalfonte-Haddon Hall, Atlantic City, where theme sounded in opening speech by v.p. H. H. Dobberteen of Bryan Houston Inc. will be: "How to Get More for Your Advertising Money by Selecting Media in Relation to Your Markets." Highlights will include discussion of "mediocrity & imitativeness" in TV programming by Jack Cunningham, pres. of Cunningham & Walsh, workshop on "Creating the Radio Commercial," report on spot radio campaign by Universal CIT Credit Corp. ABC will produce show for banquet Oct. 29.

First Moscow-to-London live telecast is scheduled for New Year's Eve, on basis of arrangements made by Associated-Rediffusion, London commercial TV program contractor, with Russian govt. Ballet show from Bolshoi Theatre is scheduled to be sent by cable to Helsinki, to Stockholm and then to London by microwave & cable.

Allocations Cleanup: This week, FCC whittled away at its backlog of fights over its deintermixture and vhf drop-in actions. It turned down petition of WTVW, CP-holder of Ch. 7, Evansville, to make Evansville 4-vhf town, Louisville all-uhf—or to retain Ch. 7 in Evansville. Commission also ordered hearing on its proposal to shift WTVW's grant to Ch. 31. It turned down efforts of WSUN-TV, St. Petersburg, to get itself shifted to newly assigned Ch. 10, Comrs. Doerfer & Craven dissenting, and denied the petition of WAGM-TV, Presque Isle, Me. (Ch. 8) which had asked reconsideration of decision adding Ch. 10 to city.

New rule-making petition filed, by WKRG-TV Inc., Mobile, asked assignment of Ch. 13 to Panama City, Fla.

Competitive hearing for license renewal, between WMUR-TV, Manchester, N. H. (Ch. 9) and new applicant TV for New Hampshire Inc., was ordered—latest action in battle that started when Storer Bestg. Co. sought to buy WMUR-TV and move it nearer Boston.

Commission resolved another fight by granting program test authority permitting WJMR-TV, New Orleans (Ch. 21) to telecast simultaneously on experimental KK2XFW. Authorization had been opposed by WJTV, Jackson, Miss. (Ch. 12) and KWTW, Oklahoma City—latter an applicant for Ch. 12 in New Orleans.

Warning for laggard CP-holders was issued by FCC in form of rules amendment delegating to chief of Broadcast Bureau the authority to declare forfeit expired CPs for which Commission hasn't given extensions.

NTA Buys WATV: National Telefilm Assoc. closed long-pending deal at week's end for purchase of WATV, Newark-N. Y. (Ch. 13) with WAAT & WAAT-FM for approximately \$3,500,000 from Irving Rosenhaus interests. Call letters will be changed to WNTA-TV, WNTA & WNTA-FM. It's understood NTA is paying present owners \$2,500,000 for stock over fixed period of years, plus \$1,000,000 out of station profits. Subject to FCC approval, sale will give NTA ownership in 2 TV stations, the film distributor having recently acquired 75% ownership of KMGM-TV, Minneapolis (Ch. 9).

Option for 50% of WIIC, Pittsburgh (Ch. 11) is being exercised by H. Kenneth Brennen & family, according to application filed with FCC. They're paying \$500,000 under terms of merger agreement reached in 1955 (Vol. 11:23, 25). The other owner is P-G Publishing Co., publisher of *Pittsburgh Post-Gazette*, also owner of radio WWSW. Brennen family sold its Pittsburgh radio WJAS with WJAS-FM to NBC for \$750,000 (Vol. 13:39), but retains control of radio WHJB, Greensburg, Pa. and Radio Advertising Co., Pittsburgh.

Bob Hope will own 50% of WREX-TV, Rockford, Ill. (Ch. 13), it's disclosed by transfer application filed with FCC. Other new owners in sale of station for \$2,850,000 (Vol. 13:24) are Albert Zugsmith, 25%; Ashley L. Robison, 15%; Arthur B. Hogan, 10%. Aug. 31 balance sheet shows \$242,363 surplus as of June 30, with net income for 2 months ending Aug. 31 being \$27,073. It had \$252,676 current assets, \$340,867 accounts receivable, \$276,100 fixed assets; \$247,384 current liabilities, \$105,000 capital stock.

Reports of Radio Station Sales: This week's station sales & transfers disclosed: KWFT, Wichita Falls, by Kenyon Brown for \$300,000 to North Texas Radio Inc. (Ben Ludy, pres.) . . . WMOU, Berlin and WJWG, Conway, both N.H. by John W. Guider (who retains interest in WMTW, Poland Spring, Me.) for \$165,000 to Richard P. & Virginia A. McKee, owners of KOWB, Laramie, Wyo. . . . KAIR, Tucson, by W. Dawkins Espey, Harold Lampel, Wm. J. Hyland III and James H. Duncan for \$135,000 to Joe Dumond, once known as "Josh Higgins" during earlier radio days . . . KENL, Arcata, Cal. by Vern Emmerson for \$100,000 to Mel Marshall . . . WDEB, Gulfport, Miss. by Denver T. Brannen for \$80,000 to John Caraway, ex-Electronics Research Corp., Evansville, Ind. Brannen is also owner of KCIL, Houma, La., awaits FCC approval of purchase of WCOA, Pensacola & WDLP, Panama City (Vol. 13:34) . . . KJFJ, Webster City, Ia. by Mr. & Mrs. Charles V. Warren (also owners of KSMN, Mason City, Ia.) for \$55,000 to Don Treu and Glen Barnett, both on staff of radio KAYS, Hays, Kan. . . . WCPM, Cumberland, Ky. by Edward F. Shadburne for \$41,860 to Elmo Mills. Brokers: WMOU, KAIR, KJFJ, Allen Kander & Co.; KENL, Hamilton, Stubblefield, Twining & Assoc.; WDEB, Blackburn Co.

Radio station sales approved by FCC this week: WTMC, Ocala, Fla. by John H. Perry Jr. for \$150,000 to R. H. Gunckel (Vol. 13:34) . . . KLYN, Amarillo, Tex. by Kenyon Brown for \$110,000 to Boyd Whitney, co-owner of KLOS, Albuquerque (Vol. 13:27) . . . KHUB, Watsonville, Cal. by Wm. & Dorothy Morgan for \$60,000 to F. T. Crennan (Vol. 13:32) . . . WSYL, Sylvania, Ga. by Robert H. Thompson Sr. for \$45,000 to chief engineer & mgr. Edwin H. Bass (Vol. 13:36).

KHVV-TV, Honolulu (Ch. 13) & KHVV are being transferred to Kaiser-Burns Development Corp., operator of Hawaiian Village Hotel, where stations are located. Kaiser-Burns buys out holdings of mgr. Hal Lewis who remains with stations. It pays Henry Kaiser \$18,750 for his 75% of TV stock, assumes \$186,000 in notes; Lewis gets \$25,000 for his 25%. It also pays Kaiser \$25,000 for his 50% of radio, assumes \$80,000 in notes, and Lewis gets \$100,000 for his 50%. Transactions carry proviso that Lewis is to pay Kaiser \$6250 note owed on TV, \$25,000 note on radio. July 31 balance sheet for TV lists \$112,369 deficit. It had \$22,857 current assets, \$941,443 other assets (unamortized film costs, organization expenses), \$162,279 in equipment; \$317,979 current liabilities, \$734,969 long-term debt, \$186,000 notes due stockholders.

Martin Theatres of Georgia, buying WROM-TV, Rome, Ga. (Ch. 9), which has authorization to change to Chattanooga, pays \$722,500 to group headed by Dean Covington. Owners told FCC they had sought financial assistance to build first-class outlet in Chattanooga after Earl W. Winger, owner of Chattanooga radio WDOD, cancelled option for 50% because of health, but were unsuccessful. Martin Theatres, headed by E. D. Martin, operates WTMV, Columbus, Ga. (Ch. 28). WROM-TV Aug. 31 balance sheet lists \$62,774 deficit. It had \$4963 current assets, \$86,716 fixed assets; \$40,467 current liabilities, \$72,986 fixed liabilities, \$31,000 capital stock.

Mass communications revolution wrought by electronics will be covered by Dec. *Atlantic* in last of 3 special issues celebrating magazine's centennial. Oct. issue is devoted to "A Forward Look at Science & Industry," Nov. to arts, literature & politics. "Ideas as well as the products of science & industry might well be left languishing at their source" without mass communications, *Atlantic* points out.

Canadian IRE Convention: These TV papers will be featured at convention & exposition Oct. 16-18 at Toronto's Exhibition Park: Video recording tape, by L. F. Bennett, Canadian Military Electronics Standards Agency; system design of large TV stations, by A. L. Reeve, Canadian GE; modular TV transmitter design, by M. L. Falk & C. C. Nicholson, Canadian GE; vapotron, new cooling device for high-power tubes, by Mr. Beurtheret, CFTH (Paris) & H. G. Towlson, GE; design of single-layer coils for transmitters, by J. Soul, Canadian GE; TV signal strength meter, by S. J. Gabzdyl, Canadian Radio Mfg. Corp.; TV pattern generator, by A. B. Johnson, Canadianair; design of 21-in. color set, by W. Kurz, Canadian Radio; 110-degree tubes, by S. F. Love, Radio Valve Co.; TV sync separator, by E. Luedicke, RCA Victor Ltd.

Canadian TV stations in 17 markets will show NTA's *Premiere Performance* film package starting Oct. 10, sponsored by American Home Products thru Toronto office of Young & Rubicam.

Equipment shipments: By RCA—6-kw transmitter Oct. 1 to WRCV-TV, Philadelphia (Ch. 3), planning move to new site. By GE—50-kw transmitter to WCDA, Albany-Vail Mills, due to shift from Ch. 41 to 10; 5-bay helical antenna to WHYN-TV, Springfield-Holyoke, Mass., shifting from Ch. 55 to 40, together with single-bay helical for interim use while new antenna is being erected; used 5-kw transmitter to upcoming KWRB-TV, Riverton, Wyo. (Ch. 10), which hasn't reported target; 12-kw transmitter to WANE-TV, Ft. Wayne (Ch. 15); 6-bay batwing antenna to WDSM-TV, Duluth (Ch. 6), planning change to higher tower.

First "Orth Saver" units, Visual Electronics' device for extending camera tube life, were installed in stations this week.

ELECTRONICS PERSONALS: John S. Anderson, pres. of Aeronautical Radio Inc., elected chairman, Radio Technical Commission for Aeronautics, succeeding Dr. John H. Delinger, who had held post 17 years and who continues as technical advisor on administration & organization . . . Dr. George H. Brown promoted to chief engineer, RCA industrial electronic products . . . J. Forrest Bigelow named mgr., radar and radio systems, Philco govt. & industrial div.; F. J. Bingley, mgr., audio-video, data systems; C. P. Woodward, mgr., missiles and advanced tactical systems; Ralph Deutsch, mgr., fundamental techniques . . . G. W. Duckworth promoted to mgr., marketing, industrial tube products activity, RCA electron tube div.; C. F. Nesslage to administrator, operating financial controls; E. E. Spitzer, mgr., engineering; E. M. Wood, mgr., production . . . Donald M. Miller elected exec. v.p., Airborne Instruments Labs . . . Everett M. Patterson, ex-Standard-Thomson v.p., elected pres. of Bulova Research & Development Labs . . . Edward Alpert promoted to communications field sales administrator of Raytheon's commercial equipment div., Joseph J. Sedik to communications product planning mgr. . . Douglas W. Anderson promoted to asst. to v.p., Stromberg-Carlson electronics div.; P. R. Sultzbach to production mgr.; Wm. F. Hafstrom, mgr., marketing-industrial products . . . David E. Laughlin, ex-Giddings & Lewis Machine Tool Co., named mgr. of Digimatic marketing section of Stromberg-Carlson's Electronic Control Systems Inc. . . . Roe Nardone named Haydu Electronic Products director of engineering and a company director . . . Felix T. Troilo promoted to sales mgr. of Circuit Instruments Inc., an International Resistance Co. subsidiary . . . E. C. Titcomb to head new N. Y. field engineering office of Kin Tel div.,

World Series Color: Better than 2 years ago, but still variable. That's critics' consensus of NBC-TV's World Series colorcasts to date. Meanwhile, foreign viewing of Series was considerably extended and improved. New scatter link fed games to Cuba. Kines made on west coast were flown to Tokyo for day-later showing. Kines were also flown to Honolulu, Anchorage, Fairbanks, Guam, Venezuela, Puerto Rico, Mexico, El Salvador, Guatemala.

Cyprus TV station went on air Oct. 1 with first of series of bi-weekly programs—consisting of newsreels, movie about St. Barnabas (protector of Cyprus) and episode in *Robin Hood* film series. Operated by Cyprus Broadcasting Service (British Govt.), station concentrated on Greek-language programming in debut, will feature Turkish programs in next transmissions. Debut drew crowds to TV store show windows.

Misleading advertising will be subject of Practising Law Institute forum Oct. 26 in Hotel Commodore, N. Y., for corporation lawyers and others concerned with marketing problems. Participants in panel on "Protection Against Unfair Competition" will include pres. Hugh R. Jackson of N. Y. Better Business Bureau, mgr. Albert G. Seidman of FTC's N. Y. office.

Rate increases: KMJ-TV, Fresno, Cal. Sept. 1 raised base hour from \$550 to \$600, min. remaining \$150. WKOW-TV, Madison, Wis. Oct. 1 added Class AA hour (7-9:30 p.m. daily) at \$280, min. at \$56, Class A hour going from \$250 to \$224. KLRJ-TV, Henderson-Las Vegas, Sept. 1 raised hour from \$225 to \$275, min. \$45 to \$50.

Radio advertising clinic sponsored by RAB will be addressed by Sen. Morse (D-Ore.) at opening luncheon meeting Oct. 8 in Waldorf-Astoria Hotel, N. Y.

WNEM-TV, Bay City-Saginaw, Mich. (Ch. 5) has established main offices and a studio on 2nd floor of Flint's Bishop Airport Terminal Bldg.

Cohu Electronics . . . Wm. A. Drews appointed head of electronic group of Atlantic Research Corp.'s electro-mechanical div.

Missile technology has vast potential for development of electronics for peaceful uses, particularly in radio & microwave communications and radar, Sylvania v.p. Howard L. Richardson said Oct. 1 at cornerstone ceremonies at company's new Amherst, N. Y. electronic research & development center. Two-story building on 18-acre site near Buffalo Airport, scheduled for completion early in 1958, will house 500 employes, half of them engineers.

Electronic X-ray amplifier, multiplying image brightness 100 times and reducing radiation exposure of subject, was demonstrated experimentally Oct. 1 by Benjamin Kazan of RCA's David Sarnoff Research Center at American Roentgen Ray Society meeting in Shoreham Hotel, Washington.

Texas Instruments opened wholly-owned subsidiary, Texas Instruments Ltd., at Bedford, England, this week. Company's first manufacturing enterprise outside U. S. produces transistors and other semiconductor devices. Dudley Saward has been named managing director.

"Thyristor," new high speed switching transistor for computers and control systems, has been developed by RCA. Dr. Irving Wolff, v.p.-research, described it as a "marked advance" letting one transistor do work of 2.

All-glass 16-in. radar picture tube for military use (16AKP7) has been produced by Westinghouse for new display equipment used with radar, missiles and computers—or to replace 16-in. metal cone tubes.

TOP TV BRANDS-IN-USE IN 23 CITIES: Subscribers expressed so much interest this summer when we printed brief summary of TV set preferences in 23 markets as reported in Consolidated Consumer Analysis surveys (Vol. 13:24), that we have obtained permission to reprint the complete CCA table of TV ownership.

Consolidated Consumer Analysis figures are based on consumer surveys made by CCA member newspapers in the 23 markets. Newspapers distributed questionnaires to cross-section of market-area households, asking data about ownership and use of virtually every type of consumer item from whiskey to automobiles.

Survey sample families for 1957 totaled 69,398, out of 23-market total of 5,000,000 households. Most of the surveys were conducted in Jan. 1957, few earlier.

TV table is cumulative -- that is, it gives percentage of all TV households which owned each brand of set in each market, together with ranking of each make.

Individual market tables, distributed by newspapers making surveys, are broken down to indicate all brands owned by at least 1% of families, whereas consolidated table restricts itself to 14 most popular brands. Therefore, some brands which rank relatively high in certain regions -- such as Kaye-Halbert, Muntz & Airline (Montgomery Ward) -- don't appear in full 23-market table.

* * * *

Newspapers conducting the mass survey on foods, drugs, toiletries, home furnishings, appliances, automobiles, beverages, etc.: Chicago Daily News, Cincinnati Times-Star, Columbus Dispatch-Ohio State Journal, Denver Post, Duluth Herald and News-Tribune, Fresno Bee, Honolulu Star-Bulletin, Indianapolis Star and News, Long Beach (Cal.) Independent and Press-Telegram, Milwaukee Journal, Modesto Bee, Newark News, Omaha World-Herald, Oregon Journal (Portland), Phoenix Republic and Gazette, Portland (Me.) Press-Herald and Evening Express, Sacramento Bee, Salt Lake Tribune and Deseret News, San Jose Mercury and News, Seattle Times, St. Paul Dispatch and Pioneer Press, Washington Star, Wichita Eagle.

Median set saturation in the 23 cities was 92.5% at beginning of 1957, 88.7% in 1956 and 81.6% in 1955. Here is complete Consolidated Consumer Analysis table:

CITY	Per Cent of Owners		RCA Victor	Admiral	Hoffman	GE	Philco	Zenith	Motorola	Silver-tone	Emerson	Crosley	Du-Mont	Packard Bell	West-inghouse	Syl- vania
	1957	1956														
Chicago	93.7	92.3	2. 16.8	1. 18.5	— —	6. 6.3	5. 8.0	4. 10.7	3. 11.2	7. 4.5	12. 2.4	14. 1.9	11. 2.6	— —	13. 2.3	— —
Cincinnati	93.9	92.3	90.7	1. 20.6	3. 12.4	— —	6. 6.7	2. 15.7	7. 5.1	5. 7.2	14. 1.7	10. 2.7	4. 11.6	— —	— —	9. 3.7
Columbus	97.4	96.3	93.8	1. 23.3	3. 11.1	— —	7. 4.9	2. 12.9	6. 5.3	4. 8.9	— —	12. 1.9	9. 2.8	13. 1.8	— —	8. 3.7
Denver	94.5	— —	*1. 9.5	3. 8.5	11. 3.2	6. 5.6	5. 6.7	4. 7.2	*1. 9.5	16. 2.2	9. 3.8	12. 2.7	9. 3.8	7. 5.5	12. 2.7	18. 1.7
Duluth-Superior	92.1	88.5	75.3	1. 15.1	3. 8.2	21. 1.1	2. 11.3	5. 6.3	6. 6.0	10. 4.1	17. 1.5	4. 6.7	15. 1.6	— —	— —	8. 4.7
Fresno	88.3	80.5	66.4	1. 13.0	10. 4.0	3. 9.0	7. 6.0	2. 10.2	5. 7.0	4. 8.1	7. 6.0	6. 6.2	15. 2.6	13. 2.8	9. 5.6	13. 2.8
Honolulu	83.1	74.6	62.9	1. 14.9	6. 6.8	13. 2.8	4. 9.5	7. 6.6	2. 10.8	8. 5.7	3. 10.0	10. 4.9	14. 2.2	12. 3.3	5. 6.9	11. 3.6
Indianapolis	93.7	90.4	88.6	1. 15.2	2. 11.9	— —	8. 5.7	3. 8.8	5. 6.8	6. 6.1	12. 2.5	14. 1.9	9. 4.4	— —	— —	7. 6.0
Long Beach	94.1	91.9	90.8	1. 15.7	4. 7.6	3. 8.9	8. 5.3	5. 6.9	7. 5.7	10. 4.4	6. 5.9	14. 1.9	17. 1.1	12. 2.5	2. 9.7	15. 1.8
Milwaukee	97.2	95.8	93.1	1. 21.9	2. 15.1	— —	5. 5.0	4. 7.6	6. 4.3	3. 8.0	7. 2.7	9. 2.4	17. 1.7	14. 2.2	6. 6.4	9. 2.4
Modesto	82.3	72.3	59.0	3. 10.9	9. 4.5	1. 14.3	8. 4.8	2. 11.6	4. 9.0	7. 6.2	5. 6.9	12. 2.8	11. 2.9	20. 1.0	— —	18. 1.2
Newark	97.2	96.0	92.9	1. 26.6	2. 11.3	— —	6. 5.5	5. 7.6	10. 3.4	9. 3.5	15. 1.3	4. 7.8	7. 3.8	3. 8.7	— —	8. 3.6
Omaha	95.8	93.0	88.7	1. 19.4	4. 8.4	— —	5. 7.6	2. 13.5	6. 5.4	3. 10.2	10. 2.9	7. 5.2	8. 3.9	16. 1.1	— —	9. 3.1
Phoenix	90.1	88.7	81.5	1. 10.6	2. 10.2	5. 6.1	9. 4.6	11. 4.5	4. 6.4	9. 4.6	3. 7.3	14. 2.7	16. 2.0	8. 5.6	7. 6.0	12. 3.2
Portland, Me.	92.5	88.4	77.9	1. 16.9	5. 7.5	— —	2. 13.1	4. 11.3	3. 12.1	6. 6.3	7. 5.3	8. 5.0	9. 3.8	14. 1.6	— —	10. 1.9
Portland, Ore.	83.4	75.7	64.9	1. 11.9	3. 9.4	6. 5.9	8. 4.9	4. 8.0	2. 9.5	5. 7.0	9. 3.8	15. 1.7	11. 3.1	15. 1.7	7. 5.5	10. 3.4
Sacramento	88.2	77.2	60.8	1. 15.4	7. 5.9	6. 6.8	9. 5.6	2. 9.8	4. 7.2	5. 6.9	13. 3.3	8. 5.7	17. 1.4	— —	3. 9.0	12. 4.1
Salt Lake City	92.8	89.0	87.1	1. 14.9	2. 11.4	6. 5.9	4. 7.1	5. 6.4	10. 3.7	3. 8.7	12. 2.9	15. 2.5	12. 2.9	11. 3.0	7. 5.7	8. 4.5
San Jose	91.5	88.3	82.0	1. 11.0	4. 8.7	7. 5.9	11. 3.5	3. 8.9	6. 6.1	5. 6.8	9. 4.7	8. 5.3	13. 2.4	17. 1.4	2. 9.1	12. 3.4
Seattle	88.1	83.9	74.8	1. 16.6	5. 6.5	12. 3.5	8. 4.5	6. 6.1	7. 5.2	3. 7.0	4. 6.6	13. 2.0	16. 1.7	— —	2. 8.1	8. 4.5
St. Paul	96.0	93.9	89.2	1. 17.4	2. 11.8	— —	3. 11.5	4. 7.9	6. 6.8	5. 7.3	— —	14. 2.0	8. 3.3	16. 1.9	— —	12. 2.8
Washington, D. C.	87.5	85.8	81.6	1. 23.6	2. 14.7	— —	7. 4.9	3. 10.3	8. 3.3	5. 8.5	9. 3.1	4. 8.8	15. 1.1	13. 1.6	— —	12. 2.0
Wichita	83.7	— —	2. 11.7	1. 12.6	9. 4.3	6. 5.0	4. 7.4	3. 8.7	5. 6.5	12. 2.2	19. 1.5	8. 4.5	16. 1.8	— —	6. 5.0	22. 1.2

* RCA Victor and Motorola tied for first in Denver.

Slimmer Console: Ten-inch depth for 21-in. console cabinet -- slimmest yet -- is current goal of Sylvania designers, pioneers in trend to shallower cabinets. Set employs 110-degree tube, and intention is to have single model on market by Christmas. Present Sylvania 21-in. console is 13 11/16-in. deep, with 1-in. cup on back. New set retains same cup but has cabinet set back from tube face. No price is mentioned yet, but it's expected to be no lower than current 21-in.

Retail Sales: TV retail sales for Aug. were 510,097, continuing monthly rise from April low of 337,965 and bringing 8-month total to 3,746,834, reports EIA. Figure for Aug. 1956 was 566,158 and for first 8 months, 3,839,718. Radio sales at retail, excluding auto sets, totaled 4,947,006 vs. 4,648,707 sold in similar 8-month period of 1956. Sales in Aug. were 710,553 compared with 681,152 in Aug. 1956.

Factory Sales: TV factory sales totaled 3,649,000, valued at \$466,858,000, in first 8 months of 1957, compared with 4,226,000 units, worth \$540,873,000, in like 1956 period. EIA also reports 1957 sales of 5,245,000 radios, excluding auto, valued at \$122,768,000, vs. 5,073,000 at \$105,359,000 in similar 8 months of 1956. Hi-fi component sales through Aug. were valued at \$20,276,190 compared with \$16,517,-820 in first 8 months of 1956. These included receivers & tuners, amplifiers and speakers, but no unit count of sales is kept.

Production: TV output was 180,725 week ended Sept. 27, compared with 155,751 preceding week and 204,655 in corresponding week one year ago. It was year's 39th week and brought TV production for year to date to about 4,601,000, compared with 5,259,271 in same period of 1956. Also this week, EIA officially estimated first 8 months production at 3,756,533 compared with 4,365,060 in similar 1956 period. Aug. production was 673,734 (88,615 uhf), compared with 360,660 (55,401) in July, 612,927 (90,419) in Aug. 1956.

Radio production was 380,732 (105,895 auto) week ended Sept. 27, vs. 356,290 (105,965) preceding week and 314,993 (109,219) in corresponding week year ago. Radio output for 39 weeks totaled about 10,374,000 (3,838,000) vs. 9,535,896 (3,060,093) in 1956 period. First 8 months production was placed at 8,765,606 (3,392,926) compared with 8,216,707 (2,710,303) in similar period last year. Aug. production totaled 965,724 (301,971), compared with 612,588 (256,279) in July and 990,845 (198,087) in Aug. 1956.

Ad-Inventory Relationship: TV-radio manufacturing industry will require "extraordinary advertising increase" in next 3 months to take care of "extraordinary prospective inventory increase," according to new "advertising barometer" in Sept. 27 *Tide*. "Pressure ratings," devised for magazine by economist Peter B. B. Andrews from projections based on reports by govt. economists and other financial analysts, give this TV-radio estimate for next 12 months: "Large prospective inventory increase; large advertising increases required." In survey of 1958 advertising costs in all media, *Tide* says they'll be up, but that daytime spot TV "is still the cheapest buy and shows little prospect of rate increase."

"Renewed optimism" is reported in Sept. survey by National Assn. of Purchasing Agents, with 32% looking for higher 4th quarter production, 46% seeing no change, 22% expecting drop. Of those NAPA members replying to survey, 32% anticipate an increase in new orders, 44% figure on no change, 20% see decline. Inventories were reported lower by 34%, unchanged by 51%, increased by 15%. Higher prices are listed by 51%, compared with 57% who reported higher prices last month; 42% saw no change and 7% reported decreases.

Lester Krugman, ex-Emerson, is now publishing *Co-operative Advertising Newsletter* with offices at 520 Fifth Ave., N. Y.

Canadian Color: Increased color sales in Milwaukee and Cincinnati were cited this week by Martin F. Bennett, RCA v.p.-merchandising, in urging Canadian sales & adv. executives to prepare for introduction of color TV in Canada—which Fowler report says will probably begin in 1959. He told Advertising and Sales Executives Club of Montreal that advertisers and agencies are beginning to show interest in color, NBC reporting more demands for special color shows "than there is time available. Advertisers want to get experience in color, and especially in color commercials."

Code of ethics for appliance service industry has been proposed by John H. Miller, mgr. of GE appliance & TV receiver product service, who told American Home Laundry Mfrs. Assn. meeting in Chicago that code would let customer know extent of reasonable service demands. Other speakers, saying customers don't understand terms of warranties, called for public relations campaign to explain service policies.

NARDA pres. Ken Stucky told group's Oct. 6 regional meeting at Macon, Ga. that following is ideal division of appliance dealer's sales dollar: 5% for sales expenses; 4% office & delivery; 4% service & installation; 4% return on investment & owner compensation; 4% advertising & promotion; 4% fixed costs & general administration; 75% merchandise costs.

Topics & Trends of TV Trade: Evaluation of electronics role in past 10 years, assessment of future were highlighted by H. Leslie Hoffman, Hoffman Electronics Corp. pres., at dedication of Los Angeles research and development center. He noted that 75% of Hoffman employes now work on products and services not developed 10 years ago—such as TV, computers, transistors, etc.

“Technological breakthroughs,” said Hoffman, “spark the growth of the economy,” improve job opportunities and living standards. Among problems to be solved, he listed faster communications, better utilization of airways, jam-proof navigation systems, long-range radar, computer standardization, air & ground traffic control.

Hoffman Labs pres. James D. McLean said goal is to double million-dollar center’s engineering force to 1000 in 2 years.

Meanwhile, C. E. Underwood, Hoffman v.p.-treas., reported company’s net income for year would be about \$1,700,000 (\$2.25 per share) on sales of approximately \$40,000,000—scaled down from his earlier estimates of about \$2.45 per share. Last year, Hoffman earned \$1,600,000 (\$2.19) on sales of \$46,600,000. He blamed lower profit outlook on stretchout in Air Force contract at Hoffman Labs. However, he had rosy view of 1958 prospects: net income of about \$2,000,000 (\$2.90) on some \$48,000,000 sales.

* * * *

“Systemized electronics” is key to a new growth era for industry, arts and sciences, Theodore A. Smith, exec. v.p., RCA industrial electronic products, told Oct. 4 opening session of SMPTE convention in Philadelphia’s Sheraton Hotel. He said electronics can “free human intelligence from strain and tedium” of every day life and switch it to “executive role of coach and strategy maker.” Smith asserted that “the future of American industry and arts lies in electronic systems”; that “in the immediate tomorrow, it may be impossible to remain competitive without systemized electronics.”

National Security Industrial Assn. elects as pres. Richard C. Palmer, asst. to pres. of Fairchild Engine and Airplane Corp. Officers elected from TV-electronics industry: Raytheon pres. C. F. Adams, 1st national v.p.; Texas Instruments v.p. W. T. Joyce, 3rd national v.p.; IT&T v.p. H. H. Buttner, treas; Blaw Knox pres.-chairman W. C. Snyder Jr., asst. secy.-treas.

New method of training in TV-radio-electronics, “Trainer-Tester,” has been introduced by Howard W. Sams & Co. It uses printed pages simulating equipment, with answers concealed by metallic paint to be erased by student, revealing if correct answer has been selected. Company says “Trainer-Tester” minimizes need for expensive equipment, “fits any school budget.”

RCA is laying off 360 of its 12,000 employes at commercial and defense electronics plants in Camden due to “realignment of RCA defense contracts.” Spokesman said RCA employment in area remains at or near record high and steps have been taken to absorb those furloughed into other RCA operations.

Guide for TV servicemen, containing theory of circuits & tubes and their applications, is provided in *Essentials of Television* (687 pp., \$8.50, McGraw-Hill) by Morris Slurzburg, Wm. Osterheld & Elmo N. Voegtlin.

Trade Personals: Robert Paxton elected GE exec. v.p., directing 4 operating groups-apparatus; consumer products; electronic, atomic and defense systems; industrial components and materials. He also was named to GE board replacing Neil H. McElroy who resigned to become Defense Secy.; Arthur F. Vinson appointed v.p. and apparatus group executive, succeeding Paxton; James H. Goss, Canadian GE pres., elected v.p., consumer products group—succeeded by J. Herbert Smith; Halbert B. Miller elected v.p., manufacturing services group . . . J. J. Toyzer promoted to mgr., RCA TV receiver components plant at Findlay, O., which TV div. has taken over from components div.; Joseph A. Haimes named promotion mgr., RCA semiconductor div. . . Richard W. Jones appointed sales promotion mgr., Stromberg-Carlson special products div., specializing in hi-fi consoles and components; he’s been operating sales promotion consulting service . . . Edward B. Collier, ex-Norge, appointed Admiral national accounts mgr. . . Alexander Theeman elected pres. of Granco Sales Corp., continues as secy.-treas. of parent Granco Products; he succeeds Lloyd Dopkins, resigned . . . Robert J. Higgins, ex-Stuart Louchheim Co., Philadelphia, appointed hi-fi-radio adv. supervisor, Sylvania TV-radio div. . . Matthew McLaughlin, Avco v.p.-counsel, elected director.

Frank M. Folsom, RCA exec. committee chairman, attending Oct. conference of International Atomic Energy Agency in Vienna as permanent representative of the State of Vatican City, will visit RCA activities in Germany, Italy, Spain, France, England before Nov. return to U. S.

DISTRIBUTOR NOTES: Emerson appoints Edward Link midwest district mgr for Pa., Ind., O., Ky., Mich., Tenn.; Ray Fisher, ex-Mitchell Mfg. Co., as southwest district sales mgr. . . Motorola appoints James F. Haley, ex-Philco, as eastern regional sales mgr. . . Murray Rosenberg, ex-Harmon-Kardon, named sales supervisor, Warren-Connolly (Motorola), N. Y. . . Danforth Corp. (Westinghouse), Pittsburgh, appoints H. E. Dillmore gen. mgr. . . Herbert B. Bartel resigns as Admiral TV-radio sales asst., Pierce-Phelps, Philadelphia . . . DuMont appoints C. Carson, 12210 Grand River, Detroit, (Charles Carson, pres.) for 33 eastern Mich. counties including cities of Detroit, Flint, Saginaw, Ann Arbor, Port Huron, Jackson . . . Raymond Rosen & Co. (RCA), Philadelphia, appoints Joseph Diem, ex-Heckle Publishing Co., as asst. adv. mgr., promotes Andrew Villante to credit mgr. . . GE appoints Robert E. Giannini western regional mgr., distributor sales, for tubes and other components . . . Motorola appoints Cramer Electronics Inc., Boston, and Allied Radio Inc., Chicago, for semiconductors . . . Irwin J. Premack, ex-Hotpoint Appliance Sales Co. TV sales mgr., Chicago, named Foreign Automotive Marketing Corp. v.p. & gen. mgr. . . Delmonico International Corp. dissolves factory distributing branch, Delmonico Distributors of N. Y., shifting to direct distribution for key N. Y. accounts, branch pres. Philip P. Geth resigning.

Withdrawal of subpoena for TV-radio records of Siemens & Halske, Munich, has been ordered by Justice Dept. with company agreeing to produce records, but reserving right to challenge U. S. court jurisdiction if civil or criminal suit follows. N. Y. federal grand jury is investigating whether patent pooling by U. S. and foreign companies violates anti-trust laws (Vol. 13:21).

RCA is mass producing round, glass shadow-mask, 261-sq. in. color picture tube (RCA-21CYP22), 20¼-in. diameter, 25-in. long, at Lancaster, Pa. plant.

Financial Notes: Officers-&-directors stock transactions for Sept., as reported to SEC: American Bosch Arma—Wm. S. Wasserman sold 2400 through holding company, 100 through trusts, holds 10,000 in holding company, 4569 in trusts, 12 personally. American Electronics—Warren H. Crowell sold 100 through Crowell Weedon & Co., holds none in Crowell Weedon, 4995 personally. American Machine & Foundry—G. A. Ingalls bought 400, holds 3109; Walter Bedell Smith bought 500, holds 620. AT&T—F. R. Kappel bought 10, holds 186. Arvin Industries—Gordon T. Ritter exercised option to buy 465, holds 1124; T. Earl Robinson exercised option to buy 200, holds 1412. Avco—Rudolph H. Deetjen bought 1000, holds 1000. Bendix Aviation—Palmer Nicholls sold 1098, holds 2386. C&C TV—Matthew Fox sold 3500, holds 576,200 as collateral against loans; Walter S. Mack sold 14,600, holds 206,271. Consolidated Electrodynamics—Philip S. Fogg sold 2000 through wife's account, holds 18,000 in wife's account, 20,000 personally. Emerson Radio—Benjamin Abrams bought 600 for trusts, holds 29,239 in trusts, 63,801 in foundations, 233,445 personally; Max Abrams bought 1100 for trusts, holds 9755 in trusts, 63,801 in foundations, 87,109 personally. Friden Calculating—L. B. Taylor sold 1000, holds 1762. General Dynamics—Gordon Dean exercised option to buy 5000, holds 5150; Earl D. Johnson sold 9300, holds 12,000; Allen D. Marshall sold 1600, holds 8100; Joseph T. McNarney exercised option to buy 10,000, holds 10,513; J. V. Naish exercised option to buy 7000, holds 7200.

GE—W. R. G. Baker bought 2139, holds 12,291; Robert L. Gibson exercised option to buy 2400, holds 5310; Chauncey Guy Suits exercised option to buy 2070, holds 5070; Clarence C. Walker exercised option to buy 1125, holds 4683; Wm. C. Wichman exercised option to buy 1695, holds 4872. Hazeltine—W. M. McFarland bought 100, holds 619. International Resistance—Charles H. Griffin exercised option to buy 400, holds 6100. Minneapolis-Honeywell—P. B. Wishart exercised option to buy 1850, holds 6120. Oxford Electric—David E. Davis sold 200, holds 1890. Philips Electronics—Arie Vernes bought 100, holds 100. Sperry Rand—Theodore F. Allen sold 1000, holds 1726; Harry Landsiedel sold 2000 through joint account, holds 10,460 in joint account, 13,904 personally. Texas Instruments—J. S. Dufford bought 900, holds 18,027; P. E. Haggerty sold 1000, holds 132,159; S. T. Harris bought 1000, holds 17,604. Tung-Sol—George W. Keown exercised option to buy 150, holds 1143; Anthony Scala bought 1000, holds 1000; Alfred K. Wright exercised option to buy 125, holds 860. Unifronics—David Bogen bought 3000, holds 3000; Lester H. Bogen bought 2000, holds 2000; John G. Brooks sold 4210, holds 3000; Abraham Cooper sold 500, holds 235; Louis Haber bought 1102, holds 1102; Stanley R. Schoen bought 441, holds 441. Webcor—Titus Haffa bought 500, holds 62,554. Westinghouse—Chris H. Bartlett exercised option to buy 300, holds 1075; Bruce D. Henderson bought 200, holds 900; Leslie E. Lynde bought 300, holds 1828; Tom Turner exercised option to buy 100, holds 1925.

Standard Coil is "operating at a substantial profit" after reaching break-even point in first 6 months, which ended in \$777 net profit (Vol. 13:36), pres. James O. Burke said Sept. 30 in special report to stockholders. Company earned about \$160,000 in July & Aug. at rate which should accelerate, he said. Burke attributed improvement to economy drive, including closing of Los Angeles plant, and to addition of Magnavox, Westinghouse & Sylvania as customers for Standard tuners despite decrease in TV set sales. Standard has licensed British manufacture of its tuners and is negotiating similar arrangements on Continent and in South America. Company's net loss in 1956 was \$1,487,000.

Meredith Publishing Co. had broadcasting revenues of \$9,971,000 in fiscal year ended June 30 vs. \$8,881,000 year earlier, according to breakdown in annual report showing total 1956-57 revenues of \$53,071,711 and consolidated earnings of \$4,644,417, compared with \$4,459,633 & \$4,047,146 (Vol. 13:34). Meredith owns KPHO-TV & KPHO, Phoenix; KCMO-TV & KCMO, Kansas City; WOW-TV & WOW, Omaha; WHEN-TV & WHEN, Syracuse, and is buying radio KRMG, Tulsa (Vol. 13:35).

Avco earned \$6,223,181, plus \$2,363,193 special tax credit, for a total of \$8,586,374 (92¢ per share) on sales of \$238,983,886 and royalties etc., of \$277,310 for 9 months ended Aug. 31, compared with an operating loss of \$3,499,529, exclusive of \$16,000,000 reserve in connection with discontinuance of major part of appliance operations, on sales of \$246,168,438 in comparable 1956 period.

P. R. Mallory & Co. pres. Joseph E. Cain predicts earnings of about \$3,600,000 (\$2.60 per share) on 1957 sales of around \$80,000,000, compared with \$3,065,108 (\$2.60) on sales of \$68,356,203 in 1956. For 1958, he told Security Analysts of San Francisco, sales are likely to increase another \$5,000,000 to \$85,000,000, earnings will hit about \$4,300,000 (\$3-\$3.50).

"Oscar of Industry" award by *Financial World* for best annual report of motion picture industry has been won for 5th consecutive year by AB-PT.

Belock Instrument Corp., which entered movie camera field in Feb. by acquiring Andre Debrie Mfg. Co. (Vol. 13:6), expanded into radio-hi-fi manufacturing this week by buying Sonic Industries Inc., Lynbrook, N. J. Sale of Sonic, which markets "Capri" hi-fi, was completed through exchange of 75,000 shares of Belock common stock for all outstanding Sonic stock. Bid price of Belock stock on American Stock Exchange was \$10 Oct. 1. Sonic pres. Ben Birns will continue as head of new Belock subsidiary, which was founded 12 years ago and has reached estimated \$5,000,000 sales volume this year.

Electronics expansion of 120% by 1965 is forecast by E. Dorsey Foster, RCA v.p.-economic planning, who told Southern N. J. fall conference at Atlantic City that national economy will grow 40% in next decade—matching growth of last 10 years. He listed basis for prediction as: 15% population increase; 7,000,000 more households; income going from \$5640 in 1955 to \$6500 in 1965; households in \$4000-\$10,000 group increasing from 5,000,000 to 30,000,000 by 1965.

Beckman Instruments reports net income of \$209,432 (16¢ per share) on sales of \$38,088,730 in year ended June 30, compared with \$1,744,856 (\$1.36) on sales of \$29,362,131 in preceding year. Lower earnings this year, said Beckman pres., Dr. Arnold O. Beckman, were due mainly to research & development investments and non-recurring loss on govt. contract.

Dividends: Avco, 10¢ payable Nov. 20 to stockholders of record Oct. 29; Canadian GE, \$2 plus \$4 extra, both Jan. 2 to holders Dec. 16; General Dynamics, 50¢ Nov. 9 to holders Oct. 18; National Theatres, 12½¢ Oct. 31 to holders Oct. 17.

Raytheon won contract for \$4,134,901 from CAA this week for 4 more long-range radar units and Amplitron amplifying equipment, delivery to start Sept. 1958. Company received CAA order for 23 sets year ago.

Farnsworth Electronics Co., IT&T div., starts construction of 4th plant in Ft. Wayne area, scheduling completion for mid-1958 to double production capacity.

Network Television Billings

August 1957 and January-August 1957

(For July report see *Television Digest*, Vol. 13:35)

NETWORK TV BILLINGS slid 9.5% in Aug. to \$38,564,220 from \$42,596,589 in Aug. 1956, when political convention sponsorships swelled total to since-surpassed record high, according to Publishers Information Bureau. It was lowest monthly figure since \$37,747,514 recorded in July 1956 and marked first time in network history that billings for any given month didn't show advance over same month year earlier. Cumulative total for 8 months of 1957 were up 4.2% to \$327,981,866 from \$314,854,415 in corresponding 1956 period, however. In Aug. this year, CBS (whose 1956 convention billings from Westinghouse were \$3,556,213) was down 5.9% from Aug. 1956. NBC (\$4,382,964 convention billings from Sunbeam, RCA & Oldsmobile) dropped 13.3%; ABC (\$2,258,181 from Philco), 10.3%. The complete PIB report for Aug.:

NETWORK TELEVISION

	Aug. 1957	Aug. 1956	% Change	Jan.-Aug. 1957	Jan.-Aug. 1956	% Change
ABC	\$ 6,134,380	\$ 6,842,292	-10.3	\$ 52,578,094	\$ 50,855,477	+3.4
CBS	18,278,933	19,430,748	-5.9	153,578,489	144,411,892	+6.3
NBC	14,150,907	16,323,549	-13.3	121,825,283	119,587,046	+1.9
Total	\$38,564,220	\$42,596,589	-9.5	\$327,981,866	\$314,854,415	+4.2

1957 NETWORK TELEVISION BY MONTHS

	ABC	CBS	NBC	Total
Jan.	\$ 6,715,581	\$ 20,231,474	\$ 16,554,941	\$ 43,501,996
Feb.	6,175,488	18,309,088	14,900,631	39,385,207
March	6,848,848	20,172,173	16,631,974	43,652,995
April	6,682,786	19,385,098	15,154,388	41,222,272
May	7,258,807	20,307,762	15,811,033	43,377,602
June	6,413,708	18,356,892	14,746,537	39,517,137
July	6,348,496	18,537,069	13,874,872*	38,760,437*
Aug.	6,134,380	18,278,933	14,150,907	38,564,220
Total	\$52,578,094	\$153,578,489	\$121,825,283	\$327,981,866

*Revised as of October 3, 1957

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.

Four applications for TV stations and 3 for translators were filed with FCC this week, bringing total to 120 (35 uhf) for stations, 41 for translators. Station applications: for Lafayette, La., Ch. 3 by consultants Dawkins Espy and Thomas B. Friedman; for Presque Isle, Me., Ch. 10 by owners of WTWO, Bangor; for International Falls, Minn., Ch. 11 by local group of over 2700 headed by Leroy Phaklides; for Portland, Ore., Ch. 27 by community antenna operator Trans-Video Co. of Ore. Translator applications were for Lovelock, Nev., Paradise Valley-Golconda, Nev. and Gold Beach, Ore. [For details see *TV Addenda 25-J* herewith.]

NTA Film Network will offer live shows on regional & national hookups beginning early next year, v.p.-gen. mgr. Raymond E. Nelson announced this week in address to Boston Ad Club. Name will be changed to "NTA Network," he said in speech stressing "flexibility" as desired quality in TV advertising. He emphasized importance of being able to select only desired TV markets, free from option time and must-buy requirements.

TV Schooling for Free World: International seminar on educational TV will be conducted Oct. 9 & 10 at Boston U for professional educators & broadcasters invited by school's communications arts div. to make "preliminary inventory" of uses of medium in free world. Participants will include: Robert S. Lambert, CBC; Arne Arnbom, Swedish Broadcasting System; Dr. Jerry Winfield, ICA; H. Reid Bird, State Dept.; Wm. Frye, UNESCO; John K. Weiss, Fund for the Advancement of Education; W. M. Brish, Washington County (Md.) schools; Charles Hettlinger, Pittsburgh schools; Dr. Earl Hemminghaus, St. Louis schools; John W. Taylor, WTTW, Chicago; Dr. Thomas Clark Pollock, NYU; L. L. Lewis & Max Berry, RCA; Robert Hudson, Educational TV & Radio Center, Ann Arbor; Richard B. Hull, Ohio State U; Hartford Gunn, WGBH-TV, Boston; Dr. Harry Skornia, NARTB.

Broadcaster immunity from equal-time libel suits was asked Oct. 2 in brief filed by NARTB with North Dakota Supreme Court on appeal by Farmers Union of lower court decision in favor of WDAY Inc., Fargo (Vol. 13:32, 35). Farmers Union had charged it was libeled by minor party congressional candidate in broadcast over WDAY-TV during 1956 campaign. Station admitted libel but said it could not prevent or censor broadcast because of FCC equal-time regulation. NARTB brief also said "we believe the broadcaster would as well serve the public in the field of political broadcasting without legislative stricture as he has done in the many other fields of public programming."

Moscow TV tried giveaway gimmick on its popular VVV (*Evening of Merry Questions*) program this week with these disastrous results: (1) Audience response was so enthusiastic that station couldn't go on, (2) next day's *Evening Moscow* denounced quiz show as "beneath criticism" and promised that Russia will never have *The 64,000 Ruble Question* on TV, (3) VVV was in danger of losing its sponsor—the Govt. Catastrophe started when announcer offered prizes to first 3 viewers who arrived at Moscow U studio fully dressed for winter. Within minutes stage overflowed with more than 500 prize-seekers, announcer got lost in crush, program was cancelled for "technical reasons," station went off air hours ahead of schedule.

CBC Board of Governors Sept. 26 recommended grant of Ch. 3, Yorkton, Sask. to Yorkton TV Co. Ltd.; Ch. 2 satellite at Elk Lake, Ont., to J. Conrad Lavigne, operator of CFCL-TV, Timmins, Ont. (Ch. 6); power increase to 100-kw by CKCO-TV, Kitchener, Ont. (Ch. 13). It denied request for Ch. 6 satellite in Inverness, N. S. by CJC-B-TV, Sydney, N. S. (Ch. 4), stating "high" 20-kw power wasn't justified. It also noted that CFCL-TV had withdrawn request to change satellite grant in Kapuskasing from Ch. 3 to Ch. 70 translator.

Big Japanese TV film sale was reported this week by TPA, whose foreign mgr. Manny Reiner lined up Radio Tokyo TV network in Tokyo, Osaka, Nagoya & Hokkaido to show *Lassie, Susie, Ramar of the Jungle*. Radio Tokyo also bought *The Lone Ranger* for Tokyo alone. At same time TPA claimed first commercial TV film sales by American company in Korea, where Seoul's HMKZ-TV bought *Fury, Ramar, Count of Monte Cristo*.



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SUMMARY-INDEX OF THE WEEK'S NEWS—October 12, 1957

CABLE THEATRE APPLICANTS listed on basis of survey of 490 municipalities; first returns shown 96 applications in 66 cities (pp. 1 & 4).

BARROW REPORT DUE for consideration by FCC committee within month; Justice Dept. seen withholding action. Congress hearings pushed (p. 2).

ALL-SPECTRUM STUDY a good possibility, with military sympathetic to objectives, reports GE's Paul Chamberlain, who heads EIA exploration (p. 3).

PAY-TV ANALYSES attempted by Life and N. Y. Times' Jack Gould as Bartlesville and Commission draw intense national attention (p. 4).

NEW EDUCATIONAL OUTLET begins programming at Corvallis, Ore., as 27th non-commercial station, bringing TV on-air total to 513 (p. 7).

SEPT. RETAIL SALES figures awaited as index to year. Estimates of Sept. factory sales down, but major producers say month was good (p. 10).

RECORD MOTOROLA SALES for first 9 months reported by Galvin, who predicts \$8,500,000 earnings for year; TV sales down from '56 (p. 13).

ABC-TV's "BOLD JOURNEY" becomes homework for 1,200,000 students in project using commercial show as regular school assignment (p. 8).

GO-AHEAD FOR WLWI, Indianapolis, seen in FCC staff instructions. Court denies stay on Ch. 10, Albany. Other Commission actions (p. 9).

VIDEO TAPE MILESTONE: RCA & Ampex agree to exchange patents, indicating probability of compatible equipment, technical progress step-up (p. 10).

SPOTTING THE CABLE THEATRE ENTREPRENEURS: There's no central record-keeping of cable theatre data. Neither federal nor state Govts. are involved. Therefore, in effort to meet TV-movie industry needs, we've begun the laborious task of finding out who is seeking to establish cable systems where. If the Bartlesville experiment shows clear signs of success, you can expect a rush.

We've questionnaired city officials in all the 490 municipalities over 25,000 population, have received fair return. In addition, we've kept track of trade reports. On page 4, you'll find a list of applicants for cable franchises reported to date. Obviously, it isn't complete. There may be some glaring omissions—and we hope you'll call our attention to them. However, it's the only directory extant, and replies are still coming in from city halls.

Our records show 96 applications filed in 66 cities. Responses from 155 cities give official verification of 70 of the applications; trade reports account for the balance.

■ ■ ■

Not included in list are conventional community antenna systems, an extensive directory of which is a regular feature in our semi-annual Factbook. Our Fall-Winter issue lists 610 in U. S. & Canada, representing some 500,000 homes already tied together with cable—though most systems are quite small when considered in light of current speculation about cable theatre.

Almost as interesting as list of applicants is list of cities with none. Here are a few cities with no applications, according to our replies from city officials: Mobile, Hartford, Daytona Beach, Ft. Lauderdale, Miami Beach, Orlando, Augusta, Boise, Evansville, Muncie, Council Bluffs, Des Moines, Wichita, Baton Rouge, Shreveport, Worcester, Pontiac, Muskegon, Duluth, Minneapolis, St. Paul, Newark, Syracuse, Asheville, Cincinnati, Portland (Ore.).

MEETING ON BARROW REPORT WITHIN MONTH: Networks, FCC members and some Congress staffers were still burrowing through hefty Barrow staff report of FCC's network study group (Vol. 13:40) at week's end—and if on-the-record reactions were slow to come it was because: (1) a complete reading of report takes plenty of time, and (2) those directly affected by recommendations have decided it's smart to keep their mouths shut for the present.

Report did bring quick reaction from 2 long-time Congressional critics of networks—Sen. Bricker (R-O.) & Rep. Celler (D-N. Y.)—both of whom talked of more hearings and inquiries when Congress reconvenes and pledged to keep vigilant watch on Commission.

The 3 Commissioner members of FCC Network Study Committee (Doerfer, Hyde, Bartley), as well as the other 4 FCC members, are still in process of reading report, and Chairman Doerfer gave us "rough guess" that Committee may be ready to hold first meeting on matter in about 2 weeks. After Commissioners have completely digested report, he said, Committee meeting will be scheduled to decide whether to transmit report directly to full Commission—or, if not, what the alternatives are.



It's good bet that full Commission will give report's legislative recommendations pretty substantial consideration by time Congress reconvenes next Jan. Already there have been veiled threats from Congressional sources which can be taken to mean "act fast or else—."

Bricker issued statement saying that bills already before Senate Commerce Committee "would carry out practically all of the recommendations made in the report" and urging Commission to be ready with its own proposals early in session. He added:

"I am asking Chairman Magnuson to schedule early hearings by the Senate Commerce Committee to receive any additional testimony which may be needed before consideration by the full Committee of the bills already introduced."

Both Magnuson (D-Wash.) and Sen. Pastore (D-R. I.), chairman of communications subcommittee, are abroad and couldn't be reached.

"Our anti-trust subcommittee," said Rep. Celler in statement, "will maintain a watchful eye" to see that FCC acts promptly on Barrow recommendations. He found it "significant" that study group reached conclusions similar to those of his own subcommittee and of Senate Commerce Committee staff.

Celler's subcommittee also will take look at Justice Dept.'s progress in its inquiry into possible connection between network time sales and program ownership, he indicated. "Considering that 3 years have now elapsed since commencement of this investigation, it will be necessary for our subcommittee to determine the reasons for the apparent inordinate delay by the Dept. of Justice in resolving these highly important questions."



Justice Dept.'s chief trust-buster, Asst. Attorney General Victor R. Hansen, told us he had read complete report and that "it covers many areas in which we have been investigating." He said Barrow & Co. "should be commended for an extremely comprehensive report."

"As to the recommendations directed to us," he added, "they are all areas which we have been studying for a long time."

Among informed Washington legal observers, there was unanimous feeling that any contemplated anti-trust action on such network practices as option time, must-buy, network spot sales representation, etc. would now be delayed—Justice Dept. preferring to give FCC opportunity to act instead.

Conversely, observation was also made that Barrow group had tossed several hot potatoes right into Justice Dept.'s lap by making no recommendations in areas affected by programming—particularly issue of alleged tie-ins between network sales of choice time slots and network-owned programs. There was definite impression—also hinted in Celler statement—that study group's omission of such material from report now makes it incumbent on Justice to take action or end its inquiry in this area.

Veterans of Washington TV-radio wars this week were viewing Barrow report as preliminary to some changes in FCC rules, but no one could conceive that Commission would go all the way. Their best guesses: No changes in multiple ownership rules in foreseeable future. Probable eventual elimination or modification of must-buy principle. At least a partial victory, probably, for Barrow group in its recommendations for publishing of affiliation contracts and criteria (Celler has publicized this information anyway, and could do it again if he chose).

Biggest and bitterest fight probably will center around proposal to ban option time. And you can be sure networks aren't prepared to give on this one.

■ ■ ■

When Congress reconvenes, networks will be involved in at least 2 new sets of hearings—in addition to revival of the old ones mentioned above.

Sen. Smathers' bill to divorce networks from music publishing and record business is almost certain to get Senate Commerce Committee hearing, reopening ASCAP-BMI fight in Congress. And there's Rep. Moulder's legislative oversight probe of regulatory agencies, still grinding along at staff level. (His staffers last week sent questionnaires to networks, asking them to specify all "gifts, honorariums, loans," etc. bestowed upon FCC commissioners or staff members).

Lest Congressional preoccupation with what's-wrong-with-networks give impression that crushing legislation is inevitable, it's well to bear in mind that—as one industry veteran put it—"when the chips are really down, there are a helluva lot of Senators and Congressmen who believe the TV networks are doing a bang-up job."

HOPES FOR INTENSE STUDY OF WHOLE SPECTRUM: Encouraging progress toward an all-spectrum study, including military uses, is reported by Paul L. Chamberlain, GE mgr. of broadcast equipment marketing, who is spearheading EIA's work on subject. He says top military communications officers have shown willingness to go along in principle, at least. EIA expects shortly to name committee to advise EIA board on role it should play in advising Govt.

Chamberlain's philosophy is this: There have been numerous spectrum studies since Radio Technical Planning Board completed its work in 1945—but none have been all-inclusive, covering all uses by all services. "There's plenty of spectrum space," he said, "if it were only used efficiently. But we know only how half is being used—the civilian half."

Study might take 2-3 years, then 8-10 years might be required to implement recommendations, Chamberlain says. He asserts that objective would be neither to protect nor to attack any particular user of spectrum. As for TV, he reiterated what engineers have long asserted: "From an equipment standpoint, today's TV assignments aren't efficient. There's about an 18-to-1 frequency spread between the bottom of the vhf band to the top of the uhf band. It would be much better to have a continuous block with a 2-to-1 spread."

■ ■ ■

Continuous addition of TV stations, at modest pace, is foreseen by Chamberlain and Wells R. Chapin, GE mgr. of broadcast equipment research & product planning. They don't quarrel with estimates showing total of about 600 commercial stations in sight (Vol. 13:34), but Chapin notes: "There are always entrepreneurs willing to take a risk, and they are likely to push the figure higher." Chamberlain is also tremendously impressed with educational TV growth, in fact predicts that educational stations will eventually equal commercial outlets in number.

■ ■ ■

Meanwhile, FCC this week officially dismissed its "Craven Plan" proposal, following previously stated intention (Vol. 13:37). Plan envisioned dropping of present allocation table, permitting TV applications to be filed anywhere—as long as they met engineering standards. Commission said it would wait for TASO's engineering study of vhf & uhf performance.

Cable Theatre Applicants: Most reliable sources of information on cable theatre applicants are city officials, (see p. 1), because cable entrepreneurs must get franchises to use city streets, etc. for stringing of cable. Our questionnaire was directed to the 490 cities with population exceeding 25,000;

155 replies have been received to date. List has been supplemented by trade reports, in instances where responses haven't been obtained from cities. Those based on trade reports are indicated by asterisks. Herewith is the list of applicants on basis of our survey so far:

ARIZONA		COLORADO (cont.)		TEXAS (cont.)	
Tucson	Harriscope Inc. Skiatron TV Inc.	Denver (cont.)	TV Denver Inc. (KBTV)	Dallas (cont.)	Interstate Home Movie Inc. KRLD Radio Corp. (KRLD-TV) B. R. McLendon Midwest Video Corp. Rowley United Theatres Inc. Charles W. Weisenburg
ARKANSAS		DISTRICT OF COLUMBIA			
Little Rock	Midwest Video Inc. Rowley United Theatres Inc.	Washington	Washington Broad- casting Co. (WOL)		
		INDIANA			
North Little Rock	Fisher & Cochran Enterprises North Little Rock Theatres Inc.	Bloomington	Nova E. Vanderschmitt Y&M Management Corp.		
CALIFORNIA		KANSAS			
Compton	Skiatron TV Inc. Harriscope Inc. Skiatron TV Inc.	*Garden City	"Theater group"	*Denison	
Glendale	Skiatron TV Inc. Skiatron TV Inc.	*Great Bend	"Theater group"	*Denton	
Inglewood	Skiatron TV Inc.	Hutchinson	Jay Wooten	*El Paso	
Los Angeles	Fox West Coast Theatres Corp. & International Telemeter Corp. Harriscope Inc. Skiatron TV Inc.	*Manhattan	"Theater group"	*Ft. Worth	
		MISSISSIPPI		*Galveston	
Lynwood	Skiatron TV Inc.	Greenville	George T. Davis, Clara Mae Davis & W. A. Prewitt Jr.	*Harlingen	
Oakland	Blumenfeld Theatres Skiatron TV Inc. United California Theatres	NEW JERSEY		*Highland Park	
		Atlantic City	Atlantic Coast TV Cable Corp.	A. H. Belo Corp. (WFAA-TV, Dallas)	
*Oceanside	Telemovies Development Corp.	NEW MEXICO		Houston	
Richmond	Park Theatre Skiatron TV Inc.	Carlsbad	Frontier Theatres Inc.	Austin Senators Baseball Club Bellaire Theatre Custom TV Inc. Interstate Circuit Inc. Loew's State Theatre Texas Bell Video Trall Drive-In Theatre	
San Bernardino	San Bernardino TV Enterprises Inc.	Roswell	Frontier Theatres Inc.	Laredo	
*San Francisco	Fox West Coast Theatres Inc. & International Telemeter Corp. Jerrold Electronics Corp.	OKLAHOMA		Lubbock	
		Bartlesville	Vumore Co.	Lubbock	
San Jose	Skiatron TV Inc. Electronic Home Tele-Movies Co.	Enid	Vumore Co.	*McAllen	
Santa Ana	Skiatron TV Inc.	Oklahoma City	Vumore Co.	*Mercedes	
Santa Barbara	Community Cable Theatre Inc.	Tulsa	Vumore Co.	*Paris	
South Gate	Skiatron TV Inc.	TEXAS		*Pharr	
Vallejo	Skiatron TV Inc.	Abilene	Vumore Co.	San Angelo	
		*Amarillo	Interstate Circuit Inc.	*San Antonio	
*Denver	Gene O'Fallon McGee Briggs Enterprises	*Arlington	Interstate Circuit Inc.	Temple	
		Austin	Eddie Joseph Theatres Interstate Circuit Inc. Trans-Texas Theatres Inc.	Tyler	
		*Brownsville	Interstate Circuit Inc.	*Vernon	
		*Brownwood	Interstate Circuit Inc.	Waco	
		Corpus Christi	Corpus Christi Theatres	*Wichita Falls	
		*Corsicana	Interstate Circuit Inc.	Interstate Circuit Inc.	
		Dallas	A. H. Belo Corp. (WFAA-TV) Big D Theatre Co.	WISCONSIN	

Pay-TV Storm Rages On: Two national publications undertook this week to tell their readers which way pay-TV winds are blowing. In pictures & article by Loudon S. Wainwright, Oct. 14 *Life* spread itself through 6 pages to report TV "revolution which networks fight to halt." Wainwright concluded that pay TV "is well on the way to becoming a vivid reality for millions of viewers" and that "the best likelihood for the immediate future, all alarms & excursions to the contrary, is that toll TV & free TV will exist together, that there will prove to be room for both."

In Oct. 6 *N. Y. Times Magazine*, TV-radio critic Jack Gould found FCC applying "firm indecision" on issue, "using the English language so that the words will have no meaning." He observed that seldom in history of show business & electronics has there been "such a deluge of excited doubletalk and such a paucity of tangible fact."

Gould wrote: "There might be room for both [pay and free TV]. Whether toll TV ultimately is destined to be a practical success or a promotional turkey, however, no one really knows."

Meanwhile, there was little let-up in skirmishes:

(1) Chairman Celler (D-N. Y.) of House Judiciary anti-trust subcommittee demanded that FCC Comr. Lee disqualify himself from pay-TV deliberations. Lee, said Celler, had "practically expressed approval for pay TV" in article written for *Look*. Lee had "no comment."

(2) Sen. Langer (R-N. D.), second ranking minority member of Senate Judiciary Committee, promised to introduce bill in Jan. to "expressly prohibit" pay-TV.

(3) NARTB pres. Harold E. Fellows warned Broadcast Advertising Club of Chicago that pay TV will begin carrying advertising if 10,000 families ever become paying customers.

(4) Milwaukee common council resolution to permit Skiatron TV Inc.—or any other pay-TV franchise applicant—to negotiate with local utilities for use of poles, lines & other facilities was vetoed by Mayor Frank P. Zeidler. Joined by *Milwaukee Journal*, he said council hadn't made sufficient study of problems.

(5) Exec. committee of Reserve Officers Assn., headed by New Orleans Mayor deLesseps Morrison, passed resolution expressing "misgivings" about pay TV in view of "vital role which a free use of the air" could play in national emergencies.

(6) Brooklyn Dodgers made it official. They'll move to Los Angeles next season, when N. Y. Giants will be in San Francisco. One reason for moves: pay-TV promises.

Personal Notes: Edmund C. Bunker, gen. mgr. of WXIX, Milwaukee, named v.p. & station relations director of CBS-TV, succeeding Edward P. Shurick, resigned (Vol. 13:40); Frank Shakespeare Jr., gen. sales mgr. of WCBS-TV, N. Y., moves up to gen. mgr. of WXIX, replaced at WCBS-TV by Norman E. Walt, CBS-TV Spot Sales account executive; Robert F. Jamieson, CBS-TV sales service mgr., to station contacts mgr., succeeded by George Zurich; Robert L. Pike succeeds Zurich as asst. mgr. . . . Dean D. Linger, sales promotion & publicity director of KNXT, Los Angeles, and CBS-TV Pacific Network since 1952, named adv. & promotion director of ABC-TV, N. Y., replacing John H. Eckstein, resigned; Austin Heywood promoted to KNXT & CBS-TV Pacific Network posts . . . Robert Sadoff, ex-Bourne Inc., named to new post of music coordinator, NBC Radio . . . Harold Grams, program director of KSD-TV, St. Louis, becomes gen. mgr. of *Post-Dispatch's* TV-radio stations as of Jan. 1 when he succeeds retiring George M. Burbach, who founded and directed both stations—radio KSD while he was adv. mgr. of the newspaper; at 74, Mr. Burbach is an active Pulitzer director, enjoys improved health, reports to office regularly . . . James E. Kovach, ex-WRC-TV & WRC, Washington, named program mgr. of WBAL-TV, Baltimore . . . Karl B. Hoffman, v.p. & engineering director of WGR Corp., Buffalo, named to same posts in Transcontinent TV Corp. in corporate merger of WGR-TV & WGR and WROC-TV, Rochester (Vol. 13:39) . . . Ben Slack, ex-radio KTUC, Tucson, joins KGUN-TV there as commercial mgr. . . . Roland Kay, from radio KCBS, San Francisco, named sales mgr. of KERO-TV, Bakersfield, Cal., succeeding Ed Urner, who resigned to develop new Bakersfield radio outlet . . .

Carlo Anneke, WDSM station mgr., named gen. sales mgr. of WDSM-TV, Duluth, succeeding Tom Gavin, named gen. mgr. of radio WDSM . . . Boone Boggs advanced to promotion director of WDBJ-TV, Roanoke, succeeding Mike Schaffer, now promotion director of WAVY-TV, Portsmouth-Norfolk . . . Roy E. Larsen, Time Inc. pres. who is chairman of Fund for the Advancement of Education, elected a trustee of Ford Foundation . . . Ralph J. Baron promoted to asst. eastern div. mgr. of TPA, headquartering in Baltimore . . . George Kellogg joins Animation Inc., Hollywood, to handle west coast TV sales . . . Robert T. Lund, exec. v.p. of Vision Inc., named assoc. publisher of *Printers' Ink*; W. Richard Bruner promoted to managing editor, succeeding Thomas M. Jones, who resigned to take similar post on *Modern Packaging* . . . Jack Krueger, news editor of WTMJ-TV & WTMJ, Milwaukee, reelected pres. of Wis. AP Radio & TV Assn. . . Charles G. Burke of radio KFGO, Fargo, elected pres. of N. D. Broadcasters Assn. . . . Howard Stanley, mgr. & sales mgr. of radio WAVY, Norfolk, elected pres. of Norfolk Ad Club . . . Burton B. LaDow, commercial mgr. of KTVK, Phoenix, also named station mgr., reporting to exec. v.p. Leon M. Nowell . . . Arthur H. McCoy promoted to exec. v.p. of radio rep John Blair & Co. . . . Oliver H. Crawford shifted from programming editor of *TV Guide*, N. Y., to Pacific Coast regional mgr., Los Angeles; Lee Gottlieb named programming editor, Harold B. Clemenko assoc. editor.

“Award for Achievement” will be presented ABN pres. Robert E. Eastman by Washington Ad Club in “Radio Day” ceremonies Oct. 15 at Presidential Arms. He will speak on “The New American Broadcasting Network Product.”

ADVERTISING AGENCIES: Ken R. Dyke, former NBC v.p. in charge of programming and onetime ANA chairman, retires as a v.p. of Young & Rubicam in international div. . . . John L. Louis retires as a senior v.p. of Needham, Louis & Brorby, Chicago, after 28 years with agency . . . H. Grant Atkinson, ex-D'Arcy, named TV-radio director of Compton Adv., Chicago . . . Tom Dillon promoted to mgr. of BBDO, Los Angeles, replacing A. W. Neally, resigned to become consultant to agency . . . John P. Hudak Jr., ex-BBDO, named director of mass communications commission of National Conference of Christians & Jews . . . Harold F. Scheinkopf named associate research director of Ogilvy, Benson & Mather . . . David Lawrence, ex-Milton Weinberg Adv., Los Angeles, named TV-radio director of Beckman, Koblitz Inc. there.

Another merger: Marsteller, Rickard, Gebhardt & Reed Inc. acquires Rittenhouse & Co., Inc., Houston, and opens office there under Jack D. Rittenhouse, founder of Rittenhouse agency in 1952, and Douglas S. Craig, ex-Gulf Publishing Co., Houston. They've been named v.p.'s.

John J. Nordberg, FCC telephone div. chief since 1955, was appointed Common Carrier Bureau chief Oct. 8, succeeding Harold G. Cowgill, now Broadcast Bureau chief (Vol. 13:21). Nordberg started with Commission in 1935 as accountant.

New AP pres. is Benjamin M. McKelway, editor of *Washington Evening Star* and v.p. of its WMAL-TV & WMAL. He succeeds pres.-publisher Robert McLean of *Philadelphia Bulletin*, which owns WCAU-TV & WCAU, controls WDAU-TV, Scranton.

Vincent De Laurentis, chief engineer of WNHC-TV, New Haven-Hartford, has applied for daytime radio station in Hamden, Conn.

Top TV entertainers joined Oct. 8 to give \$300,000 closed-circuit show for audience of one—“Little Boy Blue,” 9, who is dying of muscular dystrophy in Lakeville State Sanatorium at Middleboro, Mass. Spectacular 45-min. TV program was organized by comedian Jerry Lewis, Muscular Dystrophy Assn. chairman, after child told nurses he'd like to get “4 or 6” funny cards for birthday this week. News stories brought 120,000 letters & cards to boy, whose father is in prison for killing his mother, and party was topped by show piped from NBC's Burbank studios to sanatorium. Participating with Lewis were Ernie Ford, Hugh O'Brian, Jim Arness, Eddie Cantor, Eddie Fisher, Disney's Mousketeers, Skylarks, 18-piece orchestra.

Time Inc. personnel shifts resulting from death Sept. 24 of Wayne Coy (Vol. 13:39): Time Inc. broadcasting v.p. Weston C. Pullen Jr. assumes Coy's title of pres. of Twin State Bcstg. Inc., licensee of WFBM-TV & WFBM, Indianapolis, and WTCN-TV & WTCN, Minneapolis. Eldon Campbell, v.p. & gen. mgr. of Indianapolis stations, and Philip Hoffman, v.p. & gen. mgr. of Minneapolis div., become directors of Twin State. Hugh B. Terry, pres. & gen. mgr. of KLZ-TV & KLZ, Denver, becomes a director of TLF Broadcasters Inc., subsidiary which controls Time Inc. stations.

Report of SMPTE awards (Vol. 13:40) should have indicated that Col. Richard H. Ranger, Rangertone, was given Samuel L. Warner Memorial Award for work in sound engineering; Wadsworth H. Pohl, Technicolor Corp., was presented Herbert T. Kalmus Gold Medal Award for efforts in color film field.

Teleglobe Pay-TV System Inc., organization established by Sol Sagall to promote his subscription system in which unscrambled picture is sent over air and sound is sent by phone wire (Vol. 13:38), sets up New York office at 15 E. 48th St. (Eldorado 5-0010).

Telecasting Notes: More competition among the networks is showing up on basis of first Trendex ratings of the heavy slate of new programs this season. Interpreting Trendexes is favorite game, and there are 3 different versions of who's winning network rating game. There's no question that NBC-TV has improved its competitive position so far this season, and that ABC-TV's share of audience is moving up, too . . . Both NBC-TV & ABC-TV have put out analyses of their increases in share-of-audience as measured by Trendex samplings for new-program premieres. NBC reports 29% increase in share-of-audience for the time periods occupied by its 19 new shows measured so far; ABC-TV reports 30% gain in time segments of its 9 new shows, 15% boost in new-season premieres of its 9 "established programs" . . . Most of the new situation comedies—and some of the reprised old ones—are not expected to live beyond their first 13-week cycles, and search by networks and sponsors for replacements by Jan. has already begun . . . Syndicated shows have more durability than network shows, TPA claims on basis of study of programming in nation's top 22 markets which indicates only 42% of sponsored evening network shows survived from Jan. 1956 to Oct. 1957, while equivalent figure for syndicated programs was 65% . . . At least 20 new series are being prepared for first-run syndication this winter, reports Oct. 7 *Billboard*, which estimates their total production cost at \$25,000,000 . . . Fate of 7-9 a.m. on CBS-TV due to be settled in next 2 weeks, amid reports network will

hand segment back to stations . . . Expansion of TV film commercial industry is about completed, *Variety* fears in Oct. 9 issue; there's built-in ceiling of about \$52,500,000 billings, it explains, because of limited number of networks and stations. Article estimates 1957 filmed commercial production will total record of nearly \$49,000,000 . . . Quick rebroadcast of Ed Murrow's excellent *See It Now* exposition of postal problems planned by CBS-TV Oct. 20, just 2 weeks after original performance . . . Westinghouse renews *Studio One* on CBS-TV for full 2 years, but with change in name, policy and production locale: It will be *Studio One in Hollywood* beginning in Jan., featuring top movie stars, abandoning N. Y. as origination point . . . Handout news films, offered by industrial firms and running 3-5 min., are currently being used by more than 100 TV stations, *Printers' Ink* survey indicates . . . NTA Film Network gets another sponsor: Toni signs for partics in its series of 4 Shirley Temple movies to be televised on Sundays in 60 markets, sharing sponsorship with Ideal Toy Co. . . . It can't happen here: Britain's commercial TV reported no viewer complaints last week when it showed special 15-min. segment filmed in nudist colony.

Smash hit BBC-TV scientific spectacular, "This Restless Sphere," special program on International Geophysical Year narrated by Prince Philip, has been bagged by ABC-TV, which will present the filmed shown Sun. Oct. 20, 9-10 p.m. as salute to IGY and the royal couple's visit to U. S.

Transatlantic TV: When it comes—and it's "inevitable within the next few years"—it will be dictated by military necessity for coordinating radar information among the NATO countries. So said Wm. S. Halstead of Unitel Inc., in paper read at Philadelphia SMPTE convention by Ellis D'Arcy, Chicago consulting engineer and chairman of convention's symposium on international TV. Pointing out that transoceanic scatter microwave system is possible now, since greatest overwater hop between land masses in extreme North Atlantic area is 290-mi. between Iceland & Faeroe Islands, Halstead's paper said: "The most direct action toward the establishment in the near future of a wide-band telecommunication relay system across the Atlantic [probably] will come as a necessary extension of the existing wideband relay facilities that link the numerous radar stations now operated by cooperating military services of the nations in the NATO area."

Longest & deepest cable system underseas was placed in San Francisco-Honolulu telephone service Oct. 8 by AT&T and Hawaiian Telephone Co. following ceremonies in Treaty Room of Executive Office Bldg., Washington. Providing 36 voice circuits augmenting 14 existing radiotelephone circuits, new link was opened with 18,000-mi. call from Washington to Honolulu via London & Ketchikan, utilizing 3 deep-sea cables laid by AT&T in past year—transatlantic, Alaskan, Pacific. Amplifiers developed by Bell Labs and manufactured by Western Electric are built into 2 Pacific cables at 44-mi. intervals in 2400-mi. stretch, at depths to 3½ mi., from Point Arena, Cal., to Hanauma Bay, Oahu.

First TV-radio coverage of ceremonies opening Canadian Parliament will be provided by CBC Oct. 14 preceding Senate appearance by Queen Elizabeth II for "Speech from the Throne," which also will be carried live. CBC cameras & microphones will follow Parliament proceedings through election of Speaker of House of Commons.

British movie attendance has hit lowest figure in 7 years—as commercial TV celebrates second anniversary.

Anglo-U. S. TV Battle: "War" between Britain, U. S. & continental Europe over TV standards for middle east is described in front-page London-dated story in Oct. 8 *Wall Street Journal* which details important stakes of the 2 countries in terms of TV set and equipment sales. Key to battle is issue of U. S. 525-line vs. European 625-line standards. First mid-east TV station is Pye's 625-line Iraq govt.-owned 500-watt station at Baghdad, on air since May 1956. But in neighboring Iran, RCA is installing new station in Tehran, privately owned by group headed by RCA distributor Firooz Trading Co. Next step, according to article, is Iraq govt. decision on future TV expansion in proposed 3-year nationwide transmitter-building project. Govt. has not yet decided which standards it will officially embrace—but decision could materially affect future of middle east TV equipment market.

MBS showed profit—"small but significant"—in Sept., pres. Paul Roberts said Oct. 8 in special report to directors of new group which bought radio network from RKO Tele-radio Pictures Aug. 8 (Vol. 13:32). Roberts disclosed no figures publicly, but said he is "sure Mutual will continue, from now on, to be a profitable broadcasting activity." He saw "real turning point in the acceptance of network radio" by national advertisers, citing such recent MBS accounts as General Foods, P. Lorillard, GM, Chrysler, *Reader's Digest*, H. J. Heinz, Benrus. In first 10 months of 1956 MBS lost more than \$1,000,000.

First commercial TV in Peru—Radio El Sol—is scheduled to begin programming early next Jan., reports Ziv International chief Ed Stern, who adds that the station has placed orders for Spanish-language versions of 13 Ziv film series. Two govt.-owned stations—one with a 1957 target date—and several other commercial TV outlets reportedly are planned in Peru.

Biggest single program sale to Hong Kong's closed-circuit TV system was claimed this week by Screen Gems, which has sold five 30-min. series and one 15-min. musical series to Rediffusion Hong Kong.

New and Upcoming Stations: Oregon educational KOAC-TV, Corvallis (Ch. 7), began programming Oct. 7, following Oct. 1 test pattern debut. Non-commercial educational outlets now number 27 and total for all stations on air becomes 513 (91 uhf). KOAC-TV has 5-kw RCA transmitter, 200-ft. Fisher tower on Vineyard Hill, 6 mi. N. of Corvallis. Studios at Oregon State College, Corvallis, and at U of Oregon, Eugene, connect with transmitter via microwave. Glenn Starlin, chairman of Dept. of Speech, U of Oregon, is in charge of inter-institutional TV teaching; James M. Morris, from State College's KOAC, program mgr.; Grant Feikert, also KOAC and prof. of electrical engineering at Oregon State, chief engineer.

* * * *

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

KTWX-TV, Sheridan, Wyo. (Ch. 9) has changed target to Jan. 15, reports Burt I. Harris, pres. of Harriscope Inc., also operator of KTWO-TV, Casper, Wyo. (Ch. 2). Sheridan outlet will operate initially as satellite of KTWO-TV, which plans move of tower to Casper Mt. and power boost to 28-kw by Dec. 1. KTWX-TV will use 30-ft. Ideco tower, hasn't ordered transmitter as yet. It will be sold as bonus to KTWO-TV. Rep is Meeker.

KRSD-TV, Rapid City, S. D. (Ch. 7) is installing 6-bay RCA antenna on 370-ft. Ideco tower, but hasn't set target, reports partner & gen. mgr. Eli Daniels, who with

John & Harry Daniels also holds CP for KDSJ-TV, Deadwood, S. D. (Ch. 5). Studio-transmitter bldg. on Skyline Dr. is 75% completed and 5-kw DuMont transmitter is scheduled for installation shortly. Network affiliation hasn't been signed; base hour not set; rep not chosen.

WFWC, Tampa-St. Petersburg (Ch. 3, educational) hasn't ordered equipment or begun construction, but hopes to be on the air early in Jan., reports Robert R. Guthrie, pres. of Florida West Coast Educational Television Inc.

KHUM-TV, Eureka, Cal. (Ch. 13) has ordered RCA equipment for Dec. delivery but hasn't set target, writes Russell K. Olsen, asst. mgr. of KVIP-TV, Redding, Cal. (Ch. 7), which has acquired 50% interest from former sole owner Carroll R. Hauser (Vol. 13:31). It will use 200-ft. self-supporting tower. Bids on studio-transmitter building are now being obtained. Rep will be Hollingbery.

KXAB-TV, Aberdeen, S. D. (Ch. 9) has changed target to Jan. 1, reports John W. Boler, whose North Dakota Bestg. Co. acquired CP from Joseph E. McNaughton interests (Vol. 13:25). Plans are to operate it in affiliation with his KXJB-TV, Valley City-Fargo, N. D. (Ch. 4). Make of transmitter not designated, Stainless tower to be used. Base hour will be \$150. Rep is Weed.

WGTW, Athens, Ga. (Ch. 8, educational) has decided to request new transmitter site and has cancelled Nov. start, reports Gerald L. Appy, assoc. director of communication services for grantee U of Georgia. It has ordered 25-kw RCA transmitter and 1000-ft. Stainless tower. Station will be part of \$2,500,000 Center for Continuing Education, where closed-circuit programming began last April 30.

Airspace Panel Actions: Approved proposals by TV applicants KSTT, Davenport, Ia. (Ch. 8) for 1000-ft. tower southeast of Cambridge, Ill.; Midland Bestg. Co., Moline, Ill. (Ch. 8), 1089-ft. 3.7 mi. south of Orion, Ill.; Central Minn. TV Co., Alexandria, Minn. (Ch. 7), 1133-ft. 3 mi. east of Westport, Minn. It also approved application by WSAU-TV, Wausau, Wis. (Ch. 7) for 609-ft. tower 3.2 mi. west of Wausau Municipal Airport. Panel rejected 3 proposals for new towers in Norfolk area: By WVEC-TV (Ch. 15) & WTOV-TV (Ch. 27) for 531-ft. tower near Kempsville, Va., and by applicant Norfolk-Newport News Bestg. Co. (Ch. 13) for 1033-ft. tower, recommending 380-ft. maximum height at proposed locations or 449-ft. in downtown Norfolk. It approved proposal by KLFY-TV, Lafayette, La. (Ch. 10) for 973-ft. tower at Church Point, La., but rejected 1000-ft. tower proposals (near Kaplan, La.) by Ch. 3 applicants Acadian Bestg. Co. & Evangeline TV Corp., suggesting they locate at Church Point or establish new farm where all Lafayette towers may be placed. It deferred consideration of proposed 977-ft. tower for KCSJ-TV, Pueblo, Colo. (Ch. 5) and 1061-ft. tower for applicant St. Anthony TV Corp., Houma, La. (Ch. 11) at request of applicants.

Translator starts: K75AE, Grangeville, Ida. began tests Oct. 1, repeating KLEW-TV, Lewiston, Ida. K76AE, La Grande, Ore. expects to start Nov. 10, repeating KXLY-TV, Spokane. W82AA, North Warren, Pa. began tests Oct. 6 repeating WBen-TV, Buffalo. K79AB & K82AD, Brownlee Trailer Court, Ore. began tests Oct. 8 repeating KBOI-TV & KIDO-TV, both Boise, Ida. K72AN, Durango, Colo. plans Nov. 1 start repeating KOB-TV, Albuquerque.

New CBS affiliate: WDTV, Durham, N. C. (Ch. 11), starting Oct. 2 as secondary affiliate, becomes primary affiliate next April.

New rep: WSIX-TV, Nashville, to H-R Television (from Hollingbery).

Reports of Radio Station Sales: WGAY, Silver Spring, Md., 35% owned by Joseph L. Brechner & wife for \$150,000 to associate John W. Kluge, increasing his interest to 100% . . . KYTE, Pocatello, Ida., by J. Ronald Bayton for \$60,000 to Thomas R. & Andrew H. Becker, who control KNPT, Newport, Ore. . . . WJOE, Ward Ridge, Fla. by Vacationland Bestg. Co. Inc. for \$40,000 to Rupert P. Werling.

Radio station sales approved by FCC this week: WRAD, Radford, Va. by Perry E. & Alice Gresham for \$95,000 to *Wooster (O.) Record* (Vol. 13:37) . . . KWLK, Longview, Wash. by Twin City Bestg. Corp. for \$65,000 to Triad Bestg. Co. (Vol. 13:31).

Rate increases: KOVR, Stockton, Oct. 1 raised base hour from \$650 to \$800, min. \$135 to \$190. KXJB-TV, Valley City, N. D. Oct. 1 added KCJB-TV, Minot, to combination already including KBMB-TV, Bismarck, and raised hour from \$500 to \$550, min. \$100 to \$125. WCNY-TV, Carthage-Watertown, N. Y. Sept. 30 raised hour \$200 to \$250, min. \$40 to \$50.

KGEO, Enid-Oklahoma City (Ch. 5) is being sold for \$2,500,000 by Streets Electronics Inc. (P. R. Banta, pres.) to L. E. Caster, Rockford, Ill. and Ashley L. Robison, owner of radio KOVO, Provo, Utah. Caster is pres. of WREX-TV, Rockford (Ch. 13), being sold for \$2,850,000 to Bob Hope and associates, including Robison as 15% stockholder (Vol. 13:40).

Sale of KVTW, Sioux City, Ia. (Ch. 9) with radio WNAX, Yankton, S. D. for some \$3,000,000 is being negotiated by Cowles interests to Peoples Broadcasting Corp. (Nationwide Mutual Insurance Co. subsidiary), operator of radio WGAR, Cleveland, O.; WRFD, Worthington, O.; WTTM, Trenton, N. J., and WMMN, Fairmont, W. Va.

RCA shipped 6-bay superturnstile 6-bay antenna Oct. 9 to WRC-TV, Washington (Ch. 4), moving to new site.

Homework Watching TV: Commercial TV can be educational TV, too, ABC-TV boasted this week. Network reported that 1,200,000 elementary & high school students from 31,500 classrooms in 68 areas of country are taking lessons regularly from *Bold Journey* Mon. 8:30-9 p.m., sponsored by Ralston Purina.

Students watch travel-adventure documentary film series as part of homework, follow up episodes in classroom studies of geography and social & physical sciences. Teachers use special program guidebooks prepared by committee of educators headed by pres. Dr. J. Cloyd Miller of N. M. Western College.

Instructional program was originated by v.p. Ernest J. Hodges of Guild, Bascom & Bonfigli, Ralston's agent. Participating teachers also are offered more than 30 educational travel grants in tours directed by National Educational Assn.'s travel service div.

In other educational TV developments this week:

NBC lined up Health, Education & Welfare Secy. Marion B. Folsom and Comr. Lawrence G. Derthick of U. S. Office of Education for broadcast statements Oct. 12 & 13 on o-&o stations starting network's 6-week "Know Your Schools" project.

John K. Weiss, v.p. & treas. of Fund for the Advancement of Education, told international seminar at Boston U (Vol. 13:40) that "American education on all levels of instruction may realize substantial savings in the future use of educational TV." He cited Penn State U survey which showed last term's TV classes in psychology, accounting, air science & sociology cost school \$52,000 vs. \$92,000 previously spent for conventional courses.

Student response to *Sunrise Semester* course in comparative literature on WCBS-TV, N. Y., has been so great (Vol. 13:39) that station & NYU will extend TV class another semester, starting late in Jan. Full college credit is given for course, first of kind in city.

Study-group discussion by delegates organized for "A Look at Ourselves" in such areas as "Professional Standards" and "Station Policies & Practice" will feature 33rd annual convention of National Assn. of Educational Broadcasters Oct. 29-Nov. 1 in Statler Hotel, St. Louis. Luncheon speaker Oct. 30 will be TASO exec. director George R. Town. NAEB also announced these deadlines for applications for educational TV scholarships under grant by Ford Foundation: For study prior to next June 1—Dec. 1. For 1958 summer study—April 1.

Originating point for 2 upcoming live closed-circuit color telecasts will be Washington's color-equipped Walter Reed Army Medical Center. First Walter Reed origination for outside reception will be series next week beamed to D. C. Medical Society's annual scientific assembly in Washington's Statler Hotel. Second use will be non-medical series beginning next week—at which Washington area high school teachers will view experimental instruction in "calculus in color," conducted by U of Md. This week's 50-min. session will be first of series of 26.

TV cameras were banned Oct. 7 from Indianapolis road scandal trial by Special Judge Walter Pritchard following objections to courtroom coverage by counsel for Nile Teverbaugh, ex-Indiana highway right-of-way director, one of 3 defendants accused of embezzlement in super-highway land purchase.

Satellite Week: "The week of the sputnik" was extremely significant for all phases of TV-radio-electronics. From networks' and telecasters' point of view, it was important opportunity to keep public informed with the kind of coverage TV & radio do best—and opportunity wasn't muffed. All networks presented special programs last week end—forums, background information and frequent news bulletins, and the "beep-beep" tone (later deteriorating to steady note) became TV-radio's top tune. Other significant angles: (1) RCA Communications' receiving station at Riverhead, N. Y. became semi-official U. S. monitoring headquarters for satellite, doing first extensive monitoring and computations of speed, course, etc.—in addition to supplying all networks with "beep-beep" recordings. (2) Tracking the sputnik became favorite pastime not only of hams but of everyone with short-wave receivers (including battery portables) which could pick up 20 or 40-mc bands. (3) Reports that sputnik was equipped with TV camera were quickly denied in Russia, but an INS dispatch stated that U. S. was now ready and waiting (for favorable winds) to shoot TV-equipped rocket to moon from 100,000-ft. high balloon launching platform. (4) Military experts were predicting U. S. would step up its missile program, with electronics industry the first to feel big boost. (5) Andrew G. Haley, well known as both a Washington TV-radio attorney and rocket expert, made headlines when he told International Astronautical Congress in Barcelona that he will ask Congress to appoint committee to define air space in anticipation of possible demands by other countries for unlimited sovereignty over space above their lands. He's also quoted as proposing to Congress that moon be declared "free and independent autonomous area" to prevent any country from claiming sovereignty over it.

"On the Air" research service for spot advertisers is being offered by KTWO-TV, Casper, Wyo., as part of regular sales package when they buy units of 20 announcements per month at regular rates. "Awareness" method developed for station by research director Dr. Saul Ben-Zeev of North Adv., Chicago, includes interviews with random sample of 200 persons on completion of 20 spots, "playback of copy points for the participating product and all of its competitors." Dr. Ben-Zeev says "method permits estimates of norms and allows diagnoses of irregularities in the development of public consciousness of a brand and its advertising image."

Broadcasters' Promotion Assn. has added seminars on merchandising and cooperation with agencies & syndicates to program for second annual convention Nov. 1-2 in Sheraton Hotel, Chicago (Vol. 13:37). Second-day session on "Merchandising—The Red Ink Invader or a Bugaboo?" will be moderated by adv.-sales promotion mgr. Paul I. Woodland of WGAL-TV & WGAL, Lancaster, Pa. Seminar on "Promotion Cooperation" will be led by sales promotion mgr. John Hurlbut of WFBM-TV & WFBM, Indianapolis.

Recommended standards and handling practices for monochrome and color film for TV were adopted last week end by Assn. of Cinema Labs (Reid H. Ray, pres.). Recommendations include camera area dimensions, review room projector apertures, set lighting techniques, control of negative and positive prints, etc.

Howard W. Blakeslee Award of American Heart Assn., for distinguished reporting in field of heart & circulatory diseases, has been presented to producers of *Robert Montgomery Presents* for "The Long Way Home" on NBC-TV.

Name change: Effective with Oct. 14 issue, *Broadcasting-Telecasting* reverts to original name of *Broadcasting*.

FCC Freeing WLWI, Indianapolis: Blocked from going on air, though waiting to throw switch, Crosley's WLWI, Indianapolis (Ch. 13) began to see daylight this week when FCC instructed staff to draft document denying various pleadings filed by applicants defeated by Crosley in hearing. When finalized, action presumably will be followed by modification of CP and program-test authorization permitting start—probably in week or 2.

In Albany, WCDA (Ch. 41) still holds FCC permission to switch temporarily to new Ch. 10, Court of Appeals denying stay sought by WVET-TV, Rochester (Ch. 10), also an applicant for the Albany channel. Also in Court of Appeals, WKAT, Miami, filed additional pleadings attacking grant of WPST-TV (Ch. 10).

In Elko, Nev., Donald W. Reynolds' Nevada Radio-TV Inc. now holds initial decision for Ch. 10, following drop-out of competitor KELK. In Eureka, Cal., KHUM-TV was granted change from Ch. 13 to Ch. 6, 4 to 14.8 kw, minus 70 to plus 460 ft.

In Scottsbluff, Neb., KSTF (Ch. 10) received increase from 11.5 to 240 kw, 240 to 840 ft., after telling Commission it would withdraw application for Ch. 13, Alliance,

RCA-Ampex Agreement: Prospects for compatibility of all future makes of video tape recording and playback equipment appeared to be enhanced at week's end with brief skeleton announcement that RCA and Ampex Corp. had signed "agreement for exchange of patent licenses covering video tape recording and reproducing systems for both black-&-white and color."

Very few details were available—nothing at all on terms of agreement. But there were indications that agreement may remove spectre of video tape mechanisms using different width tapes and running at different speeds. RCA officials declined to comment when asked whether they intend to enter commercial TV recorder production soon.

From standpoint of TV technology, agreement is historic in that 2 of leaders in video tape research—Ampex in monochrome and RCA in color—apparently have agreed that each has something to offer the other. From telecaster's viewpoint, deal can do nothing but hasten advent of practical, reliable tape for color and monochrome.

A top RCA official explained patent deal this way: "We can't proceed unless we have freedom to work. This clears the air for both companies—we can both work on our own approaches to tape without getting in each other's hair patent-wise."

Philco appealed to D. C. Court of Appeals Oct. 9 to overturn FCC ruling rejecting its bitter protest against renewal of license of NBC's WRCV-TV & WRCV, Philadelphia (Vol. 13:37). Philco contends that Commission (1) was mistaken in denying that Philco had no standing as party of interest in license case, (2) wrongly held that FCC had no jurisdictional interest in Philco's \$150,000,000 anti-trust case against RCA.

FCC's mobile TV station measuring equipment is described by engineer Raymond L. Day in Oct. 1 *Electronics*.

Neb. Sole new CP granted was for a Ch. 82 translator in Rock Springs, Wyo.

Commission got after couple of CP-holders—telling Wrather-Alvarez to ask for hearing on more time to build its KYAT, Yuma (Ch. 13) or lose CP; designated for hearing application of Chinook TV to reinstate its Ch. 23 CP in Yakima.

Commission finalized substantial uhf channel-shifting to permit WSJV, Elkhart, Ind. to shift from Ch. 52 to Ch. 28, WSBT-TV, South Bend, from Ch. 34 to Ch. 22.

WWLP, Springfield, Mass. (Ch. 22) filed petition seeking substitution of Ch. 15 for Ch. 75 in Concord, N. H.; in addition, it sought extensive changes in Mass., Me., Vt. & N. H. to permit addition of translators. Cascade Bcstg. Co., operator of KIMA-TV, Yakima (Ch. 29) and KEPR-TV, Pasco (Ch. 19), asked substitution of Ch. 22, 44 & 50 for Ch. 5, 8 & 22 in Walla Walla. [For details of changes finalized or sought, see *TV Addenda 25-K* herewith.]

Vhf booster rules proposed by FCC are too tough, (Vol. 13:32), Wash. State TV Reflector Assn. told Commission this week, asking amendment of Sec. 4.935 of rules as follows: "A low power TV broadcast repeater station will not be authorized to operate with a power in excess of that required to produce a field of 5 millivolts/meter in 75% of the area to be served . . ."

McConaughy Raps Controls: "Lot of inane prattle" has been "going on in Washington about regulating broadcasting," former FCC Chairman George C. McConaughy told Ohio Municipal League conference in Dayton, urging delegates to help keep field from "destructive federal control." In first reported speech since he left Commission June 30 (Vol. 13:26) McConaughy said that public—not Govt.—should censor programming, that he's "unalterably opposed to censorship or any other kind of govt. control over programming or over the thoughts of free men, provided the operation as a whole is conducted in the public interest." He said he prefers "weaknesses" of U. S. system—"too many commercials, switch & bait, giveaway programs and commercialization"—to any govt.-controlled operations he's seen abroad.

"Color V" product sold by Superior Products, 673 Broadway, N. Y., has been misrepresented as providing same visual effect as color TV, FTC examiner Loren H. Laughlin ruled Oct. 8 in ordering Harry G. Kriegel to stop making false advertising claims for plastic sheet (Vol. 13:16). Kriegel did not appear at hearing in case but in answer to FTC complaint said he didn't own company, that sale of product was discontinued June 1, 1956 (Vol. 13:35).

Photographs of equipment for which FCC type acceptance is sought would be required in proposed new Commission rule amending Sec. 2.523 (b) of regulations. Notice of amendment (Docket 12212) says it is intended only for acceptance applicants whose instruction books or manuals don't include photographs. Comments may be filed by Dec. 1.

New 8 rpm record has been developed by CBS Labs for use by the blind, pres. Peter Goldmark told Audio Engineering Society, hinting that new disc might also have other more commercial applications. He said 7-in. diameter record will play for 4 hours, 12-in. about 10 hours, and stated surface noise is 7db less than 33 rpm record.

United Artists Corp. joins other movie producers in establishing own music firms, setting up United Artists Records Corp. and United Artists Music Corp., both headed by v.p. Max E. Youngstein of parent company.

SEPT. SALES AND FULL-YEAR OUTLOOK: Industry generally regards Sept. as a key month, a useful index in gauging the all-important 4th quarter sales. Vital retail sales figures for month aren't in yet, but preliminary factory sales are -- and they show some drop from year ago -- 875,000 vs. 1,020,000 in Sept. 1956. Total factory sales for year reached 4,500,000 end of Sept., compared with 5,250,000 last year.

Sept. looked good to most top producers, according to check of cross-section we conducted this week. Here are their sizeups:

Robert A. Seidel, RCA exec. v.p.-consumer products: Sept. sales seem to be "firming up quite a little bit -- at least in our end of it." It may be, he said, that RCA "is gaining in percentage of industry sales."

His reports indicate, Seidel elaborated, that Sept. business "held up relatively well -- much better than in Aug." He said week before last was very good and "if last week was as good, we'll be off to the races."

Activity in color evoked bubbling enthusiasm from Seidel who said that since RCA's 2-hour closed-circuit color show Sept. 4 (Vol. 13:36) this phase of business "has taken quite a spurt...it's gone up to beat hell."

Admiral pres. Ross Siragusa told us his Sept. business "in dollars equals or exceeds last year," although unit volume is down. He went on to say that "the mix has changed, we're selling more high end consoles and combinations, fewer portables -- and profits will be better."

Siragusa also noted tremendous drop the industry has suffered in Canada, but "Admiral sales in Canada are considerably ahead, in both units and dollars."

* * * *

Motorola's Edward R. Taylor, exec. v.p.-consumer products, put his views of Sept. market this way: "I feel pretty encouraged, although I don't have any figures on hand yet" to back up the feeling. Motorola executives, he said, have just finished a round of 14 regional meetings with distributors and "in almost every case they felt pretty good about what was coming up. By and large, I'm convinced things are moving in the TV market and we've had an excellent Sept. in hi-fi."

John M. Otter, Philco exec. v.p. for marketing, said "our TV sales in Sept. were better than last year" and the same is true for first 9 months, compared with 1956. He described TV-radio sales in 3rd quarter as "very good, excellent -- and hi-fi is selling like a house afire -- far ahead of 1956."

Philco "Slender Seventeen" played big part in good sales showing, Otter declared, adding that they've had to put an extra production line on the model and "still can't make enough of them."

Incidentally, a Philco spokesman told us firm's 3rd quarter profits -- which haven't been announced yet -- "are up over last year" when earnings were \$240,000 (4¢ per share) on sales of \$87,460,000.

Robert L. Shaw, gen. sales mgr., Sylvania TV-radio div., called Sept. a "good month," roughly twice as good as last Sept., although final figures are not in yet. He said "our sales growth is following a pattern which has prevailed since the first of the year."

GE—On Production, Price, Color: Visiting Syracuse this week, when GE turned out its 1,000,000th TV portable since production on it started May 1955, we obtained top officials' views on GE and industry TV activities.

Herbert Riegelman, gen. mgr. of TV receiver dept., explained that dropping of night shift (Vol. 13:38) was simply result of careful analysis of sales prospects

for final quarter. He emphasized GE's efforts to minimize impact on employes. Night shift had 700, whereas day shift has 3300.

Any price cuts in sight? Riegelman sees none. Then, we asked: "You don't think there will be any price increases?" His reply: "I wouldn't say that." And he pointed to higher wages and material costs.

GE's color position, as given by marketing mgr. Jack S. Beldon: Color is here. GE has a good set. We'd be delighted to see it go over. We know of no engineering advance likely to cut color costs. Real mass production, say 200,000 sets per year by one company -- would produce real price reductions.

Riegelman said he had felt consumers would pay about \$100 premium for color over black-&-white but now wonders whether even this figure is too high.

Beldon reviewed current black-&-white sales, said that a very important facet is dealers' emphasis on advances in new lines -- slim design, automatic tuning, etc. -- that "price alone shouldn't be the main point of sales emphasis."

GE's over-all corporation policy is that each division must make a profit, stand on its own feet. Thus, each division head is like a corporation president, reporting to stockholders. Greatly decentralized under pres. Ralph Cordiner, each division acts quite independently, can't lean on others.

Production: TV output was 167,605 week ended Oct. 4, compared with 180,725 preceding week and 215,480 in corresponding week one year ago. It was year's 40th week and brought TV production for year to date to about 4,769,000, compared with 5,464,467 in same period of 1956. Radio production was 356,748 (114,402 auto) week ended Oct. 4, vs. 380,732 (105,895) preceding week and 307,865 (113,594) in corresponding week year ago. Radio output for 40 weeks totaled about 10,731,000 (3,952,-000) vs. 9,873,114 (3,197,048) in 1956 period.

Trade Personals: Robert J. Theis promoted to merchandising mgr., Philco TV div.; George Strotmeyer succeeds him as regional mgr., Allegheny region; Bruce Lambert named regional mgr., Atlantic region . . . Merrill L. Bengtson, Hufford Corp. pres., named director of parent Siegler Corp. which recently merged with Unitronics Corp. (Olympic Radio & TV) . . . George I. Long Jr., Ampex pres., named a director of ORRadio . . . Donald T. Lucas appointed mgr., Raytheon receiving tube sales; Paul R. Keeler, mgr., govt. relations; C. W. Duncan, sales engineer of receiving & picture tubes, transistors and semiconductor diodes . . . Harold G. Towlson promoted to engineering mgr., GE technical products dept. . . Martin I. Stoller, ex-Young & Rubicam adv., appointed marketing mgr., Fairchild Recording Equipment Co. . . Robert A. Donner, ex-Bruno-New York, named adv. & sales promotion mgr., Herold Radio & Electronics Corp.'s Steelman phonograph and Roland radio divs. . . E. L. Bragdon promoted to RCA trade press editor, N. Y.; B. I. French Jr. to coordinator, editorial and press services, Cherry Hill, N. J. . . Dr. Raymond L. Garman elected General Precision Equipment v.p.-engineering & research; Wladimir A. Reichel resigns as senior v.p.-engineering.

Dr. W. R. G. Baker, GE v.p. and EIA pres., retires from GE Nov. 30 at mandatory retirement age of 65. Recovering from stroke at St. Joseph's Hospital, Syracuse, he's been active despite some paralysis—working from office established next to his room, conferring regularly with associates.

Tribute to Dr. Irving Langmuir, Nobel Prize winner and world famous GE scientist who died Aug. 16 (Vol. 13:34), is contained in 8-page booklet from GE Research Lab, Schenectady. It includes excerpt from N. Y. Times editorial, encomiums from friends and associates.

DISTRIBUTOR NOTES: Sylvania appoints Traynor-Dean Appliances Inc., 107 N. 11th St., Tampa, Fla. (Frank M. Traynor, pres.) for TV-radio-hi-fi in 19 Fla. counties . . . Tri-State Distributing Corp. (Philco), Cincinnati, names Richard Brenner gen. sales mgr., replacing Robert Murrell, resigned . . . Yancey Co. Inc. (RCA), Atlanta, names Tommie Preacher field sales mgr. . . Trav-Ler appoints Tecca Distributing Co., Cleveland, for TV-radio-hi-fi in territory including N. Ohio formerly serviced by Trav-Ler factory branch in Cleveland . . . DuMont appoints Ft. Orange Radio Distributing Co., 904-16 Broadway, Albany, N. Y. (David L. Marks, secy. & gen. mgr.) for TV-hi-fi . . . Stuart Falk, ex-Philco, opens mfrs. rep. firm, representing Capehart Corp. hi-fi, with temporary offices at 17611 Van Aken Blvd., Cleveland . . . Stuart F. Louchheim Co. (Zenith), Philadelphia, appoints Robert J. Boyle, ex-Raymond Rosen (RCA), Philadelphia, as adv. mgr.

Audio Engineering Society elects pres. Sherman M. Fairchild of Fairchild Recording Equipment Co. as pres., succeeding Walter O. Stanton of Pickering & Co. Other officers named: Donald J. Plunkett, Capitol Records, exec. v.p.; H. E. Roys, RCA Victor, central v.p.; Herbert E. Farmer, U of Southern Cal., western v.p.; C. J. LeBel, Audio Instrument Co., secy.; Ralph Schlegel, RKO.

Engineers were challenged by Motorola pres. Robert W. Galvin to assume broad responsibilities as dominant "taste makers" of American society. He told Oct. 7 meeting of AIEE in Chicago that some day a man of science would be elected president of U. S. but he cautioned engineers not to measure all relationships and values with an inflexible scientific slide rule.

Frank A. D. Andrea, Andrea Radio Corp. pres., named chairman of Radio & Television Mfrs. div., Muscular Dystrophy Assn. of America.

Service Problems: Servicing travails of U. S. householder, TV repairs costing nearly \$2 billion of last year's \$16.6 billion bill, are pinpointed in cover story of Oct. 14 *Time* which is bound to stir up considerable controversy in industry.

"Horrible examples" listed include Los Angeles man who was billed \$162.40 for several month's effort to fix 21-in. TV set which he said didn't work any better when repairs were finished. In another case, a Washington homeowner said: "I've gotten to the point where I'm terrified to call the TV serviceman. I'd rather kick the set down the cellar steps than pay a bill for \$70."

Service problem, says magazine, is aggravated by modern technology which fills demand for bigger and better gadgets, with TV set becoming as complicated as an electric brain. "Actually," article states, "the great majority of repairmen are honest enough. The difficulty is that no one can tell the good from the bad—so many are merely incompetent."

NARDA exec. v.p. A. W. Bernsohn is quoted in article as saying: "Never in the history of the appliance industry have we had a time when so much faulty merchandise was being received." Story cites NARDA survey to show appliance dealer loses money on service and adds that independents do little better.

Future will see, *Time* predicts, color TV, appliances, etc. with plug-in units that will be returned to factory for repair.

Factory sales of transistors in first 8 months of 1957 were 15,611,300, worth \$42,063,000, reports EIA, compared with 6,958,000, valued at \$19,717,000 in similar 1956 period. Aug. sales were 2,709,000, worth \$6,598,000, vs. 1,315,000 at \$3,660,000 in Aug. 1956. EIA's monthly breakdown:

	1957 Sales (units)	1957 Sales (dollars)	1956 Sales (units)
January	1,436,000	\$ 4,119,000	572,000
February	1,785,300	5,172,000	618,000
March	1,904,000	5,321,000	708,000
April	1,774,000	4,880,000	832,000
May	2,055,000	5,636,000	898,000
June	2,245,000	6,121,000	1,130,000
July	1,703,000	4,216,000	885,000
August	2,709,000	6,598,000	1,315,000
TOTAL	15,611,300	\$42,063,000	6,958,000

Sixty-second check of portable TV without taking set from shipping carton is made possible by slots in new Admiral carton. Pressing in knife-cut section permits (1) connecting power cord and antenna, (2) setting on-off switch and controls, (3) inspecting picture.

Firming up of TV market around Christmas is prediction of A. W. Zelomek, Fairchild Publications economist, in Oct. 7 *Home Furnishings Daily*. He adds that this "will be the start of an improved level of TV set business which should continue through the first half of 1958."

Hi-fi components volume of \$200,000,000 in 1957, a 25% increase from 1956, was predicted by Edwin Cornfield, exec. secy., Institute of High Fidelity Mfrs., at 2nd annual hi-fi show this week in N. Y.

Emerson introduces 21-in. deluxe modern console TV in blond and mahogany at \$238-\$258 and 2 hi-fi consoles at \$168-\$188 and \$198-\$218.

Trav-Ler increases TV price 5-10% effective Oct. 15—portables excluded.

Tube Sales Reports: Picture tube sales by manufacturers totaled 930,296, valued at \$17,984,185, for Aug., nearly double July's 491,935 but still less than the 1,099,605 sold in July 1956, reports EIA. Total sales for 8 months were 6,236,890, worth \$114,806,802, compared with 6,837,728, valued at \$125,286,416, in similar 8 months of 1956. Receiving tube sales for 8 months were 297,281,000, worth \$252,389,000, vs. 303,004,000 at \$244,144,000 during similar period last year. EIA's monthly breakdown:

	Picture Tubes		Receiving Tubes	
	Units	Value	Units	Value
January	760,860	\$ 13,594,525	37,571,000	\$ 31,170,000
February	728,363	13,134,778	44,460,000	36,631,000
March	833,257	14,850,847	43,010,000	37,007,000
April	629,838	11,394,043	27,970,000	25,384,000
May	758,328	14,031,519	32,836,000	28,955,000
June	1,104,013	19,981,319	35,328,000	31,314,000
July	491,935	9,835,586	33,077,000	27,042,000
August	930,296	17,984,185	43,029,000	34,886,000
TOTAL	6,236,890	\$114,806,802	297,281,000	\$252,389,000

"Philco-Day USA," annual Philco sale promotion Oct. 7, resulted in TV distributor sales to dealers of more than \$6,000,000 at retail value, reports Henry E. Bowes, v.p. and gen. mgr. of TV div. Describing the sales as "successful," Bowes listed the day's TV sales as 10,000 greater than last year. TV sales mgr. Gibson B. Kennedy emphasized "there were no cut prices—this was not a clearance sale—all sales were at regular prices." Philco introduced 21-in. console for promotion at \$240 and Kennedy said over 8000 were sold and set will be continued as part of regular line.

New "field accelerated" class of transistors developed by Philco is capable of operating through entire vhf and part of uhf spectrum. Called MADT (Micro Alloy Diffused-base Transistors), they are currently in production, are said to open new fields of advanced electronic equipment to transistorization. Philco says they operate at switching speeds comparable to speed of light.

Dealers' outlook for balance of 1957 "promises no improvement," NARDA chairman H. B. Price Jr. told Oct. 6 NARDA southern regional meeting at Macon, Ga. and warned that "1958 may well bring further contraction of our market." Ellie Grumiaux, adv. mgr. of Price's Inc., Norfolk, called TV advertising "expensive, difficult to use, but the most powerful medium."

Dismissal of FTC price discrimination charge against Hamburg Bros., RCA distributor in Pittsburgh, has been urged by examiner Joseph Callaway who held company's pricing practices "were justified in all significant respects" (Vol. 13:6, 34). Examiner's order may be stayed, appealed or reviewed, but issuance was not opposed by FTC counsel and routine commission approval will follow.

"Control Master," Packard-Bell's remote control unit with self-contained speaker, illuminated channel selector, on-off switch, controls for volume, brightness and fine tuning, is described by pres. Robert S. Bell as "... a revolutionary development that television manufacturers have been striving to achieve for many years." Sound may be switched back and forth between set and remote speaker.

RCA raises entertainment tube prices average of 6%, effective Nov. 1, on 272 types, or 85% of those shipped to distributor market—no increase on picture tubes indicated. A Sylvania spokesman said similar price boosts for receiving tubes will be effective Nov. 5.

Sylvania produced its 15,000,000th picture tube this week—24-in. aluminized, 110-degree—at Seneca Falls, N. Y. plant.

RCA is bringing out 14-in. table model with built-in 45 rpm phono. "Bellevue" uses short 90-degree tube, is \$239 in mahogany or oak.

Financial Notes: Record Motorola sales for first 9 months of 1957, topping previous high of \$162,689,182 in 1956, are expected by pres. Robert W. Galvin who outlined company financial picture in Oct. 10 speech to Investment Analysts Society of Chicago.

Galvin said final third quarters figures aren't available but he reported sales were over \$60,000,000, compared with \$60,887,948 in similar 1956 period. Net profits, he added, were about \$1,900,000 (about \$1 per share) in this year's third quarter, compared with \$1,751,757 (91¢) in similar quarter last year.

Going on to the fourth quarter, Galvin forecast Motorola would have a moderate increase in both sales and earnings, compared with 1956 when sales were \$64,872,986, earnings \$3,147,853 (\$1.63). He predicted total 1957 sales of approximately \$235,000,000, earnings of \$8,500,000, vs. \$227,562,168 sales and \$7,966,817 earnings last year.

Galvin listed 9-month sales gains for two-way radio communications, microwave relay systems,

transistors, car radios, phonographs. Home radios and military electronics, he said, were about even, while TV is slightly below 1956.

Other highlights of Galvin's talk:

(1) **Color**—Big problem is no one knows how to make color set for \$300-\$400.

(2) **Hi-fi**—Motorola business is up 50-75% in each of last 2 years.

(3) **Auto radio**—Motorola auto radios account for "tens of millions of dollars," show small profit, but require comparatively little investment.

(4) **Two-way radio**—between 60-65% of 2-way radios made in country come from Motorola; he sees company volume increasing 10% in 1957.

(5) **Military electronics**—Company will do \$50,000,000 volume this year and he intends to hold it at 20% of total business.

(6) **Semiconductors**—Break-even point this year, then profits.

(7) **New capital investment**—Motorola had \$8,000,000 in 1956; level dropping to \$5,000,000 in both 1957 & 1958.

(8) **110-degree tube**—To be used more or less universally but currently affected by high cost and service problems.

Electronics Personals: John F. McAllister Jr. promoted to gen. mgr., GE electronic components div. power tube dept., succeeding Robert O. Bullard who has been appointed mgr. of an engineering study project in the electronic components div.; McAllister has been mgr. of engineering, TV receiver dept. . . . David D. Coffin, mgr. of Raytheon missile systems div., and Dr. Thomas H. Johnson, mgr., research div., elected v.p.'s . . . Robert F. Bender, IT&T exec. v.p., named a director . . . George J. Eannarino, ex-Sarkes Tarzian Inc., elected Audio Devices rectifier div. v.p. . . . Rolland V. Robison promoted to product mgr.-semiconductor sales, Sylvania semiconductor div. . . . George M. Russell, ex-RCA Service Co., named liaison engineer in Packard-Bell Electronics' Washington office . . . George S. Kertson, ex-West Coast Telephone Co., appointed Wash.-Alaska sales rep., Stromberg-Carlson telecommunication div.; he replaces Charles E. Fogg, transferred to national telecommunications sales engineering staff, Rochester . . . Robert A. Bailey, ex-Engineered Electronic Co. v.p., appointed Norden-Ketay western div. marketing mgr. . . . Wm. M. Cagney, ex-Pye Corp. of America, appointed eastern regional sales mgr., DuMont 2-way radio communications systems . . . Capt. Gould Hunter (USN ret.) promoted to administrative asst. to Eitel-McCullough pres. W. W. Eitel and exec. v.p. J. A. McCullough . . . Wm. T. Dickinson promoted to research & development engineering dir., Jansky & Bailey, Washington . . . J. T. Houlihan promoted to mgr., merchandising-entertainment tubes, RCA electron tube div.'s distributor products merchandising; Joseph E. Kelley, mgr., merchandising-industrial tubes & semiconductors; Joseph J. Kearney, mgr., merchandising-parts & equipment; Gerald G. Griffin, mgr., merchandising coordination.

Hewlett-Packard Co., Palo Alto, Cal. manufacturer of precision electronic measuring equipment, filed registration with SEC Oct. 9 (File 2-13667) for 350,000 shares of \$1 par capital stock, 300,000 to be purchased by underwriters, headed by Blyth & Co. Inc., for resale to public. Balance will be subject to restricted options granted to employees. Shares are being sold to underwriters by pres. David Packard and exec. v.p. Wm. R. Hewlett, each 50% owner.

Litton Industries earned \$1,806,492 (\$1.51 per share) on sales of \$28,130,603 for year ended July 31, compared with \$1,019,703 (97¢) on sales of \$14,920,050 in preceding year. Pres. Charles B. Thornton said firm had \$54,000,000 backlog at end of July, operates at 12 plant locations, has over 3000 employes. Litton also concluded agreement to acquire Aircraft Radio Corp., Boonton, N. J. through exchange of 0.6 of a share of Litton common stock for each ARC share or 0.23 of a share of Litton 5% cumulative preferred for each ARC share, subject to stockholder approval. Thornton said ARC would operate as Litton subsidiary and there would be no change in officers or policy. ARC sales for 1957 are expected to reach \$10,000,000, ARC pres. W. F. Cassidy Jr. says, while indicated first half earnings are \$380,000 on sales of \$5,357,630.

Pacific Mercury, which makes Silvertone label TV sets for Sears, Roebuck, earned record \$557,754 (80¢ per share) on sales of \$20,001,656 in year ended June 30 vs. \$482,752 (69¢) in preceding 15 months, after which close of fiscal period was changed from March to June. "Prospects for the current year appear bright," said pres. Joseph Benaron, anticipating that rate of TV set sales will equal last year's and that company, which also produces electronic organs and electrical components, will increase volume of other products. "With a stable demand for TV sets, coupled with the potential for its other products, fiscal 1958 should prove another record year," Benaron said.

Teleprompter Corp.'s semi-annual report to stockholders this week cites gross income of \$1,177,845 for the 6 mo. ended June 30 and net loss of \$119,485—latter caused by "extraordinary expenses of establishing new and enlarged facilities for our branch offices . . . non-recurring charges resulting from expansion of our basic line of products and services [notably closed circuit] and other moves toward greater future growth and expansion." In 1956 Teleprompter grossed \$804,191, netted \$76,422; in 1955, \$420,435 & \$34,081.

Vioreen Instrument Co., Cleveland, filed registration with SEC Oct. 9 (File 2-13665) for \$1,000,000 of 6% convertible subordinated debentures, due Nov. 15, 1967, for subscription by stockholders at rate of \$100 for each 100 common shares. Underwriter is Saunders, Stiver & Co.

Flat, Transparent Tube: Kaiser flat picture tube with transparent phosphor is currently being tested on military aircraft, Chief of Naval Research Rear Adm. Rawson Bennett told National Security Industrial Assn. in Washington this week. He explained need for transparent flat tube which could be placed in windshield of plane, so that pilot could see through it in clear weather, see instrument and radar data in bad weather. Though scientists said neither flat tube nor transparent phosphors could be made, Adm. Bennett said, "today we have both, and they work." He added: "The reward that the general public will get for our stubbornness is a revolutionary new type of commercial TV tube." Also this week, delegates to SMPTE convention in Philadelphia heard 3 papers on flat transparent tube by those who developed it: Office of Naval Research's Cmdr. George W. Hoover, Kaiser Aircraft & Electronics' Ross Aiken (inventor of flat tube) and Naval Research Lab's Dr. Charles Feldman (inventor of the transparent phosphor used in tube).

First FTC ruling that cigarette smoking is harmful per se was made Oct. 10 in initial decision by examiner Wm. L. Pack prohibiting Liggett & Myers from advertising that Chesterfields will have no adverse effect on nose, throat, etc. Decision in 1953 false-claims case held that "it is highly significant" that no medical or scientific testimony by govt. or company witnesses maintained that "cigarette smoke is harmless—that an individual may smoke with impunity." Examiner recommended, however, that FTC dismiss charges that Liggett & Myers falsely claimed that Chesterfields are "milder," "soothing & relaxing" and leave no "unpleasant after-taste." Company said it may appeal adverse findings.

Automation is boon—not bane—to U. S. economy and free world, RCA chairman Brig. Gen. David Sarnoff said in "As Business Leaders See It" column in Oct. 11 *Journal of Commerce*. Instead of causing unemployment, as some fear, automation promises "higher standard of living and a better & happier life," Sarnoff said. He compared electronic advances in field with early progress in radio, talking pictures and TV—"developments that were significantly new & progressive" but which also were met by "violent reactions."

TV's east-to-west migration became campaign issue in New York this week, as GOP candidate for City Controller State Sen. Walter McGahan charged "New York City will become only a relay broadcasting station in the nation's mammoth TV industry" if Mayor Wagner is reelected. He blamed Wagner administration for losing to the city "millions of dollars now being spent annually in Hollywood for equipment, supplies and salaries."

Single application filed this week with FCC was for translator in LaBarge-Big Piney, Wyo. by local group headed by George D. Eubank. This brings total to 118 (34 uhf) for stations, 41 for translators. [For details see *TV Addenda 25-K* herewith.]

Sylvania TV Awards for 1957 will be presented Jan. 16 at banquet in Plaza Hotel, N. Y. Date has been changed from early Dec. to include entire year in Awards period.

Probes Annoy CBC, Too: Future of TV in Canada is hard to predict, CBC chairman Davidson Dunton told Toronto Rotary Club in speech complaining that "recurring cycles" of investigations of govt.-controlled system by Royal Commissions (Vol. 13:28) and Parliament put broadcasters in continuing state of "uncertainty." He expressed hope that new policy, financing & operating "decisions following one Royal Commission report are made before another Commission looms up on the horizon." But Dunton said CBC is determined "to push ahead with the job, to do the best possible with the means & mandate immediately at hand." He pointed out that in 5 years Canadian TV growth "has been relatively faster than in any other country in the world," making national program service available to 85% of population from 40 stations—8 owned by CBC, 32 by private interests.

WDAY-TV equal-time libel suit appeal by Farmers Union has been taken under advisement by North Dakota Supreme Court (Vol. 13:32, 35, 40). Lower court had ruled in favor of Fargo station which admitted telecast by minor party candidate was libelous but that station was prevented from stopping it because of FCC equal-time regulation. Appeals court decision isn't expected for several months, is sure to be appealed to U. S. Supreme Court.

New microwave across St. Lawrence River in 98-mi. 4-hop system linking Quebec City & Montreal with Jonquiere was placed in operation for Canadian National Telegraph by Philco this week—without field tests or equipment alignment. System was switched on prematurely at CBC's request to relay world series baseball games to CKRS-TV, Jonquiere. Reception was reported excellent.

Libel suit for \$2,000,000 has been filed by ex-police chief C. B. Horrall of Los Angeles against Mickey Cohen, alleging damages from statements by ex-gambler on *Mike Wallace Interviews* show May 19 on ABC-TV. Also named in Los Angeles court action are Mike Wallace, network & others. It was third big libel suit resulting from telecast (Vol. 13:28).

New closed-circuit idea: Trustees of Springfield, O. Municipal Hospital approved closed-circuit system for use of patients who will be able to watch services in hospital's first-floor chapel. Patients will pay \$1 a day for set rental, hospital receiving 25¢ and Telesound Inc. of Philadelphia the rest.

Trade paper ads for Storer Bestg. Co., designed by adv. & sales promotion v.p. Art Schofield, have won top award in their classification in Greater Miami Art Directors' Club competition for third successive year.

Copies of Network Report

We still have some extra copies of our printed Special Report of Oct. 5, distributed as a Supplement with *Television Digest* of that date, carrying full text of the summary and recommendations of the "FCC Staff Report on Network Broadcasting" (Barrow Report)—and subscribers may obtain them at \$2 each, 10 copies \$12.50, 25 copies \$20.



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Television Digest

with **ELECTRONICS REPORTS**

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SUMMARY-INDEX OF THIS WEEK'S NEWS—October 19, 1957

PAY-TV TEST conditions, as outlined by FCC, seen as step toward toll system, but not conclusive. Congress still in the picture (pp. 1 & 7).

BARTLESVILLE CABLE MOVIES: Slow start? "Not at all," says operator Griffing, pointing to 550 subscribers plus 2-5 new viewers daily (p. 2).

RCA'S PATENT LICENSE changes expected to be basic & far-reaching; seen depending on outcome of current discussions with Justice Dept. (p. 3).

"THIN TV TUBE" discounted by manufacturers as item for near future, though Kaiser insists "only refinements of glass" are needed (p. 3).

EDUCATORS GET NOD over commercial interests in Puerto Rico initial decision (p. 8). Another uhf leaves air—WJHP-TV, Jacksonville, Fla. (p. 9).

1957 RETAIL SALES of TV seen totaling 6,750,000 sets, shade under 1956; inventory position safe. Picture tube prices increase (p. 10).

DISCOUNT HOUSES here to stay, says N. Y. ad firm, urging manufacturers to learn to profit from this "new dynamic retailer" (p. 11).

"FAIR TRADE" SUFFERS another blow as high court upholds right of out-of-state retailers to sell at low prices in fair-trade states (p. 12).

GE STAYS ON TOP of electronics field in Pentagon list of 100 biggest defense contractors; Boeing replaces GM as overall No. 1 company (p. 12).

TV-EQUIPPED SATELLITE is Air Force project, aviation magazine says, identifying CBS as "probable" participant; Westinghouse films sputnik (p. 14).

ONE TOLL TV SKIRMISH ENDS, MORE TO COME: Another step toward telecast pay TV—not the final word by any means—but certainly a move in the direction of tollcasting. That sums up FCC's "First Report" on subscription TV—a document setting up conditions for testing subscription TV and inviting stations to apply for permission to conduct tests.

There was little official industry reaction by week's end, as principals mulled over document, consulted their attorneys. There's no question, however, that pay TV proponents regard FCC action as something considerably better than nothing, despite very severe restraints—while opponents must acknowledge that they wish that Commission had shelved whole affair.

Situation remains wide open for Congress to nullify Commission move, and FCC gave Congress ample time to make wishes clear—by stating it wouldn't act on applications before March 1958. And extremely influential Congressmen, such as Celler (D-N. Y.) and Harris (D-Ark.), have made no bones about intention to take ball away from Commission—if possible. And, of course, Commission itself took pains to emphasize that authorization of tests is by no means a guarantee that permanent tollcasting will be permitted when tests end.

Commission's 38-page document does these things: (1) Tells why FCC has legal authority to approve pay TV if it's in the public interest. (2) States that it can't tell whether pay TV is in public interest until tests are made. (3) Sets up conditions for tests, after which a public hearing will be held to assay results. (For conditions of tests, see p. 7).

Only Zenith announced its reaction. It stated that FCC action means that pay TV will start in "reasonably near future;" that it (Zenith) is now considering numerous applications from TV stations; that move eliminates need for Congressional action; that telecast pay TV can obviate possibility "high-

cost wire systems might become so firmly entrenched and skim so much cream from the city population that the rest of the country would be left out in the cold."

International Telemeter's Lou Novins said he hadn't studied document but that "in principle, we regard this as a very important step forward." Skiatron TV's Matty Fox stated: "Frankly, we don't want to reveal our thinking. The situation is fluid. I don't think the FCC's action will be meaningful until next March."

Sample reactions from Washington attorneys: "FCC is indulging in real doubletalk. It seems to be authorizing something—yet it says it will conduct hearings later (and you know how those can drag on) and seems to be saying it will go to Congress. The controls to be levied ought to scare stations to death. They go further than the Barrow report—and you can't have one set of rules for pay systems, another for the free system, even if FCC says this is only a test."

Another attorney: "FCC says there will be a hearing. That's almost the whole story. Can you imagine what it will be like? Can you imagine people investing money in tests without any assurance they're getting anything at all? And the data the Commission asks from stations! Stations will be operating in a fish bowl. You know that they want to keep as far away from the Commission as possible."

Still another: "The voting of some commissioners surprises me. They believe in laissez faire, minimum regulation—but this document calls for intimate control."

■ ■ ■

In voting, only Comr. Bartley dissented, while Ford abstained, Mack issuing concurring opinion. Full text of document will be printed in Federal Register about Oct. 23 and as No. 12 in FCC's official weekly pamphlet Oct. 25—both available at nominal cost from Govt. Printing Office, Washington 25. They may be ordered in advance.

In Los Angeles, meanwhile, city council accepted closed-circuit franchise bids of Harriscope Inc., International Telemeter-Fox West Coast Theatres, Skiatron TV. Latter are now deciding what to do next. (For up-to-date report on Bartlesville closed-circuit system, see below).

BARTLESVILLE CABLE PROGRESS—CON & PRO: Report that Bartlesville cable theatre operation is off to "slow start," in Oct. 18 N. Y. Times, comes as surprise to George Griffing, operator of the system. Article notes that "only 500" subscribers have been signed up to date; that "customer lists are tenuous at best" and 30 dropped after free service in Sept.; that flat \$9.50 monthly rate is regarded as too high by some subscribers who want fewer than the 30 movies offered monthly; that screen is too small for some "spectacles." On other hand, reporter Donald Janson found, viewers liked ready availability of current movies, lack of commercials, technical quality of transmission.

■ ■ ■

Griffing is a conservative attorney, sometimes chafes associates by habit of understatement (rare in show business). Here are his comments on progress to date: "We feel pretty good about it. It's better than we anticipated, even though we warned that we thought it would take a full year to get a fair test. We expected a considerable amount of 'fall off' in October when payments began; there hasn't been much. There may be about 30 who have cancelled; these include some of the 40-odd 'monitors' we attached before service began, to judge picture quality.

"We now have 540-550 subscribers and we're adding about 2 to 5 a day. There no longer is a backlog. No intense sales program has begun; that starts in November. However, you can't sell this like Fuller brushes. It's more like selling insurance—continuous payment over a long period.

"The growth to date has been on a par with our experience in community antenna systems. Surprisingly so. Before we started, we projected growth to about 200 by Oct. 1—but 500 signed up.

"We have 38 mi. of cable reaching 4500 TV homes—so I think the rate of growth isn't bad."

N. Y. Times article noted that Griffing is considering metering system, with smaller monthly minimum—such as \$3.50. Griffing states:

"We've frequently said we're not averse to trying anything that looks like what the public wants. Stromberg-Carlson and Jerrold engineers have been looking into metering techniques; they could hook up devices outside each home—tomorrow. But we prefer a central metering system. We're not proposing to change the present method—but we're not bound to the present way, either."

On programming, Griffing states: "We've learned a few things already. The public wants short comedies and cartoons. We're giving them some. There also is a demand for 'constructive' children's shows such as 'Young Tom Edison,' 'Pasteur,' etc.; we're now carrying them on Sunday afternoons."

Meanwhile, good sources tell us several entities "definitely" plan to start Bartlesville-like systems in other towns—within next 3 months.

THE BIG CHANGE FROM RCA PATENT DEPT.: Changes in RCA's patent licensing structure following settlement of Zenith litigation (Vol. 13:37-38, 40) are expected by most set manufacturers to be basic and far-reaching. And best bet is that they will be announced simultaneously with settlement of Govt.'s anti-trust "package patent licensing" suit against RCA.

Until new terms are announced, some set manufacturers have stopped paying "package" patent royalties to RCA. It's believed that new formula awaits outcome of current RCA discussions with Justice Dept. anti-trust lawyers.

Last Sept. 25, RCA notified TV-radio set makers that it is considering "changes in our patent licensing" without revealing how basic these changes might be. Best information indicates that RCA hasn't yet completely formulated its new terms.

Under present procedure, RCA's domestic licensees pay on a "package" basis, manufacturers paying a specified percentage of their factory selling price for permission to use all RCA patents in each given field. For example, current rate for monochrome TV receiver license package is 1¼%, color 1¾%. There are separate rates for conventional radios, transistor radios, receiving tubes, color tubes, monochrome tubes, etc. It is this "package" licensing principle to which Govt. objected in its suit.

Money from patent licenses—believed to total close to \$20,000,000 a year—supports RCA Labs, industry's principal research center. Patent licensing deal is 2-way street, of course, since RCA's licensees receive fruits of Labs' TV-radio research & development while paying to help support Labs.

Set makers have scanned Zenith settlement as clue to RCA's new patent plans. Under this agreement, both companies will exchange monochrome patents on royalty-free basis until 1963. Arbitrator is settling each company's back patent infringement claims against the other.

Another section of agreement involves foreign patents—which are separate from RCA's domestic patent package. The \$10,000,000 RCA-GE-Western Electric payment to Zenith are in settlement of separate suit arising out of foreign patent situation, not directly related to domestic patent arrangements currently under revision by RCA.

'THIN TUBE' NOT HERE, STILL ON HORIZON: Early prospects for 'thin-tube' TV were discounted this week by set and tube manufacturers, despite flurry of excitement created by display of a thin TV set at a military symposium and a press statement which has been interpreted as indicating the new tube is almost ready for production.

The intriguing release and the displays were work of Kaiser Aircraft and Electronics, which reported that civilian version of its 2⅝-in. deep thin transparent tube (Vol. 11:3 et seq.) needs "only refinements of the glass envelope for mass production to make space-saving a reality." Accompanying the release was photo of "prototype table model" with children viewing from both front & rear of screen.

Set and tube makers discounted prospects of early consumer use of thin tube—though they conceded its military value. Some expressed belief Kaiser hadn't successfully sealed more than 1 or 2 units, and one manufacturer said civilian model "isn't much further along than it was 2 years ago."

Kaiser device is basically a cathode-ray tube, using electron gun mounted at bottom edge of one side. It uses phosphor screen and 2 sets of deflection plates. Some manufacturers are known to be

aiming at electroluminescent "flat screen" as next big change in picture displays, skipping thin CR tube, which they regard as intermediate step—an expensive one, in view of tooling and circuit changes.

Military version of Kaiser tube has been "successfully flight-tested," according to Defense Dept., which this week made design available to commercial airlines. Tube fits in front of cockpit, like second windshield. Since it uses Feldman transparent phosphors (Vol. 13:17-18), pilot can see through it in good weather. In poor weather he sees TV-like picture presentation with "perspective of the 3rd dimension," with superimposed data on altitude, rate of climb, distances, fuel, etc., fed from digital computer at touch of switch. Navy predicts operational use in 2-3 years.

Kaiser exhibited 2 "commercial thin tubes for the home" at Los Angeles Army-Navy Instrumentation Program Symposium—one in table model set and one wall-mounted. Thin tube uses plate glass instead of molded glass, has electrode elements printed on inside surfaces of glass. Kaiser says it has been built in 21-in. size.

We could find no manufacturer who says he's interested enough in it to take out license for civilian production. However, Kaiser's progress is illuminating in that it indicates flat-tube breakthrough may not be too far off.

Tube makers are known to be working toward civilian version of transparent phosphors developed by Dr. Charles Feldman of Naval Research Lab for Kaiser tube. DuMont, GE, RCA, Sylvania are among those trying to come up with satisfactory transparent phosphors (both monochrome & color) which can be applied at the low temperatures suitable for use with conventional tube glass.

Canon 35 Causes Fracas: Courtroom corridor hassle in Miami Oct. 15 involving American Bar Assn.'s Canon 35, Judge Stanley Milledge and 4 news cameramen, including Bob Brumfield of WTVJ, had spread all way up to Fla. Supreme Court at week's end. Miami Press Photographers Assn. asked high court, Fla. Bar Assn. and Gov. Leroy Collins for investigations after judge pushed cameramen around when they took his picture in corridor following courtroom altercation with lawyer. One photographer was shoved and his camera damaged, Brumfield and another were detained for hour in Milledge's office. Judge later told Gov. Collins, who was asked by Photographers Assn. to hold public hearing on incident, that he was just trying "to enforce the judicial canon against picture taking." WTVJ showed Brumfield's film, blasted Milledge's conduct and Canon 35. Coincidentally, call to all broadcasters to unite against Canon 35 and other news restrictions was sounded at Region 7 NARTB conference in Denver this week by Howard H. Bell, asst. to pres. Harold E. Fellows. He deplored fact that "our advances to date have been on the basis of isolated effort—a few broadcasters carrying the banner for all."

Old State Dept. hand—Ambassador George V. Allen, who ran VOA in 1948-50 as Asst. Secy. for Public Affairs—is new USIA director, replacing budget-battered Arthur Larson. Allen has been in diplomatic corps since 1930, expanded & improved VOA operations before they were put into separate office outside State Dept. Announcing Allen's appointment, White House said Oct. 16 that Larson will become special aide to President Eisenhower to counter Soviet propaganda. Larson took over USIA last Dec., suffered deep budget cuts from critical Congress in spring, subsequently ordered 76% reduction in VOA's TV operations (Vol. 13:31). This week he appointed Sylvester L. (Pat) Weaver, former NBC pres. & chairman, to non-paying place on USIA's broadcast advisory committee, replacing v.p. Chris J. Witting of Westinghouse, resigned.

Unusual joint ad campaign, boosting Jackson, Miss. TV market, is being run in trade publications by city's competing TV stations, WLBT & WJTV.

New Closed-circuit Uses: (1) Major defense plants in Los Angeles area will be connected via TV next year, Hallamore Electronics pres. Lloyd G. Hallamore told Systems & Procedures Assn. at Los Angeles meeting. He said system will be used to expedite production on govt. contracts, but declined to name firms which would be hooked up. (2) Whether TV becomes tool for libraries may be decided in experiments now being conducted at U of Va. under \$41,500 grant from Ford Foundation's Council on Library Resources. University has equipped 2 of its branch libraries with TV monitors, so that students can consult books at main library without actually going there. Students telephone request for books to main library and have book they want reproduced on TV screen. They turn pages by manipulating remote control page-turner. University plans TV interconnections to 4 more branch libraries on its 510-acre campus.

TV is big feature of U. S. exhibit at Tunis International Fair Oct. 19-Nov. 13, marking first official American participation in Tunisian event. Air-conditioned studio, glassed on 3 sides, is set up in U. S. area carrying out "America at Home" theme. Shows including local talent and demonstrations of U. S. products by Tunisian distributors are watched by crowds on 8 monitors. Participants in exhibit include AT&T, RCA, Westinghouse, Anton Electronic Labs.

German TV cameras for industrial and broadcast use are now being delivered by Majestic International Corp. Line of Grundig cameras includes "world's smallest"—cylindrical-shaped camera 2-in. in diameter, 4-in. long, with its own light source, selling at \$4000-\$5000 including all remote attachments and 17-in. monitor. Grundig also has standard-size vidicon camera. Line will be taken over soon by large distributing company.

First "over-horizon" feed of local commercial TV program between Florida & Cuba on AT&T's "scatter" link (Vol. 13:38) was accomplished Oct. 15 by WTVJ, Miami. Station's cameras picked up special program from Miami Beach's Fontainebleau Hotel for transmission to CMAB-TV, Havana.

Personal Notes: Stephen C. Riddleberger promoted from administrative v.p. of ABN to v.p. & controller of ABC and asst. treas. of AB-PT, reporting to AB-PT financial v.p. Simon B. Siegel; Jason Rabinovitz resigns as administrative v.p. of ABC-TV; James T. Aubrey Jr., now ABC-TV v.p. for programming & talent, understood to be slated for promotion to exec. v.p. . . . James A. Stabile promoted to talent & program contract administration director of NBC . . . Thomas A. McAvity resigns as an exec. v.p. of NBC to join McCann-Erickson TV-radio dept. . . . Walter Lowendahl promoted from exec. v.p. to pres. of Transfilm, succeeding Wm. Miesegaes, who continues as chairman; Michael A. Palma, treas., also named exec. v.p. . . . Milton P. Kayle, TPA gen. counsel, also named secy. . . . Robert H. Salk, ex-Screen Gems & Katz Agency, joins Corinthian Bestg. Corp. as program director . . . Ole G. Morby, ex-MBS, named broadcast operations coordinator for TLF Broadcasters, subsidiary of Time Inc. . . . Edwin H. Peterson, ex-Eastern Airlines, named publicity & public relations mgr. of WRC-TV & WRC, Washington, succeeding Jay Royen, resigned . . . Franklin G. Bouwsma, ex-TV program director, Wayne State U, named exec. secy., Detroit Educational TV Foundation, operator of WTVS . . . Henry Morgenthau III, son of former Secy. of Treasury, named TV projects mgr., educational WGBH-TV, Boston, coming from radio WNYC, N. Y. . . . Alex Duncan appointed Latin American administrator for Fremantle Overseas Radio & TV, headquartering in Mexico City; Sean O'Donoghue named asst. to Mexican subsidiary mgr. Rene Anselmo . . . Clyde L. Clem, ex-Grant Adv., Detroit, named a v.p. & asst. to pres. of NBC spot sales southern rep Bomar Lowrance Assoc., headquartering in Atlanta . . . William E. Lane, ex-Haig & Patterson, Detroit, rejoins Video Films, Detroit, as production mgr. . . . S. L. Goldsmith Jr., ex-NAM, named exec. director of National Sales Executives, succeeding Robert A. Whitney, whose title had been pres. . . . Richard Kelliher, ex-Headley-Reed, San Francisco, named mgr. of Adam Young office, same city, succeeding Chuck Christianson, resigned to become mgr. of radio KRUX, Phoenix . . . Weston J. Harris, ex-WTTG, Washington, joins WRC-TV there as program director, succeeding James E. Kovach, now pro-

gram director of WBAL-TV, Baltimore . . . John A. Scott named administrative v.p. of Truth Publishing Co. (WSJV & WTRC, Elkhart; WKJG-TV & WKJG, Ft. Wayne; *Elkhart Truth*) . . . George Goldman, ex-WCAU-TV & WCAU, Philadelphia, named adv. & sales promotion mgr. of KPIX, San Francisco, replacing Wm. H. Ryan, resigned . . . Allen Sanderson promoted to chief studio engineer of WWJ-TV, Detroit, succeeding Russell P. Williams, who joins Ampex as central district sales mgr. . . . Frank Langley promoted to publicity supervisor, WPIX, N. Y. . . . Arthur H. Barnes, ex-Carl Nelson & Assoc., named promotion & publicity director of WISN-TV & WISN, Milwaukee . . . Fred Eichorn, ex-radio KXL, Portland, Ore., named merchandising mgr. of KGW-TV & KGW there . . . C. L. (Rud) Richards, ex-RAB, joins rep Peters, Griffin, Woodward as radio sales development director . . . Mel Kampe, ex-radio WMAY, Springfield, Ill., joins WTVJ, Miami, as public service director . . . George H. Morris, ex-WHBQ-TV, Memphis, named v.p. & national sales mgr. of WSIX-TV, Nashville . . . David Abbott, ex-Official Films, named national sales mgr. of upcoming WHDH-TV, Boston (Ch. 5), due in Nov. . . . Lee Gorman, exec. v.p. & gen. mgr. of WABI-TV, Bangor, named exec. v.p. of WAGM-TV & WAGM, Presque Isle, Me.; Walter Dixon, operations v.p. of WABI-TV, will act in same capacity for WAGM-TV & WAGM; Ted Coffin promoted from production mgr. to station mgr. of WAGM-TV . . . Lewis Klein promoted from production mgr. to program & production mgr., WFIL-TV, Philadelphia . . . Wm. G. Wadman named program mgr. of WGAN-TV, Portland, Me.; Lloyd Knight, production mgr. . . . Robert C. Harnack, ex-Smith Adv., named sales & production mgr. of WKST-TV, New Castle-Youngstown (Ch. 45), planning to resume soon.

New chief clerk of House Commerce Committee is W. E. (Ed) Williamson, Democratic mayor of Magnolia, Ark., former college roommate of Committee Chairman Harris (D-Ark.). He succeeds Republican Elton J. Layton, who retired after 36 years in post.

John A. (Doc) Willoughby, asst. to FCC chief engineer, retires Oct. 31. He's 66, has served with Govt. since 1917, with FRC & FCC since 1930.

ADVERTISING AGENCIES: Samuel Cherr, senior v.p. and head of merchandising dept. of Young & Rubicam, retires Jan. 1 . . . George Wolf, v.p. & TV-radio director of Ruthrauff & Ryan prior to its merger into Erwin Wasey, Ruthrauff & Ryan Inc., resigns from combined agency . . . Emerson Foote, subject of much speculation in trade (Vol. 13:35) since he resigned in Feb. as exec. v.p. of McCann-Erickson, joins Geyer Adv. as chairman . . . Lawrence J. O'Neill named TV-radio supervisor of Kenyon & Eckhardt, Chicago . . . Lee Rich promoted to media director of Benton & Bowles . . . Frederick T. Wehr, ex-Joseph Katz, Baltimore, named TV-radio adv. director of H. W. Ruddemeier Co. there . . . Herbert Halpern promoted to TV-radio director of Winus-Brandon, St. Louis.

Communion breakfast of Catholic Apostolate of Radio, TV & Adv. will be held Nov. 17 in Waldorf-Astoria Hotel, N. Y., following 9 a.m. mass & communion at St. Patrick's Cathedral. Principal speakers will be pres. Donald H. McGannon of Westinghouse Bestg. Co. and pres. Rev. Laurence McGinley of Fordham U. Jack Costello & Jack Sterling will be masters of ceremonies.

"Value of Your Station Property" is title of talk to be delivered Oct. 25 before Miss. Broadcasters sales management conference at U of Miss., University, Miss., by Ray Hamilton, of Hamilton, Stubblefield, Twining & Assoc.

Columnist Faces Jail: TV-radio columnist Marie Torre of *N. Y. Herald Tribune* was threatened with 30 days in jail Oct. 16 for refusing to identify CBS executive she quoted in report on contract dispute between actress Judy Garland & network. Miss Torre was held in contempt of court by Federal Judge Sylvester J. Ryan in N. Y. and warned about 30-day sentence after pre-trial hearing in \$1,393,333 libel-&-breach-of-contract suit by Miss Garland against network. Columnist had refused under press privilege to name CBS spokesman who told her, as quoted in column last Jan. 9, that Miss Garland "is known for a highly developed inferiority complex," that he "wouldn't be surprised if it's because she thinks she's terribly fat." Judge Ryan withheld actual sentencing of Miss Torre pending filing of show-cause order, but said she was in criminal contempt as "matter of law," that "privilege does not obtain in this circumstance." *Herald Tribune* said it would carry case to U. S. Supreme Court if necessary to sustain Miss Torre's right to keep source in confidence.

Broadcasters' Promotion Assn. second annual convention Oct. 31-Nov. 2 at Sheraton Hotel, Chicago (Vol. 13:41), will be addressed at Nov. 1 luncheon session by v.p. and sales & adv. director Ben H. Wells of Seven-Up Co. Chicago disk jockey Howard Miller will be master of ceremonies at banquet that night.

Telecasting Notes: "Studio None" is phrase used by *Variety* TV-radio editor George Rosen in Oct. 16 edition to describe coming status of New York as TV drama origination point following defection of Westinghouse's *Studio One* to Hollywood (Vol. 13:41). He points out *Kraft TV Theatre* will be sole surviving weekly 60-min. drama networked from east, and, in fact, only "4 basic shows keep New York TV alive in terms of major live showcases"—*Perry Como, Steve Allen, Ed Sullivan & The Big Record* . . . As of now," says Rosen, "the networks are standing pat on the 'New York production' tag for these variety shows, but it's recognized that should any one of them decide to make the move (thus inviting a wholesale N. Y.-to-L. A. talent swing as in the dramatic field), all of Mayor Wagner's horses & men couldn't stave off a general exodus that could be disastrous to the cause of New York TV as a bigtime production center" . . . Both viewers and critics had field day last Sunday, with \$1,400,000 worth of specials on the air. Critics almost unanimously picked Bing Crosby-Frank Sinatra *Edsel Show* (CBS-TV) for raves, *Pinocchio* and *Standard Oil Jubilee* getting mixed reviews; *New York Herald Tribune's* John Crosby was exception, gave "smash hit" rating to *Pinocchio*, and a ho-hum to Crosby-Sinatra. Trendwise, all 3 shows were big: *Pinocchio* 24.6 (52.2 share of audience), *Edsel* 40.8 (63.3), *Standard Oil* 32.2 (52.7) . . . Probably biggest spectacular of season—Mary Martin's *Annie Get Your Gun*, 2-hour Thanksgiving Eve colorcast on NBC-TV—will be thoroughly pre-tested by airtime, having opened last week at Los Angeles to rave reviews after successful San Francisco run . . . Late night TV finally seems to be catching on for NBC-TV, which renewed agreement with Jack Paar for *Tonight*; billings on show are up 46% since July 29, and number of stations carrying show is at all-time high of 76 . . . Top fall ratings: CBS-TV's *Gunsmoke* wins No. 1 place in Nielsen total audience & average audience for 2 weeks ending Sept. 21; Bob Hope's NBC-TV special comes in first in Trendex Oct. 1-7 ratings, with CBS-TV's *Danny*

Thomas Show appearing as a surprising third following second-place *Ed Sullivan* . . . MGM's gross from TV sale of its feature backlog hit \$50,000,000-mark with this week's sale to Westinghouse . . . New package of 80 features, including *High Noon, The Men and Cyrano de Bergerac*, to be offered by NTA . . . Hottest thing in TV since the feature film, according to trade press features, is horror—with Screen Gems' *Dracula-Frankenstein-Mummy* series of old spine-tinglers reportedly piling up phenomenal ratings . . . Hit of last season, *Secret Life of Danny Kaye*, will be repeated by CBS-TV Oct. 27 for UN Children's Fund . . . Cut in number of Emmys for 1958 was recommended by ATAS (Hollywood) Award Structure Committee at meeting this week . . . First TV commercial to be made into a movie: Ford's \$1,000,000 around-the-world-in-130-days commercial, shot by Filmways Inc. with staff of 18 in 23 countries, timed for first TV exposures with introduction of 1958 Ford. Shot at same time was 60-min. travel documentary (featuring highways of the world), aimed at theatrical release.

Bishop Fulton J. Sheen is taking year's leave from broadcasting, or at least from live TV, his N. Y. office said Oct. 16. Commenting on 25 years as TV & radio preacher, Bishop Sheen told INS in Boston: "This is not my vocation. It is well for me to retire. I shall leave the lights of TV in order to live in a more intimate union with God." But Bishop "undoubtedly" will resume weekly TV appearances in fall of 1958, and many local TV stations are continuing his filmed sermons, according to Msgr. Edward T. O'Meara, asst. director of Society for the Propagation of the Faith in N. Y. Sheen concluded fifth season on ABC-TV in April.

Warner Bros. plans to double output of TV films, pres. Jack Warner announced, predicting at least 5 hours weekly of Warner shows on TV by June 1. New \$1,000,000 TV operations building at Burbank studios is scheduled for completion in 90 days.

Mike Fright: Mike Wallace's penchant for controversy got him in trouble again this week—losing him first one and then a second announced interviewee for Oct. 19 program. At last minute, after he had reached out to England for a subject to fill the hot seat, at least one key ABC-TV affiliate refused to carry the show. Wallace originally had planned to interview Mrs. Eleanor Roosevelt, who suddenly canceled, remembering she had "previous engagement." Then he arranged to interview Arlene Francis, but NBC—to which she is under exclusive contract—put kibosh on this. Then at midweek he substituted Malcolm Muggeridge, ex-editor of *Punch* and author of article in current *Saturday Evening Post*, "Does England Really Need A Queen?" Muggeridge was already in TV doghouse in England, having been barred from BBC-TV panel show as result of article. As soon as ABC-TV announced it intended to fly him to U. S. for interview, Washington affiliate WMAL-TV canceled show, mgr. Fred S. Houwink questioning the taste of telecasting "any program that might cast a shadow over the visit of Her Gracious Majesty to the nation's capital."

Demand for educational TV for in-school training will exceed available air time within 10 years, exec. director Dr. John W. Taylor of WTTW, Chicago, predicted Oct. 15. "TV teaching is becoming a necessity," he told luncheon meeting in Chicago Club in educational station's 1957-58 fund campaign for \$340,000. "The need is so great that even the facilities of TV will be strained in the effort to keep up with it over the next decade."

Dull TV Season? NBC pres. Robert W. Sarnoff takes issue with critics of new-season TV programming in latest of his informal "letters to TV-radio editors." He cites April-May 1957 survey of 1235 heads of households in 244 urban areas by Psychological Corp. which indicated 3 out of every 4 people were watching as much or more TV than a year earlier and 8 out of 10 thought programs were as good or better, and first Oct. Trendex which shows 5% more nighttime viewing than year ago. In enumerating fine programming of this season, Sarnoff revealed that he sneaked a look at Oct. 13 Bing Crosby-Frank Sinatra *Edsel Show* on CBS-TV, admitting that he "went back and forth" between that show and NBC-TV's *Steve Allen Show*. He formulated this proposed rule for TV critics: "All reviewers should look at a first show and then a fifth show and then a tenth show before delivering a final verdict" on a series. "Every series can be improved during the course of a season," he added. "That's the job we're busy on now."

ABN programming is aimed at "multiaccess" & "ambiactive" audiences which only radio can fully reach, pres. Robert E. Eastman said this week. In Oct. 15 speech to Washington Ad Club at Presidential Arms, where he was given "Award for Achievement," and in Oct. 18 address at Region 7 NARTB conference in Brown Palace, Denver, Eastman gave these definitions of terms: "Multiaccess"—kitchens, living rooms, bedrooms, bathrooms, barbershops. "Ambiactive"—making beds, washing dishes, tending babies, getting haircut, sitting on beach.

Pay-TV Test Conditions: FCC's "First Report on Subscription TV" (see p. 1) imposes these conditions for trial operations of toll TV systems:

(1) Three-year tests will be limited to cities receiving Grade A signals of at least 4 commercial TV stations. Commission says there are more than 20 such markets. To conduct trial in city which now has only 3 Grade A signals, it would be necessary for applicant to build new station.

(2) Both vhf & uhf stations will be eligible to participate.

(3) Applications will be accepted from any CP or license holder or present or future TV applicant. Applications may be made simultaneously for TV station and for toll-TV tests.

(4) Any pay-TV system or method may be used so long as it meets FCC interference requirements and causes no degradation of either pay-TV or free signal.

(5) Each qualified method will be permitted trial in not more than 3 of the eligible markets.

(6) Any toll-TV station shall be free to try more than one system, and more than one station in a trial market may participate in trial of any individual method. Agreements between stations and system franchisers must be non-exclusive and filed with FCC.

(7) Stations must retain responsibility to select and reject programs and to determine maximum charges to subscribers. Charges & terms must be applied uniformly to all subscribers.

(8) Transmission of subscription-TV programs must begin within 6 months after authorization is granted; trial authorizations will be permitted for 3 years from date of start of transmission.

(9) Commission may fix cut-off date for applications or fix trial periods at less than 3 years for late applications so that tests don't continue indefinitely and all trials are conducted during same general period.

(10) Authorizations "will not be renewable, as such."

However, if Commission finds it in public interest to continue authorizations, it will do so for "limited periods," subject to public notice.

(11) Subscription-TV stations will be required to adhere to minimum hours of free programs as specified in FCC rules.

(12) Pay-TV test grantees will be required to furnish reports to FCC covering all aspects of operation.

* * * *

Commission is asking applicants for large amount of information, including: "Statement of intention" with regard to commercials during fee-TV programs (Commission stating that it "understands" proponents don't contemplate commercials). Detailed information on commitments and negotiations for programs. Detailed description of decoding-encoding methods and devices, perhaps including submission of models. Methods of billing, terms of contracts with subscribers, approximate number of subscribers, minimum & maximum charges, information about all persons involved in providing equipment, programs, etc.

Commission said it will conduct public hearing on fee-TV service "when it finds that sufficient meaningful data are available."

In his dissent, Comr. Bartley argued that fundamental question is whether FCC should use scarce TV frequencies for a service which it hasn't even classified as a broadcast service. Allowing test demonstrations, he said, is buying pig in a poke—"and the trouble may be that, when we open the 'poke,' we may discover a spectrum hog." He stated that neither proponents nor opponents have endorsed test as necessary or useful, that record is inadequate to justify tests, that there's no urgency for tests, since those who wish to go into fee TV now can use wire systems.

Bartley warned that wording of FCC's fee-TV report "presents the real possibility of stringing this out long beyond a mere 3 years." He urged complete full-scale evidentiary hearings before any action is taken.

Agency Prober Is Probed: "Show-cause" hearing on CAB reluctance to open all files for House "watchdog" investigation of 6 federal regulatory agencies, including FCC (Vol. 13:40), ended Oct. 17 with chief prober himself under fire. Commerce Committee's legislative oversight subcommittee headed by Rep. Moulder (D-Mo.) held first public session with CAB Chairman James R. Durfee as sole witness to explain why he withheld some files from subcommittee counsel Bernard Schwartz. Durfee assured subcommittee it could have 99.44% of CAB records—but not Board members' personal files. Then Republican members of subcommittee lit into Schwartz for his investigative methods, including questionnaires demanding that all agency officials list gifts they or their families had received. "Lousy," said Rep. O'Hara (Minn.). "Never before has any Congressional investigating group started out by assuming that everybody is crooked." Rep. Heselton (Mass.) wanted to put Schwartz on stand under oath. "He thought he was going to blow the top off this town," Heselton said. Rep. Moss (D-Cal.) defended Schwartz's tactics, contended Durfee was trying to "spoon-feed this committee." Moulder finally adjourned hearing indefinitely.

Editorial stands on public issues should be taken by broadcasters, Democratic Gov. Robert D. Holmes of Ore. told Region 8 NARTB conference this week in Hotel Multnomah, Portland. "Political cunuchs," he said, "are scorned; scorned by legislators, scorned by your listeners & viewers. People love politics. They have a right to know where a station stands."

Propagation Measurements: First of AMST's series of TV propagation studies was turned over to TASO this week, covering mobile unit survey made in Wilkes-Barre-Scranton area. AMST said its unit traveled 6000 mi. taking measurements for initial study. Document—not released—contains 117 pp. and 62 maps. AMST unit currently is completing studies in Baton Rouge area, then will move to west coast. Second unit is operating in Madison, Wis. area. Meanwhile, FCC announced availability of new technical report, *Summary of VHF Field Strength Measurements in TV Zone III* (Gulf coast area). Single copies are available from FCC's Technical Research div. (Report T.R.R. 2.4.17).

Northernmost TV station within U. S. borders—WAGM-TV, Presque Isle, Me. (Ch. 8)—received live network service in time for World Series via private 4-hop microwave system from WABI-TV, Bangor (Ch. 5). Both stations are owned by Community Telecasting Service (Lee Gorman, exec. v.p.).

Radio audience supremacy was claimed for NBC network Oct. 16 on basis of Nielsen ratings for advertising campaigns during 4 weeks ended Sept. 7. NBC said first 7 advertisers on Nielsen list of those whose campaigns delivered greatest radio audience were all NBC sponsors.

Mayor Frank Zeidler's veto of Skiatron's cable pay-TV franchise in Milwaukee was sustained by Common Council this week—Council agreeing that more study is needed. In Dayton, O., Muzak announced filing of application for franchise and negotiations with phone company to wire city.

FCC Initial Decisions, Hearings: Puerto Rican Dept. of Education, now operating radio WIPR in San Juan, and building WIPR-TV (Ch. 6) there, won initial decision for Ch. 3, Mayaguez, in contest with Sucesion Luis Pirallo-Castellanos, whose principals control radios WISO, Ponce, and WMIA, Arecibo.

Examiner Hugh B. Hutchison held that commonwealth agency had demonstrated "vital need" for educational TV service in Mayaguez area, while Sucesion showed "no evidence of a probative character" supporting its arguments for commercial operation. Sucesion was given "slight preference" on basis of local ownership & ownership integration, but was outweighed in all other factors, Hutchison said.

KFDM-TV's hold on Ch. 6 in Beaumont was made more secure as Commission announced it had instructed staff to prepare decision affirming CP, denying competitor Enterprise Co. Case has been to Court of Appeals and back.

In Elk City, Okla., Southwest Bestg. Co. moved another step toward final CP on Ch. 8, examiner issuing favorable decision—competitor Video Independent Theatres having dropped out.

Court of Appeals declined to block grant of move of WESH-TV, Daytona Beach, Fla. (Ch. 2) 24 mi. toward Orlando, upholding FCC action

Transcontinent Expands: Ruinous competition in Wilkes-Barre-Scranton area will be eased under terms of agreement whereby Transcontinent TV Corp. acquires control of WARM-TV, Scranton (Ch. 16) while WILK-TV, Wilkes-Barre (Ch. 34) goes off air. Transcontinent will own 60% of new corporation, WARM-TV and WILK-TV principals 20% each. Total consideration involved is \$1,500,000—Transcontinent putting up undisclosed amount of cash and stock, and new corporation assuming debt. Radio WILK is retained by present stockholders. Principals stated purpose of merger was to establish "truly regional station" with strong ABC-TV affiliation. Plan is to use Ch. 16 at WILK-TV's site, employ 1.4-megawatt power, change call to WNEP-TV (for new Northeastern Pa. Bestg. Co.). Wm. Scranton (WARM-TV) will be chairman; Mitchell Jenkins (WILK-TV) pres.; Thomas P. Shelburne (WILK-TV) exec. v.p. & gen. mgr.; Martin Memolo (WARM-TV) engineering v.p. Also on board will be Transcontinent's David Forman, Paul & Fred Schoellkopf, Seymour H. Knox, George Goodyear, David Moore. Transcontinent also owns WROC-TV, Rochester (Ch. 5), WGR-TV, Buffalo (Ch. 2), 50% of WSVA-TV, Harrisonburg, Va. (Ch. 3).

KSHO-TV, Las Vegas (Ch. 13) is being acquired for \$70,000 by Mervyn Adelson and father Nathan, Las Vegas supermarket operators, it's revealed by transfer application filed this week. Sellers are Frank Oxarart-Albert Zugsmith interests, who acquired TV and radio KBMI, Henderson, Nev. in 1956 from Moritz Zenoff for \$300,000, including liabilities (Vol. 12:48). June 30 pro forma balance sheet for KSHO-TV shows \$12,071 deficit. It lists \$18,661 current assets, \$127,283 fixed assets; \$70,569 current liabilities, \$77,537 long term liabilities.

Writers Guild anthology titled *The Prize Plays of Television & Radio—1956* will be published Oct. 22 by Random House. Book contains 12 scripts.

which had been appealed by Mid-Florida Radio Corp. and Central Florida Bestg. Co.

Among other actions, Commission: (1) Told KBTM-TV, Jonesboro, Ark. (Ch. 8) its CP would be cancelled until it seeks hearing on more time to build. (2) Informed KVIT, Sante Fe (Ch. 2) that it must go to hearing on its request to move to 14 mi. northeast of Albuquerque. (3) Set for hearing application of grantee KSLM-TV, Salem, Ore. (Ch. 3) for more time to construct. (4) Denied petition of WTVJ, Miami (Ch. 4), an applicant for Ch. 11 in Houma, La., which sought reconsideration of Ch. 12 experimental grant in New Orleans to WJMR-TV. (5) Finalized assignment of Ch. 12 to Mankato, Minn.

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Reports of Radio Station Sales: KYME, Boise, Ida. by Roger L. Hagadone for \$120,000 to Keith E. Patterson, gen. mgr. of KONP, Port Angeles, Wash. (broker, Hamilton, Stubblefield, Twining & Assoc.) . . . KOWB, Laramie, Wyo. by Richard P. McKee for \$108,000 to Richard K. Power & John Hunter, owners of WAVN, Stillwater and WCMP, Pine City, Minn. (Kander) . . . WLFH, Little Falls, N. Y. by Walter T. Gaines for \$43,000 to Richard D. Gillespie . . . WLBG, Laurens, S. C. by Laurens-Clinton Bestg. Co. for \$63,000 to Charles W. Dowdy.

Radio station sales approved by FCC this week: WCHI, Chillicothe, O. by Norman M. Glenn for \$78,450 to ex-station rep J. H. McGillvra & wife (Vol. 13:39) . . . WRKE, Roanoke, Va. by Elmore & Reba Heins for \$75,000 to Sherwood J. Tarlow, Allan W. Roberts, Dr. Bertram M. Roberts & Joseph Kruger (Vol. 13:37).

Robert E. Sherwood Awards for TV programs dealing with freedom & justice will be continued, but with prize money cut from \$55,000 to \$15,000, chairman Robert M. Hutchins of Fund for the Republic announced this week. Directors of Fund, which is being liquidated gradually, voted to reverse earlier decision to discontinue TV project started in 1955. Deadline for entries in third annual competition covering programs from Oct. 1, 1957 to May 31, 1958 is next May 31, with Sylvia Spence Assoc., 527 Lexington Ave., N. Y., handling arrangements. Top award carries \$10,000; 5 others, \$1000 each. Judges are Mrs. Eleanor Roosevelt, director James J. Rorimer of Metropolitan Museum of Art, pres. Buell G. Gallagher of CCNY, pres. Robert M. Purcell of radio KFWB, Los Angeles, critic Gilbert Seldes, pres. Philip H. Willkie of Rushville (Ind.) National Bank, N. Y. attorney Harrison Tweed.

RKO Teleradio's purchase of radio WGMS, pending for 1½ years (Vol. 12:14 et seq.), was cleared for final FCC approval this week when minority stockholder Lawrence C. Smith withdrew his protest and objections to the \$400,000 sale. In July 1956, FCC approved transfer and RKO Teleradio operated station for 4 months before Appeals Court ordered station returned to original owners. FCC held hearing on proposed transfer, and initial decision recommended approval of purchase.

New RAB directors elected at annual meeting in N. Y.: Hugh K. Boice, WEMP, Milwaukee; Henry B. Clay, KWKH, Shreveport; Victor C. Diehm, WAZL, Hazleton, Pa.; Herbert Evans, Peoples Bestg. Corp., Columbus, O.; Frank N. Headley, H-R Repts Inc., N. Y.; Donald H. McGannon, Westinghouse Bestg. Co.; Weston C. Pullen Jr., Time Inc.; Paul Roberts, MBS; Lester M. Smith, KJR, Seattle.

WHYN-TV, Springfield-Holyoke, Mass. shifted from Ch. 55 to Ch. 40 Oct. 2.

Notes on Upcoming Stations: There were no new starters this week, while WJHP-TV, Jacksonville, Fla. (Ch. 36) announced it was suspending operations Oct. 25 for an "indefinite period." Owner is John H. Perry Jr., also owner of WESH-TV, Daytona Beach (Ch. 2) and publisher of *Jacksonville Journal* and other newspapers. WJHP-TV began in Dec. 1953 as NBC-TV & ABC-TV outlet, but lost NBC when WFGA-TV (Ch. 12) began last Aug. City's other station is pre-freeze WMBR-TV (Ch. 4). With WJHP-TV off air, there will be 512 stations in operation (90 uhf).

Note: Nearest new starters are KPAC-TV, Port Arthur - Beaumont (Ch. 4); WBOY-TV, Clarksburg, W. Va. (Ch. 12); WMVS-TV, Milwaukee (Ch. 10, educational); WWLI, Indianapolis (Ch. 13); WINR-TV, Binghamton, N. Y. (Ch. 40); WEEQ-TV, LaSalle, Ill. (Ch. 35).

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

WHDH-TV, Boston (Ch. 5) has changed target for programming with ABC-TV to Nov. 17, reports v.p. & managing director Wm. B. McGrath for owner *Boston Herald-Traveler* (WHDH). It has two 10-kw RCA transmitters (1 for standby) and will use 1082-ft. Ideco tower with 12-bay antenna at site in Newton, Mass. Base hour will be \$2500. Rep will be Blair-TV.

Electronics Personals: Brig. Gen. Wm. L. Bayer, retired commander of Army Signal Supply Agency, Philadelphia, named military marketing mgr. of Stromberg-Carlson electronics div. . . . Martin I. Zwerin, ex-Curtiss-Wright, Westinghouse & Philco, appointed special representative of International Resistance for market development of new products . . . Robert A. Huff promoted to product adv. & sales promotion mgr. of RCA electron tube div., Harrison, N. J.; Alfred J. Jago Jr. to advertising services mgr., Erwin B. May to adv. & sales promotion mgr. for semiconductors & components, Harvey M. Slovick to publications mgr. . . . Robert E. Koehler promoted to production dept. mgr. of RCA semiconductor div., Somerville, N. J.; John M. Spooner to plant mgr. . . . Joseph W. Lewis, ex-Arnold O. Beckman Inc., South Pasadena, joins Beckman Instruments as asst. to pres. . . . Gene Sarazen, ex-golf champion, named sales director of Belock Instrument . . . Henry H. Scudder, exec. v.p. of International Standard Electric Corp., elected a v.p. of parent IT&T . . . Herbert Bomzer, ex-Ford Instrument, named operations analysis director of Paramount Pictures subsidiary Autometric Corp. to coordinate research & development in specialized electronic systems . . . Charles L. Lord named a v.p. & controller of Electronic Communications Inc., St. Petersburg . . . Elbert G. Bellows elected v.p. of W. L. Maxson.

Tiny transistor amplifier designed to step up beat in blocked hearts was reported Oct. 15 at American College of Surgeons clinical congress in Atlantic City by Dr. M. Judah Folkman & Dr. Elton Watkins Jr. of Harvard Medical School & Children's Medical Center, Boston. They said device, weighing less than 2-oz., fitted with leads which pierce chest to be sutured in right auricle & right ventricle, has been successfully tested on dogs, is ready for use with human patients.

WINR-TV, Binghamton, N. Y. (Ch. 40) has changed target for start with NBC-TV to Oct. 25-Nov. 1, reports gen. mgr. Dale Taylor for owner *Binghamton Press* (Gannett). RCA 25-kw transmitter is scheduled to be wired and ready by Oct. 21 and 52-gain pylon antenna is ready on 400-ft. tower. Base hourly rate will be \$300. Rep will be Hollingbery.

KWRB-TV, Riverton, Wyo. (Ch. 10), planned as area outlet covering Thermopolis and Worland, hopes to begin with test patterns late in Oct., with CBS-TV programming early in Nov., writes owner Joseph P. Ernst, operator of Wyo. radios KWRL, Riverton; KRTR, Thermopolis; KWOR, Worland. Used 5-kw GE transmitter is scheduled to be ready Oct. 20 and 12-bay antenna is being installed on mast atop Mt. Ridge, Boysen Peak. Studio at 500 Broadway, Thermopolis, will connect via microwave, as will other studios to be built later in Riverton and Worland. Base hour will be \$150. Rep will be Meeker.

RCA shipped 25-kw transmitter Oct. 14 to upcoming WMBD-TV, Peoria, Ill. (Ch. 31), due in Jan.; 2-bay superturnstile antenna Oct. 11 to upcoming KXLJ-TV, Helena, Mont. (Ch. 12); 6-bay superturnstile antenna Oct. 15 to WHBF-TV, Rock Island, Ill. (Ch. 4), planning change to new site; 12-bay superturnstile Oct. 14 to WICU, Erie (Ch. 12), planning boost to 316-kw.

New headquarters-studio of WFIL-TV & WFIL, Philadelphia, was opened Oct. 15 in Sheraton Hotel. Triangle stations' facilities in downtown location augment W. Philadelphia studios & offices.

Talos Fails in Test: RCA-built missile station, claimed to be first completely automatic launcher of kind, was turned over to Army Oct. 15 for evaluation at White Sands, N. M., proving ground, where Talos rocket misfired in first test. New land-based station, designed to intercept enemy missiles or planes with no help from push-buttons, was manually operated in initial demonstration. Navy-developed Talos was fired, but external booster rocket blew up seconds after takeoff and missile careened out of control. Incorporating most of latest design & engineering developments in electronics, station itself was built in 2 years by RCA in collaboration with Army, Navy, Air Force, long list of subcontractors headed by American Machine & Foundry. In statement Oct. 13, RCA pointed out its electronic system "was in no way involved in the unsuccessful firing of Talos."

Electronic Highway: Auto safety by electronics was demonstrated last week in Lincoln, Neb. by RCA and Nebraska Dept. of Roads using automobile guidance system developed by RCA team headed by Vladimir Zworykin. Using "guidance cable" buried under 320-ft. stretch of highway, demonstration showed driving safeguards of future. Automatic signals on car's dashboard told driver when to stop or slow down to avoid collision. For use in fog or on "blind" hills, car activated series of lights along road as warning to cars approaching or following. In one test, RCA engineer drove car with windshield completely blocked by cardboard. If car moved too far to left or right, needle on dashboard told him which way to turn to stay in proper lane. If he got within 25 ft. of car ahead of him, bell rang and light flashed on.

Van Norman Industries sets up systems automation group with headquarters in Washington, D. C. First project will be program of post office automation.

Admiral receives \$1,196,000 electronics contract from Navy Bureau of Aeronautics.

1957 TV SALES FORECAST—ABOUT 6,750,000: First unofficial fall retail TV set sales figures are in -- and while they're lower than some earlier industry hopes, statisticians see "no cause for alarm" and conclude that total sales for year will be a shade under 1956 -- about 6,750,000 vs. last year's 6,804,703.

Sept. retail TV sales, first significant indicator of public's response to new TV lines, totaled about 725,000 sets (due to be shaved down by 10,000 or so because this includes export sales) vs. comparable 1956 figure of 783,247. This brings total 1957 retail sales to date to some 4,540,000 for first 9 months, compared with 4,730,000 in first 9 months of 1956.

The 6,750,000 estimate for all of 1957 is based on past pattern of Oct.-Nov.-Dec. sales and presupposes rate of about 730,000 a month for rest of year (compared with average of 504,000 for first 9 months). If prediction holds true, 1957 would be TV's fourth biggest year -- and, by same token, poorest year since 1953. However, even a slight unexpected lift could bring 1957 sales above those of 1956.

Inventory position of industry at beginning of Oct. was regarded as "safe" and seen as tribute to intelligent planning by set manufacturers. At all levels of trade (factory-distributor-retail), inventories were unofficially estimated at 2,550,000, compared with 2,600,000 on Oct. 1, 1956.

Picture Tube Prices Up: A 1½%-5½% increase in picture tube prices to set manufacturers was put into effect this week by virtually all tube makers. Whether it will result in more retail TV price hikes remains to be seen -- but best guess is that set makers will sit tight for time being. Some receiver manufacturers report start of noticeable sales lift in Oct., and are anxious not to disturb anything.

Price hikes on 90-degree tubes (including new stub-neck models) were greater than on corresponding 110-degree models -- end result being that price differential between the 2 models has been cut from \$2 to \$1.50 across the board.

Rises ranged from 20¢ on 14-in. 110-degree tube to \$1 on 21 & 24-in. 90-degree models. New manufacturer prices for 110-degree tubes (90-degree tubes \$1.50 less): 14-in. \$14 (up from \$13.80), 17-in. \$16.25 (from \$16), 21-in. \$21.25 (from \$20.75), 24-in. \$26.75 (from \$26.25).

There was no increase in prices of picture tubes for renewal market, although most renewal receiving tubes are due to go up 4-9% early next month (Vol. 13:41).

TV Imports Are Here: First imported TV sets are now on market in U.S. -- German-built Grundig receivers distributed by Majestic International Corp., whose parent Majestic-Wilcox-Gay once produced own TV sets. Grundig receivers are high-high-end hi-fi combinations, including AM-FM-SW radio, 4-speed phono, tape recorder -- featured as top-of-line item in Grundig-Majestic's successful packaged hi-fi series.

The 2 TV "home entertainment centers" marketed by Majestic are priced at about \$1500 (21-in. set) & \$2500 (24-in. with better tape recorder). Majestic spokesman said reaction from retailers has been "very good" and units are now being shipped in "pretty good quantities." He said company has no plans to import low-priced models or TV-only receivers. "We won't compete with American TV manufacturers -- there's no money in it." He said he didn't think other German TV-radio makers were yet in position to offer their TV sets on U.S. market.

Possibility of TV competition from Japan -- whose transistor radios are beginning to go into large-scale distribution here -- was raised at "Japanese Electronic Exhibition" last week in New York. Among equipment shown were TV tuners ranging from \$6.50 to \$9. If Japan is getting ready to invade TV component field, some tradesters wonder whether complete TV receivers will be far behind.

Production: TV output dropped slightly during week ended Oct. 11, to 164,627 from 167,605 preceding week, compared with 205,970 in corresponding week of 1956. It was 41st week of year and brought TV production for year to date to 4,933,000, compared with 5,670,437 in same period last year. Radio production rose to 407,298 (150,075 auto) from preceding week's 356,748 (114,402 auto), compared with 335,206 (127,129) in corresponding week last year. Radio output for 41 weeks totaled about 11,138,000 (4,102,000) vs. 10,208,320 (3,324,177) in same 1956 period.

Topics & Trends of TV Trade: "And so marketing must learn how to live with, and profit from, a new dynamic retailer—the discount house," says E. B. Weiss, director of merchandising, Doyle-Dane-Bernbach Adv., 20 W. 43rd St., N. Y., in 43-page booklet *Marketing's Coming Readjustment to Low-Margin Retailing*.

Growth in size of big discount houses and discount chains is detailed by Weiss who says "in 1957 at least one discount house will top \$100,000,000 turnover figure—and a score or more will achieve a turnover in excess of \$10,000,000. And by 1960, he adds, several discount chains will hit annual turnover of \$250,000,000 and possibly 1 or 2 will reach half-billion mark.

Result of growth, Weiss claims, has been about-face by many manufacturers, especially in hard goods, to win distribution in off-list outlets. He also predicts manufacturers will tend to cut down steps between manufacturer and ultimate consumer. But he adds this "doesn't mean the end of the wholesaler—his demise has been regularly predicted for the last 50 years. But it does mean his partial elimination in some industries; and it does mean new techniques of working through him in other industries."

Weiss says there will probably be fewer store-type discount houses at end of 1957 compared with 1956, but total amount of merchandise moved this year by discount houses will far exceed total of any previous year.

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Outraged protest against Oct. 14 *Time* cover story on TV repairmen (Vol. 13:41) was filed this week by editor Albert J. Forman of *Electronic Technician Magazine*. "You can be well ashamed of this untidy piece of journalism," he wrote managing editor Roy Alexander of *Time*. It "was truly a distorted piece of reporting, and a slander of the thousands of repairmen who work long hours for too little income & appreciation," Forman said. He told Alexander that "most important point" in *Time* story was "half-hearted admission that 'the great majority of repairmen are honest enough,'" yet it was buried in "middle of 5 pages of twisted tales of dishonest & incompetent repairmen and disgruntled homeowners."

Hoffman's "Solaradio"—transistorized, with sun-powered battery charger—has been reduced to \$99.95 from \$150 because of "substantial savings in manufacturing costs" due to increased demand. Without solar cells, regular battery version of same set was reduced from \$75 to \$60.

Radios shipped to dealers in first 8 months of 1957 totaled 4,788,006, compared with 4,491,795 in similar 1956 period, EIA reports. Aug. shipments were 769,770 vs. 581,808 in July and 579,102 in Aug. 1956.

Trade Personals: Frederick H. Guterman, ex-American Bosch Arma, named gen. mgr. of DuMont Labs technical products div., succeeding Irving G. Rosenberg, resigned . . . Robert E. Rutherford Sr. promoted to staff asst. to Stanley J. Koch, DuMont Labs v.p. for tube operations; Kenneth F. Hoagland to tube engineering director . . . Arthur A. Brandt retires Oct. 31 after 40 years in appliance marketing, last 20 years with GE where he's been gen. sales mgr., TV receiver dept. . . Ernest L. Hall, ex-Canadian Aviation Electronics, appointed staff asst. to Emerson pres. Benjamin Abrams . . . Howard Main promoted to merchandise mgr. of Dominion Electrohome Industries Ltd., Kitchener, Ont. . . Milford S. Klinedinst, from Farnsworth Electronics, named consumer marketing director of IT&T subsidiary International Standard Electric Corp., assigned to North & South America, Australasia, Far East . . . Maj. Richard J. Lavoie (ret.), ex-Army Intelligence Center, Ft. Holabird, Md., named security director of IT&T . . . Frank J. Bias promoted to transmitter engineering mgr. of GE's technical products dept. . . George H. Fass resigns as national sales mgr., DeWald Radio . . . Vin Zeluff, ex-managing editor of *Electronics* (McGraw-Hill), appointed managing editor of *Popular Electronics* (Ziff-Davis) . . . Edward Link named Emerson midwest district mgr., head-quartering in Pittsburgh.

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Edgar N. Greenebaum Jr., Chicago financial analyst specializing in electronics, leaves Oct. 20 for 3-week tour of Europe, will attend international atomic energy conference in Vienna.

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EIA Reports Set Totals: TV shipments to dealers totaled 3,460,100 in first 8 months of 1957, when production was 3,756,533, according to EIA state-by-state report. They compare with shipments of 3,761,116, production of 4,365,060 in similar 1956 period. Aug. shipments were 490,849, compared with 465,285 in July and 535,936 in Aug. 1956. Here's 8-month report (county-by-county tables available to EIA members):

State	Total	State	Total
Alabama	50,658	New Jersey	128,282
Arizona	21,485	New Mexico	13,688
Arkansas	29,874	New York	409,448
California	342,856	North Carolina	68,686
Colorado	27,460	North Dakota	10,620
Connecticut	56,055	Ohio	193,788
Delaware	8,109	Oklahoma	37,802
District of Columbia	37,402	Oregon	34,321
Florida	120,241	Pennsylvania	239,621
Georgia	69,960	Rhode Island	19,329
Idaho	10,855	South Carolina	27,245
Illinois	203,729	South Dakota	11,526
Indiana	84,910	Tennessee	57,820
Iowa	36,937	Texas	186,030
Kansas	39,014	Utah	14,719
Kentucky	56,767	Vermont	7,225
Louisiana	62,897	Virginia	54,917
Maine	19,626	Washington	52,698
Maryland	48,240	West Virginia	35,356
Massachusetts	106,446	Wisconsin	58,981
Michigan	131,189	Wyoming	6,723
Minnesota	51,232		
Mississippi	29,496	U. S. TOTAL	3,450,315
Missouri	80,922	Alaska	2,509
Montana	15,384	Hawaii	7,276
Nebraska	24,262		
Nevada	5,574	GRAND TOTAL	3,460,100
New Hampshire	9,410		

Masters Wins Fair Trade Case: "Fair trade" suffered another blow this week when U. S. Supreme Court in effect upheld right of out-of-state mail order house to sell products in fair-trade states at less than fair-trade prices.

Court refused to review lower court ruling that Masters Mail Order Co., Washington, can sell GE products in New York at lower than fair-trade prices. Appeals court had dismissed injunction against Masters, and GE carried case to high court (Vol. 13:25, 28, 30). Injunction suit was brought after Masters' Washington outlet advertised GE small appliances in N. Y. papers at prices at which it would have been illegal for N. Y. retailers to sell them.

GE had said that this practice gave the out-of-state store a "free ride on the advertising done by GE and the sales efforts of every retailer who rents space to display GE products or hires salesmen to sell them."

Masters pres. Stephen Masters hailed this week's news with announcement that Washington store will advertise GE products for sale at less than fair-trade prices in newspapers and magazines throughout country (all but 14 states have fair-trade laws). "Our victory again points out the fact that fair-trade laws, unfair to all, are for all practical purposes meaningless and dead," he said. "Fair trade is falling fast."

Magnavox unveiled new non-metal 17-in. portable TV set (Vol. 13:36, 38) at Ft. Wayne plant this week. Wood-&-composition "Greenbrier" model, replacing metal portables which were discontinued following Skokie, Ill. electrocution (Vol. 13:29, 31-32), is designed as second home set to harmonize with furnishings rather than for outdoor use. Mahogany lists at \$170; oak & cherry \$180, uhf \$20 more.

Marketing seminar, sponsored by West Coast Electronic Mfrs. Assn., starts Oct. 29 at Roosevelt Hotel, Hollywood, takes up techniques of developing new markets and sales of new products. Meetings, to be conducted by Los Angeles marketing consultant Edward A. Altshuler, will also cover marketing research and analysis, sales planning and direction, advertising and public relations.

U. S. Tariff Commission has scheduled Feb. 4 hearing on charges by Brush Electronics Co. (div. of Clevite Corp.) and The Astatic Corp. of unfair competition in import and sale of unspecified foreign phonograph pickup cartridges, elements, and needles.

Motorola introduces all-transistor portable radio—"Weatherama"—which receives standard broadcasts, govt. weather broadcasts and long wave aeronautical beacon bands. Set is priced at \$80, will be shipped after Nov. 1.

RETMA of Canada reports TV distributors sold 233,238 sets to dealers in first 8 months of year, compared with 313,285 for similar 1956 period. Sales for Aug. were 39,083 vs. 61,058 in Aug. year ago.

NARDA's 1958 appliance trade-in guide, *Home Appliance Blue Book*, covering appliances but not TV, will be published Nov. 15 by National Appliance Trade-In Guide Co., 2105 Sherman Ave., Madison, Wis.

Admiral moves headquarters next week from Merchandise Mart back to former location, 3800 Cortland St., Chicago 47 (Spaulding 2-0100).

Top 100 Defense Firms: GE kept its No. 1 position among companies heavily engaged in electronics in new list of 100 top prime defense contractors released by Pentagon. As in earlier rankings reported in April (Vol. 13:16), GE was fourth among all defense firms in July 1, 1950-Dec. 31, 1956 tabulation by Defense Dept., in which Boeing replaced GM as biggest contractor among first 10: Boeing, GM, United Aircraft, GE, Douglas Aircraft, North American Aviation, General Dynamics, Lockheed Aircraft, AT&T, Curtiss-Wright. Electronics and related firms generally maintained their relative rankings in cumulative 1950-1956 and Jan. 1, 1955-Dec. 31, 1956 figures given by Pentagon in separate tables. We've consolidated 2 new "top 100" lists in table below to show electronics standings (all dollar figures in millions, dashes after company's name indicating it was not among first 100 prime contractors for period):

	July 1950- Dec. 1956		Jan. 1955- Dec. 1956	
	Contracts	Rank	Contracts	Rank
GE	\$5,024.1	4	\$1,289.8	5
General Dynamics	4,493.4	7	1,758.2	2
AT&T	2,773.0	9	1,015.3	7
Sperry Rand	1,584.6	14	306.5	21
Bendix Aviation	1,518.9	16	371.1	17
Westinghouse	1,375.8	19	227.6	23
RCA	1,060.0	21	307.6	20
IBM	837.2	24	450.6	14
Avco	738.2	28	215.9	24
Raytheon	687.4	31	313.2	19
IT&T	624.0	34	98.1	47
Philco	562.0	37	157.7	30
Collins Radio	436.8	45	95.3	49
General Precision Equipment	355.5	56	131.5	35
Minneapolis-Honeywell	293.8	61	104.3	45
American Bosch Arma	291.6	62	106.9	42
Hazeltine	225.2	73	—	—
Sylvania	223.1	74	—	—
Mass. Inst. of Technology	216.1	77	83.9	52
Motorola	205.4	82	52.6	78
Dynamics Corp. of America	176.4	91	48.3	88
Admiral	157.8	98	—	—
Burroughs	—	—	109.4	40
Lear	—	—	60.4	69
Standard Coll	—	—	53.7	76

Among "favored 50" of investment trusts are only 5 concerns directly or indirectly identified with one phase or another of electronics, according to *Guide to Investment Company Portfolios* issued by Vickers Associates Inc., 52 Wall St., N. Y. They're IBM, ranked second (in Vickers' evaluation) as of last June 30, with 3.72% of its stock held by closed or open-end trusts; GE, 14th, 1.46%; Minnesota Mining, 31st, 3.22%; AT&T, 33rd, 0.42%; Westinghouse, 45th, 3.44%. (For complete tabulation, with Dec. 31, 1956 and Dec. 31, 1955 comparisons, see Oct. 5 *Business Week*.)

Dividends: Gross Telecasting, 40¢ plus 7½¢ on "B" common, both payable Nov. 8 to stockholders Oct. 25; Aircraft Radio, 20¢ plus 10¢ year-end special, both Nov. 13 to holders Oct. 30; Oak Mfg., 35¢ Dec. 13 to holders Nov. 29; Capitol Records, 25¢ Dec. 31 to holders Dec. 16; Siegler, 20¢ Dec. 1 to holders Nov. 15.

New recommended standards distributed by EIA to members: RS-196, "Fixed Film Resistors (High Stability)," 60¢, and RS-197, "Power Filter Inductors for Electronic Equipment," 50¢. Copies are available from EIA Engineering Dept., 11 W. 42nd St., N. Y., for minimum \$1 order.

Merger of Electric Storage Battery Co. & Ray-O-Vac Co. has been approved by directors of both companies. Plan providing for exchange of one Electric Storage share for each 2 shares of Ray-O-Vac will be submitted to stockholders of both companies at special meetings Nov. 19.

Financial Notes: Net income of Sylvania in 3 months ended Sept. 30 was around \$1 per share vs. 46¢ in disappointing second quarter of 1957 (Vol. 13:30)—and earnings for rest of year should exceed that rate, pres. & chairman Don G. Mitchell said in interview in Oct. 16 *Wall Street Journal*. Formal report on third quarter is due next week.

Mitchell said third-quarter sales this year, helped by upturn in TV sets first noted in June, were nearly \$90,000,000, up from \$84,000,000 year earlier, when earnings hit record of \$1.15 per share for period. For 9 months of 1957, he estimated sales at close to \$252,000,000, compared with \$246,000,000 in corresponding 1956 period. But he thought net for all 1957 would run 5%-10% below \$14,835,389 last year, working out to \$4.10 per share.

As of today, TV set business has much more wholesome tone than it had year ago, Mitchell told *Journal*, pointing out that fierce competition in 1956 led to overproduction, high inventories, soft retail prices. He said that with inventories more in line now with sales, set production is likely to reach 3,800,000 in second half, with sales at 4,000,000.

He saw price as continued deterrent to sales of color sets, predicting that until it falls to about \$400 from discount-&-trade-in retail level of \$500-\$550, color will make little inroad.

* * * *

General Instrument earned \$169,599 (12¢ per share) on sales of \$8,157,605 in second fiscal quarter ended Aug. 31 vs. \$119,916 (9¢) on \$8,311,834 in corresponding 1956 period. First-half income was \$247,053 (18¢) on \$15,200,170 compared with \$35,561 (2½¢) on \$13,979,913 year earlier. Gains in earnings were due to development of General Instrument "into a broad-based electronics firm" from one engaged largely in making TV-radio components and to "operating efficiencies made possible by closer integration & control" of manufacturing divs., according to chairman Martin H. Benedek. He foresaw "continuing earnings progress through the third & fourth quarters."

Allied Artists had net loss of \$1,783,910 in fiscal year ended June 30, after giving effect to \$675,000 federal income tax credit. Company gave no explanation for loss, which compared with net income of \$371,875 (27¢ per share) in preceding fiscal year. But in earlier statement predicting loss (Vol. 13:24), pres. Steve Broidy said Allied Artists had discontinued producing unprofitable films in \$400,000-\$600,000 bracket, that current fiscal year would show better results. At close of fiscal 1957, company had backlog of 14 pictures awaiting release, inventories of \$5,615,000 vs. \$9,219,000 year earlier.

GE set new records in earnings & sales for third quarter and first 9 months this year. Net income in quarter ended Sept. 30 was \$55,165,000 (63¢ per share) on sales of \$1.047 billion compared with \$47,863,000 (55¢) on \$1.003 billion in corresponding period year earlier. For 9 months, earnings were \$182,988,000 (\$2.10) on \$3.169 billion vs. \$160,727,000 (\$1.85) on \$2.962 billion in first 9 months of 1956. Wages & benefits of \$1.189 billion paid employes and payments of \$1.426 billion to suppliers also set 9-month records, according to GE pres. Ralph J. Cordiner.

Litton Expands Again: Litton Industries, which recently acquired Aircraft Radio Corp. (Vol. 13:41) and Maryland Electronics Mfg. Corp. (Vol. 13:38), is absorbing Monroe Calculating Machine Co. in deal already approved by 80% of latter company's stockholders, according to joint announcement of merger Oct. 15. Monroe holders are offered choice of 1½ shares of Litton common for each share of Monroe common or ½ share of Litton \$100 par value 5% pfd. for each share of Monroe common, of which about 300,000 are outstanding. Litton v.p. Roy L. Ash said special stockholders meeting will be called soon after annual meeting Oct. 26 to vote on proposed increase in common stock and authorize new issue of \$100 par cumulative convertible pfd.

Storer Bcstg. Co. earned \$820,008 (33¢ per share) in third quarter ending Sept. 30, compared with \$1,066,019 (43¢) in corresponding 1956 period, company ascribing dip in part to "substantial" costs of reorganizing WVUE, Wilmington, after acquisition of station (then WPFH) in spring (Vol. 13:13). Expenses there "have adversely affected operating results for the third quarter, but current bookings at WVUE are encouraging," Storer said. For 9 months, earnings were \$5,249,492 (\$2.12) vs. \$3,911,464 (\$1.58) in comparable period last year.

General Tire & Rubber reports consolidated net income of \$8,545,592 (\$1.61 per share), including earnings of \$599,294 from subsidiary RKO Teleradio Pictures, in 9 months ended Aug. 31, vs. \$6,059,025 (\$1.17) in corresponding 1956 period, when RKO Teleradio wasn't counted. Sales this year were \$311,091,049, compared with \$278,192,007 year earlier. "Our profit for the current 9-month period before including the RKO Teleradio earnings was 4.2% ahead of the comparable 1956 period," General Tire pres. Wm. O'Neil said.

Official Films Inc., whose pres. Harold L. Hackett reports to stockholders this week that it now syndicates 27 series with total of 1319 films, in June 30 annual report discloses \$983,000 earnings before taxes on sales of \$6,500,000, up from \$908,906 gross profit on \$6,100,000 sales in 1956 fiscal year. Paid-in surplus stood at \$1,738,200 as of June 30, 1957, earned surplus \$692,904, with net income of \$437,831 after taxes.

E. J. Korvette Inc., N. Y. appliance store chain, had sales of \$71,200,000 in fiscal year ended Sept. 28 vs. \$54,900,000 year earlier, according to pres. Wm. Willensky. He said that sales in 13 weeks to Sept. 28 were \$18,155,143, compared with \$14,155,143 in corresponding 1956 period, that volume in last month of 1957 fiscal period was 41.6% ahead of last year.

New IT&T subsidiary—IT&T Electronics Service Co. of Canada Ltd.—has been organized in Montreal for engineering, installation, operation & maintenance of microwave, radar & other electronic equipment. J. T. Robertson, from IT&T telephone & radio operating dept., N. Y., heads new company.

Magnavox continues optimistic about future of color TV; annual report says 2 new models will be introduced in fall. But it adds: "We continue to feel, however, that there will be no revolutionary switch from black-&-white to color TV receivers but that the growth will be gradual."

Guild Films earned \$616,473 (40¢ per share) in 9 months ended Aug. 31 vs. net loss of \$8,172 in corresponding period of preceding fiscal year.

WJR, The Goodwill Station Inc. earned 67¢ per share in 9 months ended Sept. 30 vs. 69¢ in same 1956 period.

Monthly hi-fi magazine to be sold by hi-fi dealers will be started in Jan. by Ziff-Davis Co., N. Y.

Seeing-Eye Sputnik: Ominous speculation that Soviet space satellite may be acting as super-spy by means of TV—which would have been dismissed as sheer science fiction 2 weeks ago—didn't seem so far-fetched this week with the revelation that Uncle Sam has been working on a lunar Zoomar of his own for last 10 years.

Aviation Week reported Oct. 14 that Air Force-sponsored Pied Piper project (nicknamed "Big Brother") is code name for earth-circling reconnaissance satellite (weapon system No. WS-117-L). Lockheed Aircraft Corp. was identified as head of team working on project, with CBS named as its "probable" electronic teammate and Eastman Kodak as participant. Though this project dates back only to early 1956, magazine says Rand Corp. has been working on similar projects for 10 years, with Aeronutronic Systems Inc. (Ford Motor Co. subsidiary) also conducting studies. All 3 are working under Air Force auspices, article states.

Meanwhile, N. Y. Herald Tribune Syndicate columnist Stewart Alsop and others expressed view that Russia's sputnik is able to "see" somehow—either by TV, film camera or a telemetering system. But Dr. Joseph Kaplan, chairman of U. S.

National Committee for IGY, was quoted in *U. S. News & World Report* as stating that TV-equipped satellite is still a "dream."

Earthbound TV continued to do top-notch job of informing public about satellite, and last week end viewers actually "saw" sputnik from their living room armchairs. Claiming the "first" was Westinghouse Broadcasting Corp., whose WJZ-TV, Baltimore, filmed satellite from display tube of Bendix Aviation's light amplifier, which magnifies light 10,000 times. Films were speeded up so viewers could see actual motion of satellite across screen. They were fed by Boston's WBZ-TV to Westinghouse's other TV stations on live hookup evening of Oct. 13, and fed to NBC-TV affiliates later for 11 p.m. newscast. Also in time for 11 p.m. news shows, another set of "first films" of sputnik arrived from Australia.

Two new Armed Forces TV stations have gone on air in Korea—originating station at Seoul (Ch. 3) with Ch. 12 satellite, first of 4 repeater stations in Korean "network." Other 3 stations are now being installed. After Korean stations are on air, AFTV hopes to start work on Midway Is. outlet.

Radio interview with murder case defendant resulted in mistrial Oct. 16—and citation of Jean LaGrange of WLOI, La Porte, Ind., for criminal contempt of court. In broadcast interview, Robert Lee Johnson, who had gone through 3 previous no-decision trials, told LaGrange that his counsel had promised him suspended sentence if he pleaded guilty to manslaughter, but that he refused because he wanted to be "vindicated." LaGrange then commented that attorneys & court were guilty of unethical practices in making purported offer. Prosecution & defense lawyers moved for mistrial. Ordering it, Special Judge Harry Long found LaGrange in contempt, sent him to jail for 2 hours before \$1000 bond was raised, set hearing for next week.

Small TV & radio stations should be exempt from overtime pay provisions of Fair Labor Standards Act, Sen. Allott (R-Colo.) told Region 7 NARTB conference Oct. 17 in Brown Palace, Denver. He said he would seek an amendment to wage-hour law at next session of Congress to put employes of smaller stations in same category as exempt employes of small newspapers. "Nobody has presented any real reason why in an extremely high paid industry like yours, the Govt. should require a particular [40-hour] work week," Allott said in speech to broadcasters. NARTB advocates exemption of stations which operate outside standard metropolitan areas (50,000 or more population around central city).

Network TV & radio advertising volume was unchanged in Aug. compared with July, while weekly magazines showed 8% increase and newspapers 6%, according to national index in Oct. 18 *Printers' Ink*. Business papers and outdoor advertising were down 6%.

TV film reruns in summer, disparaged as unworthy fare by many newspaper critics, actually are welcomed by more than half of N. Y. viewers who saw some programs earlier, according to Pulse survey in Oct. 7 *Television Age*. Pulse queried 1000 viewers, found 563 saw "advantages to the viewer" in TV repeats, while 333 didn't, 104 had no opinion. Of 672 viewers who had watched reruns in 4-week period, 56.1% said they "enjoy seeing a good program a second time," 27.1% had "nothing better to watch," 20.3% started to watch repeats before they realized they'd seen them before.

Two applications for TV stations and 5 for translators were filed with FCC this week, bringing total to 118 (34 uhf) for stations, 46 for translators. Station applications: for Louisville, Ky., Ch. 15 by Louisville Free Public Library; for Norfolk, Va., Ch. 13 by owners of WBOF, Virginia Beach. Translator applications were for Leadville, Colo., La Grande, Ore. & 3 for Evanston, Wyo. [For details, see *TV Addenda 25-L* herewith].

Kate Smith returns to network radio early next year with daytime program on MBS, pres. Paul Roberts announced Oct. 16. She was with Mutual 1948-50, switched to daytime show on NBC-TV in 1950, retired in 1953 after 25 years of broadcasting. Roberts said she represents "first step in a long-range plan we are now undertaking to bring more & more name personalities" to MBS.

Tribute to TV—"The Fabulous Infant"—will be subject of Nov. 10 *Wide Wide World*, for which NBC says it has obtained "cooperation" of ABC & CBS. It's understood program, mainly from Hollywood, will use film clips and perhaps stars furnished by NBC's competitors.



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SUMMARY-INDEX OF THE WEEK'S NEWS — October 26, 1957

RCA COLOR TAPE perfected; commercial production due late in 1958. New machine compatible with Ampex recorder, heralding uniform standards (p. 2).

NEW BROADCAST LEGISLATION covering networks, allocations and subscription TV to be explored by House Commerce Committee, Harris says (p. 3).

NO PAY-TV APPLICANTS yet, money looming as important barrier; Zenith seen most likely angel. Robert Sarnoff blasts toll TV (p. 4).

FIRST NEWS FILM transmitted across ocean by cable shown by BBC-TV. Using wirephoto methods, technique seen promising though expensive (p. 7).

TV-RADIO TIE-IN HIT by FTC examiner's ruling against 6 grocery producers in promotion plan involving 3 networks, "favored" chains (p. 8).

RCA CALLS SALES "SPOTTY," blames decreasing factory average price on portable volume. Ratio of RCA 17-in. portables running 3-1 over 14-in. (p. 12).

WLWI, INDIANAPOLIS, cleared by FCC, aims for Oct. 30 start. KPTV, Portland (Ch. 12) seeks Ch. 2. KGUL-TV, Galveston, wants shift to Houston (p. 9).

NEW TV STATION serving Beaumont-Port Arthur, KPAC-TV begins programming; uhf WLEV-TV, Bethlehem, Pa. leaving air with \$500,000 loss (p. 11).

RECORD 9-MONTH SALES reported by RCA & Sylvania; Philco comes back strong, profit tripling last year's figure; Hoffman profit up (pp. 14 & 15).

BIGGEST AD YEAR with \$10.4 billion volume—up 5%—seen by Printers' Ink; 1957 TV billings estimated at \$1.015 billion, radio gains 28% (p. 16).

CENSUS BUREAU'S NEW TV HOUSEHOLD TALLY: Total TV homes in U. S. reached 39,800,000 of nation's estimated 49,606,000 homes—roughly 80%—according to Advertising Research Foundation report based on April 1957 Census Bureau Survey. Last survey, in Feb.-March 1956, counted 35,495,000 TV households with at least one set.

Current survey says there are 2,500,000 homes with 2 or more sets. Previous multi-set home counts: June 1955, 1,100,000; Feb.-March 1956, 1,700,000.

Total number of sets in homes is 42,520,000, according to latest study, compared with 37,277,000 in Feb.-March 1956. This does not include sets in use in public places, hotels, etc.

This is fourth national survey handled by ARF, underwritten by networks, NARTB, TvB. On two previous occasions ARF has followed with county-by-county projection of these figures. However, spokesman tells us decision has not been reached on repeating county-by-county estimates.

Growth of number of TV homes now is tapering off as total gets closer to saturation and no major TV markets remain to be opened. Census of Housing in 1950 showed only 12% of all households had TV sets. Succeeding surveys went this way: June 1955, 67%; Feb. 1956, 73%; Aug. 1956, 76%.

TV household concentration continues in standard metropolitan areas, 87% reporting sets in April 1957 vs. 82% in Feb. 1956. Growth was more rapid outside these areas, survey showing 70% in April 1957 compared with 59% in Feb. 1956.

Breakdown by geographic regions: Northeast, 88% in April 1957, 80% in June 1955; North Central, 85% vs. 72%; West, 77% vs. 62%; South, 71% vs. 53%.

For comparison, NBC Research Dept. estimates (page 25, Television Factbook No. 25) 40,000,000 TV homes as of July 1, 1957, with 3,160,000 second sets, 1,340,000 in public places—total of 44,500,000.

COLOR TAPE'S HERE AND RCA'S GOT IT: Climaxing more than 5 years of efforts to devise substitute for color kines, RCA this week demonstrated perfected color video tape recorder and announced production models will be for sale in about a year.

From telecasting industry standpoint, happiest aspect of this week's development is fact that RCA recorder will be compatible with Ampex monochrome recorders which go into production next month. New recorder has same mechanical specifications—including speed and size of tape, rotation of heads, etc.

Meanwhile Ampex pres. George I. Long this week indicated that his company's approach to color (a conversion kit for its monochrome models which Ampex hopes to have available about the same time RCA color recorder is on market) will be same as RCA's, so that color and monochrome tapes eventually will be interchangeable between the 2 makes of machines.

Compatibility feature, forecast in Television Digest 2 weeks ago as result of Ampex-RCA exchange of tape recording and color patents (Vol. 13:41), ends threat of dual standards for video recording—precluding necessity of stations purchasing 2 or more separate recorders—even heralds the day when TV tapes may be syndicated in same manner as film.

■ ■ ■

Color and monochrome TV pictures from RCA recorder left little to be desired at demonstration showing. To us, both appeared superior to best film. Color tones and registration were good, as was reproduction of detail—and pictures definitely had "live" quality. Monochrome pictures from color tape were excellent, with very good grey scale. Only noticeable imperfection was occasional appearance of "drop-outs"—little white dots and streaks caused by defects in tape—a weakness also common to Ampex recordings but rapidly being overcome by tape manufacturers.

Demonstration was held at RCA's compact Johnny Victor Theatre in Radio City, consisted of segments of last week end's NCAA football, Perry Como, Steve Allen & Hit Parade colorcasts—which had been recorded at Camden RCA plant via microwave from NBC's WRCV-TV, Philadelphia, with playback again microwaved to station and relayed to New York by AT&T line. Two 21-in. sets—one color and one monochrome—were used for demonstration. No live or filmed pictures were shown for comparison.

Tape recorder itself is in Camden, wasn't seen except in photographs distributed to newsmen attending. But RCA industrial electronics chief engineer Dr. George H. Brown described prototype recorder as rack-mounted, occupying but not completely filling 5 racks.

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First commercial deliveries of production model color tape recorders are scheduled for "latter 1958," according to industrial products v.p. Theodore A. Smith, with some engineer-built prototypes to be put in use early next year—first ones presumably going to NBC-TV Hollywood studios.

It's too early to estimate price of production units, he insisted. Under questioning, he expressed hope that it would be kept "under \$100,000." Ampex's prototype monochrome recorders cost \$75,000 each and production models will be sold for \$45,000. Ampex delivered 13 prototypes—5 to CBS, 3 each to ABC & NBC, 2 to govt. agencies for instrumentation recording use.

RCA has no current plans to produce monochrome recorders, Smith said—maintaining that its color recorder is complete and can be used for all purposes, including recording and playback of black-&-white shows.

Like Ampex monochrome machine, RCA color recorder uses 2-in. wide tape, running at 15-in. per second, with 3 revolving record-&-playback heads, and can record 64-min. program on 14-in. reel. It uses same tape as Ampex machine, has same erasure and re-use features—and presumably same problem of extreme difficulty in editing and splicing.

Picture displayed this week was far cry—both in quality and approach—from RCA's first color tape "progress report" in Princeton in Dec. 1953, when it used 1/2-in. tape at 30 ft. per second, requiring 17-in. reel of tape for 5-min. show (Vol. 9:49).

Ampex pres. Long commented indirectly on RCA achievement in his observations on RCA-Ampex cross-licensing agreement in Oct. 24 address to Security Analysts Society of San Francisco:

"Color TV is essentially an RCA problem. They have spent millions of dollars in an attempt to get their color TV program under way and their hope is to recover these vast sums through the sale of color TV sets. Their problem has been made more difficult because of the extremely poor quality of the film process for reproducing color TV pictures . . .

"Our interest is somewhat different, obviously, than RCA's, because we are not in the business of selling color TV sets. At the same time our whole black-&-white video tape recorder program could be imperiled if it became apparent that color TV was going to substantially replace black-&-white and we were without an answer for it.

"The technical breakthrough to reproduce color pictures on magnetic tape has been accomplished. When equipment will actually be available for sale I am not in a position to say. With the cross-licensing arrangement . . . we are now in a position to assure the purchaser of our black-&-white video machines that for an additional sum we will be able to supply them with a conversion unit which will make their machines capable of recording and reproducing either black-&-white or color pictures. At the same time, RCA has the right to our video tape patents to produce competitive equipment.

"It now appears that we will have an industry with standard specifications and with at least 2 companies supplying equipment."

Ampex's production plans for black-&-white recorders were indicated this week in company house organ, "Ampex Recorder," which said the 100 production-model recorders now on order "will be in service by midsummer of next year." Among refinements in production units will be interchangeability of recorded tapes among different machines, miniaturization of parts and greater accessibility for repair, provision for remote control. NBC reportedly is scheduled to get 2 more Ampexes in Jan., 6 in Feb.

HARRIS OUTLINES CONGRESS TV-RADIO PLANS: Chairman Harris (D-Ark.) of House Commerce Committee thinks it may be time for some important changes in TV-radio regulation, and he outlined to NARTB Memphis regional conference this week the 3 major studies his committee plans to make next session with an eye to amending Communications Act, broadcasting's legislative charter:

Frequency Allocation—He thinks it may be time for Congress to take over allocations reins, a major and radical departure from current procedure. He sees as a necessity "an examination whether the tremendous developments which have taken place in the field of communications require a new statutory approach to the problem of distributing available spectrum space among governmental as well as private claimants."

He urged re-examination of current divided allocations responsibility—the President for governmental users, FCC for all others. "Few persons would consider it in the public interest for the Congress to appropriate annually a lump sum of money for the operation of our Govt. and to leave to the President the unlimited discretion as to what portion of these funds he wants to use for the national defense and what portion for all other purposes," he said. "Still, that essentially is the situation today with regard to spectrum space, which is a commodity much scarcer than money."

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Networks—Harris plans to give high priority to recommendations arising from FCC's network study. "Specifically," said the congressman, "Congress should determine to what extent, if any, it must give up reliance on the forces of competition to produce results in the field of TV broadcasting and what additional powers, if any, should be granted to the FCC to counteract the concentration of power now existing in this field."

Subscription TV—Having already announced his Committee plans hearings on fee TV shortly after Congress reconvenes in Jan., Harris said: "Subscription TV offers an outstanding opportunity for further concentration of power in the field of broadcasting, and hindsight shows that the Commission's

efforts to cope with the concentration of power in the hands of the networks and other multiple station owners have proven unsuccessful."

He added that Congress has the responsibility to "scrutinize what protection the public interest requires [with regard to fee TV] so that the country will not again be presented with a situation of trying to lock the barn after the horse has been stolen."

■ ■ ■

Harris suggested possibility of putting 10-year time limit on Communications Act—which "might act as an automatic reminder to the Congress" that FCC's regulatory power "must be re-examined in the light of new developments."

Discussing his Committee's legislative oversight (Moulder) subcommittee investigation of regulatory agencies, he assured telecasters that the inquiry "does not include the review of individual cases with a view of changing the results in any such case."

Rather, he said, subcommittee is attempting to "determine whether or not existing patterns of handling individual cases are satisfactory, and, if these patterns are found to be unsatisfactory, whether this is due to the failure on the part of the agency to observe the law or due to inadequate provisions contained in these laws."

TOLL TV—NEXT MOVE UP TO PROPONENTS: Now that the pay-TV chips are down in some fuzzy sort of fashion—i.e., FCC decided it will permit tests (Vol. 13:42)—everyone seems to be waiting for someone else to ante up.

Washington attorneys report that FCC's announcement has stirred almost no response from station clients. A few former uhf operators, eagerly hunting pay system angels, are seeking to get into the swim. Their chances seem slim, since pay promoters would naturally incline to vhf operators and since toll tests are limited to 4-signal markets—where uhf faces enough handicaps already.

Commission itself has heard nothing at all from stations since test decision was issued. Previously, it had bright-eyed inquiries from 3 small-town citizens who asked, in effect, "How do we get into this?"

Question: Who's going to put up the money? It looks like Zenith, if anyone. It has plenty of capital, along with deep, long-nourished yearning to show up commercial TV. Skiatron and International Telemeter just don't have the cash, would have to get it from the public—if public can be persuaded.

Public may be hard to persuade. Special Pulse survey of San Francisco & Los Angeles, for example, indicates that Giants & Dodgers may well take in less money by offering games on wired pay TV than by selling rights on free TV—causing Pulse director Sidney Roslow to speculate that "more people will go broke trying to get it off the ground than will ever make a mint out of it" (see p. 5).

Conditions imposed on stations for subscription tests are totally unrealistic, according to one former uhf operator who has been hot on the toll TV concept. Lou Poller, onetime operator of WCAN-TV, Milwaukee, says that restrictions are "enough to kill the idea." He said he plans to petition Commission to amend rules to restrict pay TV tests to uhf stations only and to one station in each market. "If they restricted it to uhf," he said, "they'd get 2000 applications. As it is, the networks are the only ones who can go into it. And one station would have trouble getting enough programming material in each market. What would 4 do for product?"

■ ■ ■

Question of choosing among station applicants has been raised by some attorneys. FCC limits each "system" to 3 markets. Commission sources say it's up to system owners to choose, in event more than 3 stations seek franchises. But there's lot of feeling in Washington that question is academic, that there'll be no plethora of applicants giving system owners the delightful chore of choosing.

■ ■ ■

One of the best statements of opposition to pay TV to date came this week in speech by NBC pres. Robert W. Sarnoff, addressing luncheon in his honor by WIIC, Pittsburgh. If fee TV does eventually

replace free broadcasting, he said, "we, like the public, will have no choice but to follow the pay tide."

Inevitably, he said, free TV must offer same type of programs now presented free—sports, drama, film, culture—and "box-office revenue would enable pay-TV to outbid free TV for programs, even if the pay audience were much smaller." By siphoning off the major attractions, pay TV would shrink free TV's advertising base and either kill it completely or reduce it to "marginal" type of service.

Argument that public will be able to choose between free or pay programs "crumbles under examination," said the NBC pres., taking Giants & Dodgers as example. If they go on pay TV, he charged, only choice left to those who wish to see baseball will be "pay-or-you-don't-see." Subscription TV, he added, "can succeed only by devouring the substance of free TV."

Sarnoff could see no practical difference between broadcast and wired pay systems—end result being "replacement of a broad-based free service by a narrower service with a price tag on it."

While toll-TV prospect might be "tempting" to networks and conceivably could provide larger profits than free broadcasting, he said public interest requires maintenance of free system. "Indeed, if self-interest were the prime consideration, we might well be hedging by laying out a stake in pay TV ourselves; or at least by adopting a non-committal position."

He took inferential swipe at FCC's Barrow report with charge that "a governmental study staff" is giving aid & comfort to toll-TV forces by "tampering with the delicate mechanisms of the broadcasting structure." If the network operation "weakens or fails, pay-TV will not falter in taking over."

Can Pay TV Pay Off? Pulse Inc. director Sidney Roslow thinks it can—eventually. But results of Pulse surveys in Los Angeles & San Francisco have convinced him it will have tough sledding initially, and he predicts that "neither the Dodgers nor the Giants will go pay TV just yet." He revealed results of these toll-TV surveys, plus one made in New York, at AFA district conference at Norfolk last week end. N. Y. survey indicated that while more than 250,000 TV homes would pay to see televised movie while it is playing at Radio City Music Hall, "it is questionable whether these people would pay enough to make the showing of first-run top-quality movies feasible." In N. Y., a top movie could gross \$270,000 from pay TV as opposed to \$150,000-\$160,000 at Music Hall in addition to neighborhood theatres. In Los Angeles & San Francisco, Pulse found 13% of TV homes would pay to see baseball games, but largest number drew the line at 50¢ a game as top price, and most weren't willing to view more than 2 games a week. At the 50¢ price, this would mean \$65,000 a game for Dodgers (twice as much as they averaged in Brooklyn from TV-radio & ballpark tickets) and \$33,000 for Giants (50% more than at Polo Grounds). But since 2 games a week appears to be saturation point for toll TV, Roslow concludes that teams would actually take in less money via pay TV than by following their former policy of restricted free TV. (Since Roslow didn't mention gate receipts of the Cal. teams in computing his comparisons, apparently he feels they would play to empty ballparks on days they were being toll-televised.)

First educational TV series produced by new Organization for National Support of Educational TV (ONSET), Chicago (Vol. 13:37), is *The World of Medicine*, sponsored by Schering Corp. Cooperating in 13 half-hour filmed programs, with doctors & nurses as actors and clinics as locale, were American Heart Assn., American Hospital Assn., National Education Assn., Optical Society of America, American College of Radiology. Series covers radiology, blood pressure, rheumatic fever, eye, heart, brain, hormones, dentistry, speech. Headed by ex-chairman Edward L. Ryerson of Inland Steel Co., ONSET advocates commercial sponsorship of educational programming.

TV does "Herculean" job of good programming, FCC Comr. Robert E. Lee said Oct. 23 in speech to Chicago Council 182 of Knights of Columbus. "If occasionally a presentation falls short of the mark," he said, "the wonder is not that every once in a while one misses, but that so many hit, if only in the outer rings of the target." Lee lauded NARTB's Code of Good Practice as demonstration by broadcasters of "real effort" to "eliminate much of the objectionable material from TV" and improve programming. However, he said, "audience rejection is by far the most effective method."

Fear of slander suit led to cancellation of *Manion Forum* just before it was scheduled to go on air Oct. 20 over MBS stations with taped speech by pres. Herbert V. Kohler of strike-harassed Kohler Co., Kohler, Wis. Mutual executives decided speech was "unacceptable" for broadcast because Kohler statements about United Automobile Workers leaders and police officials "may be held defamatory." Kohler offered to indemnify radio network, but Clarence B. Manion, former Notre Dame law school dean who heads *Manion Forum*, withdrew 15-min. program.

Pre-censorship of TV programs as well as movies & stage shows was advocated as "absolute necessity to the preservation of decent moral standards" by Rev. Gerald H. Kirwin, editor of *The Evangelist* of Catholic diocese of Albany, in address at Siena College, Loudonville, N. Y. "You would not let a child learn the danger of fire by putting its hands in the flames," he said, contending that without censorship "there will be chaos in the moral world, and then all sorts of conflict in the economic & spiritual worlds."

Union meetings on TV at home are new labor promotion gimmick of United Steelworkers, whose pres. David J. McDonald wants to show public as well as stay-at-home members how union's business is conducted. Series of 13 programs produced by Bob Post, Philadelphia film packager, shows McDonald giving reports on Steelworkers' progress, explaining how union money is spent, illustrating advantages of organization. Scheduled to start in Nov., series is planned for Sunday afternoon showings in 30 major markets where Steelworkers are concentrated.

Personal Notes: Thomas Velotta, ABC-TV v.p. & administrative officer for news, special events, sports & public affairs, assumes new network duties in Hollywood . . . Manny Reiner promoted to TPA v.p. in charge of foreign operations . . . Paul C. Conangle appointed Latin American sales coordinator of ABC Film Syndication . . . Henry W. Levinson promoted to sales development mgr. of ABN . . . Robert F. Hurleigh, in charge of Washington office, and Harold M. Wagner, in charge of programs, named MBS v.p.'s . . . Proctor Jones promoted to national sales mgr. of WNAC-TV & WNAC, Boston, and Yankee Network div. of RKO Teleradio Pictures . . . John E. Kilgore Jr., from Kilgore & Kilgore law firm, Dallas, becomes gen. partner of J. H. Whitney & Co., parent of Corinthian Bestg. Corp. . . . Frank Barron, from WJW-TV, Cleveland, promoted to national sales staff of Storer Bestg. Co., N. Y. . . . Paul Garrett, retired public relations v.p. of General Motors, elected a director of Teleprompter . . . John A. Kellogg, ex-Institute for Motivation Research, named v.p. & gen. mgr. of Forbes Marketing Research; Dr. Charles D. Forrest, ex-Forbes, appointed marketing professor at NYU School of Commerce, Accounts & Finance . . . Stanton Webb, ex-Paper Mate Pen, joins Jerry Fairbanks Productions, Hollywood, as sales director . . . Richard Bronson promoted to mgr. of WABI-TV, Bangor; John MacRae to mgr. of WABI . . . Carlos Rivera promoted to gen. mgr. of WAPA-TV, San Juan, replacing David H. Polinger, who resigns Nov. 1 to return to States; Helena Martinez Schettini named head of new sales service dept. . . . Glenn W. White promoted from program director to gen. mgr. of

KNAC-TV, Ft. Smith, Ark., succeeding Dick Campbell . . . Wm. D. Gibbs promoted from film director to program director of KNTV, San Jose . . . Arthur L. Smith, from KVTU, Sioux City, named managing director of news & special events of WHTN-TV & WHTN, Huntington . . . Gerald Thomas, gen. mgr. of radio WHIN, Gallatin, Tenn. promoted to exec. asst. to Dot Records pres. Randolph Wood who also controls WHIN . . . Wm. E. Anderson promoted from NBC trade press mgr. to program services mgr. of NBC-TV participating programs.

Obituary

Charles J. Feldman, 57, v.p. & gen. mgr. of Universal Pictures, died Oct. 23 of heart attack in N. Y. home. He joined Universal in 1929 as Sioux City branch mgr. after working in midwest for United Artists and World-Wide Pictures, rose to v.p. of company in 1953. He was past chairman of distributors committee of Motion Picture Assn. of America, noted as conciliator in disputes between distributors & theatre operators. Surviving are widow, brother, 2 sisters.

Richard Field Lewis Jr., 50, Winchester, Va. owning 6 stations and building a 7th, died Oct. 18 after collapsing in Washington hotel. He owned WRFL, Winchester; WSIG, Mt. Jackson, Va.; WFVA, Fredericksburg, Va.; WHYL, Carlisle, Pa.; WAYZ, Waynesboro, Pa.; WELD, Fisher, W. Va., and held CP for WAGE, Leesburg, Va. Surviving are his widow, 3 sons.

Edward A. Allen, 68, pres. of WLVA-TV & WLVA, Lynchburg, Va., died there Oct. 19 from heart disease after long illness.

ADVERTISING AGENCIES: Wm. M. Weilbacher promoted to v.p. & research director of Dancer-Fitzgerald-Sample . . . A. Burke Crotty elected TV-radio v.p. of Ellington & Co. . . . Lucien C. Rondot, who headed own market research firm, named marketing research director of Ketchum, MacLeod & Grove . . . Douglas C. Manson, ex-Benton & Bowles, joins creative dept. of Joseph Katz Co., which also makes these Baltimore office appointments: James A. Miller, TV-radio director; Stanley E. Blumberg, v.p. & gen. mgr.; Morris L. Milstein, production mgr.; George Fondersmith, art director . . . Alan Pottasch, ex-ABC, joins Kenyon & Eckhardt as international account executive . . . Willard Johannsen, ex-*Electrical Dealer*, joins staff of Needham, Louis & Brorby.

Regional merger of Burke Dowling Adams Inc. and Roy S. Durstine Inc., with joint offices at 3440 Wilshire Blvd., Los Angeles, will give former a southern Cal. outlet. Announcement of "reciprocal working agreement" says both agencies will retain corporate identities, but Durstine v.p. Wm. D. Sloan also becomes western div. mgr. of Burke Dowling Adams.

GE ad account for technical products dept. goes to Brooke, Smith, French & Dorrance for marketing of TV-radio broadcast equipment.

Tex. Assn. of Broadcasters elects: M. E. Danbom, radio KTBB, Tyler, pres.; Al Johnson, KENS-TV & KENS, San Antonio, v.p.; Joe Leonard Jr., radio KGAF, Gainesville, secy.-treas. New directors: Charles Jordan, KFJZ-TV, Ft. Worth; George Tarter, KCBD-TV, Lubbock; Jim Hairgrove, radio KFRD, Rosenberg.

National Community Antenna Assn. of Canada incorporates, elects: Fred Metcalf, Guelph, Ont., pres.; N. Dery, Bagotville, Que., v.p.; K. J. Easton, Montreal, Que., secy.; O. Girard, Magog, Que., treas.

Jail sentence of 45 days was handed out Oct. 23 to newscaster Jean R. LaGrange of radio WLOI, La Porte, Ind., for contempt of court for broadcast interview with murder case defendant which caused mistrial (Vol. 13:42). Special Judge Harry Long fined LaGrange \$250 and tacked on prison term on ground that broadcast "constituted a clear & present danger to the administration of justice in this case [and] reflected on the court as an institution." LaGrange told judge he had no intention of questioning court's integrity in broadcast, which reported "deal" had been offered accused slayer.

Carillon for Vatican exhibit at 1958 International Exposition at Brussels is being donated by RCA chairman Brig. Gen. David Sarnoff, according to Paul A. Haymans, Brussels banker who'll be Vatican's commissioner-general at fair. In White House visit Oct. 25, Haymans told President Eisenhower electric carillon will be one of world's largest.

Sole woman engineer on FCC staff is Miss Irma Galane, recently transferred from Defense Dept., where she served primarily in Navy Bureau of Aeronautics, to Commission's rules & standards div. Last woman engineer with Commission was Virginia Erwin Page, who left several years ago.

Father-&-son TV teams show how industry is reaching maturity despite mere decade of growth, Oct. 21 *Television Age* notes in article containing thumbnail sketches of second-generation executives of networks & stations.

FCC Comr. Richard A. Mack and UNESCO Mass Communications Dept. dir. Tor Gjesdal will be banquet speakers Oct. 31 at National Assn. of Educational Broadcasters convention in St. Louis' Statler Hotel.

Mennen Baby Foundation will award \$1000 for "outstanding contribution to baby care" by TV or radio program, book, newspaper editorial campaign, etc. Deadline for nominations at 430 Park Ave., N. Y., is Nov. 15.

Transatlantic Telemovies: News film transmitted across Atlantic by cable was telecast for first time on British TV Oct. 22 as result of cooperative effort by UP Movietone News and BBC, climaxing more than 2 years of exploration and tests by UP Movietone. More commonplace TV use of the technique depends on economics—whether telecasting industry is willing to spend the comparatively large amounts of money required for such brief snatches of quickly delivered film.

Film shown on BBC-TV lasted about 15 seconds (9 ft. of 16mm), though somewhat more was transmitted by UP Movietone. Film was taken at 10:10 a.m. in Staten Island, showing arrival of Queen Elizabeth & Prince Philip there. The exposed film arrived at processing lab about 11:45, was “out of soup” and dry shortly before 1 p.m. Transmission to Britain took about an hour, but BBC didn't show film until its usual 11 p.m. news show (7 p.m. N. Y. time).

Transmission via underwater cable used regular wirephoto techniques and equipment. Film was shot on 16mm positive film, printed on photographic paper as a negative, received in England as positive print on negative film stock. UP handled transmission at both ends. Scanning system was stepped up so that lines were 3 times as fine

Report on Japanese TV: Japan now has 17 stations on air, plus 4 satellites—with 5 more due to start by end of year—according to TPA foreign v.p. Manny Reiner, who returned this week from far east trip. As of Aug. 31, he said, there was total of 591,116 registered sets, plus about 160,000 unregistered sets. He said circulation is increasing at rate of 60,000 sets a month. Of total stations, 12 are owned by NHK, official semi-governmental network. Most popular screen size is 14-in. (about \$210), though 17-in. sets are also manufactured. American TV films are purchased under dollar allocations approved by govt., he said, total for year ended March 31, 1957 being \$166,000, for this year \$325,000. He quoted survey indicating that films are most popular Japanese TV fare, followed by sports, stage attractions, quizzes. Average TV receiver prices in other Oriental countries: Thailand, \$350; Hong Kong (wired TV), \$9.50 a month for receiver and 5 hours of nightly programs; Philippines, \$400.

“Tactile electronics”—transmission of sense of touch via wire and radio—is predicted in Nov. *Radio-Electronics Magazine* by editor Hugo Gernsback, who in his long career as popular scientific publisher has foreseen many of today's electronic advances. He points out that electronic principles behind “teletac” are already well-known, and looks into future when a telephone subscriber might “see, feel and order a suit or a bolt of cloth or any other merchandise across the continent,” or doctor might feel patient's pulse or take his temperature over the phone.

We goofed last week—as a number of cartographic-minded subscribers were quick to point out—in locating “northernmost TV station within U. S. borders” (Vol. 13:42). Actually, honor belongs to KVOS-TV, Bellingham, Wash., as a look at map should have shown us in the first place.

RCA shipped live color camera Oct. 23 to Smith, Kline & French, Philadelphia; 3-V color film camera Oct. 21 to WFBM-TV, Indianapolis.

as for regular newsphoto transmission and quality of resulting film was described as “very usable.”

The newsfilm which was used was actually sixth transmission in series of such tests, according to UP Movietone mgr. Wm. R. Higginbotham, who said 3 of the tests resulted in “completely usable” film. He added that transmission system gives good quality reproduction on close-ups, but not for distant scenes.

Higginbotham said radio transmission has also been tried for sending film across ocean, but has proven unsatisfactory because of distortion. Ideal system, he believes, would be to transmit from 35mm film print with scanning lines every 1/500 in., receiving station picking up reproduced pictures on 16mm film.

UP Movietone officials said cost details for such service hadn't been worked out. BBC news dept., meanwhile, is exploring same technique, plans cable transmission of news film to U. S. TV next time there's event of sufficient interest to American viewers.

Picture quality could be improved, it's understood, through development of equipment especially designed for scanning of motion picture film—if & when there's real demand for service.

More Cable Applicants: Directory of cable-theatre franchise applications (Vol. 13:41) is augmented by following, reported by trade publications, etc.: Cal.—Berkeley, Skiatron Inc.; Beverly Hills, Harriscope Inc.; Burbank, Harriscope Inc.; Carlsbad, Tele-Movie Development Co.; Gardena, Tele-Movie Development Co.; Lakewood, Skiatron Inc.; Montebello, Tele-Movie Development Co.; Pasadena, Harriscope Inc.; San Diego, Skiatron TV Inc.; San Mateo, Skiatron TV Inc.; Santa Monica, Harriscope Inc.; Uplands, Tele-Movie Development Co.; Vista, Tele-Movie Development Co. Ind.—Muncie, Y. W. Management Corp.; New Albany, Meritt Wilkins. Mont.—Billings, Televents Inc. N. C.—Fayetteville, Wellons Theatres.

DuMont names 7 new distributors for industrial TV line: Boom Electric Corp., 5226 W. Grand Ave., Chicago; De Mambro Sound Equipment, 1095 Commonwealth Ave., Boston; Electronic Specialty Co., Virginia St. W., Charleston, W. Va.; Shaffer Co. Inc., 849 N. High St., Columbus, O.; Signal Equipment Co. Inc., 2706 Third Ave., Seattle; Southeastern Sight and Sound Corp., 400 Glenwood Ave., Raleigh, N. C.; Springfield Sound, 772 Worthington St., Springfield, Mass.

Commercial TV is “acceptable to the overwhelming majority of the public,” International Chamber of Commerce has decided, its council passing resolution in Paris calling for commercial TV research based on experience gained in U. S., Canada & U. K.

Boycott of TV sets in Cyprus—where govt.-owned station is operating—is urged by anti-British National Organization for Cyprus Liberation, which claims TV transmissions are loaded with propaganda.

First sponsored show on Spanish TV, Ziv TV reports, will be Spanish-dubbed *Highway Patrol* series (*Caminos de Patrullo*). It will be sponsored by N. V. Philips, worldwide electronics-electrical combine.

Advertising sales in *TV Guide* for first 3 quarters of 1957 totaled \$4,085,809, up 75% from same 1956 period.

FTC Hits Promotion Plan: In blow at TV-radio advertising tie-ins used by all 3 networks, FTC examiner Abner E. Lipscomb ruled Oct. 24 that 6 major grocery producers gave illegal promotional allowances to favored grocery chains by paying for their broadcast time (Vol. 12:30, 44).

Charging violations of Robinson-Patman Amendment to Clayton Act, Lipscomb issued preliminary orders prohibiting such allowances except on a proportionately equal basis for all customers. Examiner said producers paid CBS, NBC & ABC for time which networks gave to favored chains without charge in return for in-store promotional displays of manufacturers' products.

Named in ruling were Groveton Paper Co., Groveton, N. H.; General Foods Corp., White Plains, N. Y.; Sunshine Biscuits Inc., Long Island City, N. Y.; Piel Bros. Inc., Brooklyn; Hudson Pulp & Paper Corp., N. Y.; P. Lorillard Co., N. Y.

According to FTC, plan (called "Supermarketing" by CBS, "Chain Lightning" by NBC, "Mass Merchandising" & "Sell-A-Vision" by ABC) worked this way:

Networks entered into agreements with grocery chains whereby, for free TV or radio time, they conducted in-store promotions of products. Then networks solicited manu-

facturers to buy time at regular rates, offering in-store promotion as added inducements.

Networks were not named as defendants in case, in which grocery companies argued that their payments to CBS, NBC & ABC covered only their own broadcasting time—not promotional allowances for favored chains.

But Lipscomb held that 6 producers "would not have purchased broadcasting time at all, or would have purchased it only at a reduced price or in a lesser amount, except for the inducement of the in-store promotion." He said companies were sole financial supporters of plan, paying for time given stores for in-store promotion as well as for time for producers' own use.

As examples of payments made by 6 manufacturers to networks for time in N. Y., Chicago & Boston, FTC examiner cited these yearly totals: Groveton (1954), \$122,151; General Foods (1955), \$206,411; Sunshine Biscuits (1955), \$132,775; Piel (1953), \$211,795; Hudson (1954), \$154,619; P. Lorillard (1955), \$210,758.

Bait advertising on TV & radio and in newspapers by Universal Sewing Service Inc., 600 Reading Rd., Cincinnati, is alleged in default order issued Oct. 24 by FTC examiner Joseph Callaway prohibiting false claims in sales of sewing machines & vacuum cleaners. Firm failed to answer FTC charges that it used "Westinghouse" name on Japanese sewing machines, advertised products at prices which weren't bona fide.

What Western Admen Earn: "Peons" in ad fields—if there are such—include production assistants employed by agencies & advertisers, whose median pay is less than \$4500, and senior copywriters & copy chiefs at TV & radio stations, whose median salary is on level with production assistants, according to Oct. *Western Advertising*. Survey of 6 western states by assoc. professor Daniel S. Warner of School of Communications at U of Washington also shows that TV & radio time salesmen for larger stations make more than space salesmen for larger newspapers. Among "lowest bracket salesmen" at 19 TV stations, 14 radio stations & 14 newspapers, these earn more than \$5000: 79% TV, 50% radio, 29% newspaper. More than \$7500: 14% TV, 10% radio, no newspaper. Among "highest bracket salesmen," these earn more than \$7500: all TV, 82% radio, 71% newspaper. More than \$9000: 93% TV, 64% radio, 7% newspaper. Newspaper employes holding titles of commercial mgr. or adv. director on newspapers earn more than TV & radio counterparts, however: 77% earn more than \$15,000 on newspapers, while only 39% in TV and 36% in radio are in that bracket.

"Truthful advertising" campaign in cooperation with FTC was launched Oct. 23 by Advertising Federation of America, to "gain greater public confidence" in reliability of claims. Announcement of drive followed FTC-AFA conference in Washington, where FTC Chairman John W. Gwynne said voluntary effort would be aimed particularly at "abuses" such as fictitious pricing, bait ads, exaggerated claims for drugs. He welcomed "help of the industry in clearing the advertising road for honest competition," added that "99 & 99/100%" in business—including TV, radio & newspapers—favor honesty. AFA group was led by chairman Robert M. Feemster, a Dow, Jones executive.

TV & radio contacts are needed by small firms as part of "bank account of dependable friends & allies," Small Business Administration points out in *Public Relations for Small Business Owners* (Marketers Aid No. 27), available from all offices of agency.

Who Owns TV Ad Idea? Unique agency-vs.-advertiser suit—unpublicized by any principal until issues were exposed this week by federal court injunction in Philadelphia—poses this knotty TV commercial question: Who owns idea submitted by agency, rejected by advertiser, then adopted by advertiser after it is proposed by another agency? Warwick & Legler (joined by Remington Rand as party-plaintiff) contends that defendant Schick Inc., former client whose account was switched to Benton & Bowles, has no right to use razor "cotton test" on TV—as Schick did on *Dagnet* Sept. 19. Agency claims that razor sequence, spurned in 1956 by Schick, remains property of Warwick & Legler, which has since sold idea to client Remington Rand, Schick's competitor. Schick maintains that 15% commission it paid to Warwick & Legler covered any ideas submitted by agency, that advertising trade custom permits client to keep such ideas, that in any event Benton & Bowles had come up with "cotton test" dramatization after account was switched. Judge J. Cullen Baney granted temporary injunction to Warwick & Legler, restraining Schick from further use of "cotton test" pending further hearings in case—probably in Jan.

Teen-age TV viewers "seem ashamed that they fell for what was told to them when they were kids," pres. Lester Rand of Youth Research Institute told 37th annual meeting of Conn. Dairy & Food Council at Cheshire. He said teenagers no longer succumb to "soothing blandishments" of TV commercials which in pre-adolescent days encouraged them "to stock pantries with their sponsors' merchandise." Rand cited 1956 study by Institute which showed 59% of teen-agers thought commercials could be improved, only 23% thought they were satisfactory.

Must Reading: (1) "Talent Agents" in Oct. 21 *Broadcasting*. "They're taking \$50,000,000 a year from TV," magazine says of 10 percenters. "Are their services that valuable?" (2) "The Rise & Fall of the Radio Commentator" by Quincy Howe in Oct. 26 *Saturday Review*. Veteran newscaster, pres. of Assn. of Radio & TV News Analysts, fears his trade—in both media—faces "gradual extinction."

Deck Cleared for WLWI, Indianapolis: Bitter battle over Crosley's WLWI, Indianapolis (Ch. 13) ended at FCC level, as Commission denied all petitions seeking to block effectiveness of CP. Station management now aims for start with ABC-TV by Oct. 30, hoping to get program test authority by then. FCC vote was 4-2, Lee not participating, Hyde & Bartley dissenting.

Improved facilities were sought by 2 major-city vhf stations this week—KPTV, Portland, Ore. applying for switch from Ch. 12 to newly assigned Ch. 2, KGUL-TV, Galveston (Ch. 11) asking that its channel be assigned to Houston. Latter gave as precedent Commission's action in reassigning KTVX's Ch. 8 from Muskogee to Tulsa—a move that had been contested by KOTV, Tulsa (Ch. 6), which has same ownership as KGUL-TV (Corinthian Bestg. Corp.).

Allocations actions by FCC: (1) Finalized addition of Ch. 13 to Fajardo, P. R., deletion of Ch. 12 from Charlotte Amalie, V. I., substitution of Ch. 12 for 13 in Aguadilla-Arecibo, P. R. (2) Proposed substitution of Ch. 80 for 70 in Bradford, Pa.

Texas Tech's CP for Ch. 5 in Lubbock, due to become effective Oct. 28, was held in abeyance this week as Commission stated it wanted to look into agreements of Lubbock's KDUB-TV & KCDB-TV to donate funds to college.

CPs granted: Educational Ch. 5, Albuquerque, to U of N. M. and city board of education; Ch. 74 & Ch. 78 translators in Ukiah, Cal.; Ch. 73, 78 & 83 translators in McGill, Nev.; Ch. 75 & 80 translators in Ely, Nev.

Control of Meyer Bestg. Co., operating KFYZ-TV, Bismarck (Ch. 5) & KFYZ and affiliated KUMV-TV, Williston, N. D. (Ch. 8) and holding CP for KMOT, Minot, N. D. (Ch. 10), passes from Etta Hoskins Meyer to daughter Marietta Meyer Ekberg, it's disclosed by transfer application filed with FCC. Mrs. Meyer is turning in 2904 shares (54.3%) to Meyer Bestg. in return for title to office building which houses studios of KFYZ-TV & KFYZ. Also involved is \$137,000 in obligations—she's cancelling note for \$87,000 due her for cash loan to Meyer Bestg. and assuming two \$25,000 notes of Meyer Bestg., one to First National Bank, other to former gen. mgr. & stockholder Frank E. Fitzsimonds. Ownership after transfer: Wm. A. Ekberg, pres.-gen. mgr., .04%; Marietta Meyer Ekberg, 63.83%; Marietta Meyer Ekberg trust (Etta H. Meyer, trustee), 35.38%; Gordon V. Cox, secy., .49%; Ward R. Lewis, director, .25%.

Mel Wheeler is acquiring 96% of WJDM, Panama City, Fla. (Ch. 7) for \$60,000 from builder J. D. Manly, it's shown in application filed with FCC. Wheeler already owns 2%, his wife 2%. Wheeler also owns 25% of WEAR-TV, Pensacola (Ch. 3) & WEAR, holds CPs for radio WSCM, Panama City, and WTYT, Titusville, Fla. Aug. 31 WJDM balance sheet shows \$8993 profit to date. It lists \$37,351 current assets, \$119,872 fixed assets, \$46,939 good will; \$196,521 liabilities, \$10,000 capital stock.

Rate changes: WLWT, Cincinnati, Oct. 27 raised base hour from \$1000 to \$1500, min. \$250 to \$330. WLWC, Columbus, O. Oct. 27 raised hour from \$800 to \$1100, min. \$175 to \$200. WLWD, Dayton, O. Oct. 27, hour \$800 to \$1100, min. \$175 to \$200. WAGM-TV, Presque Isle, Me. Nov. 1 adds Class AA hour (8-10 p.m. daily) at \$225, min. \$45, Class A hour going from \$150 to \$200. WABI-TV, Bangor, Me. Nov. 1 offers combination with WAGM-TV, hour at \$500, min. \$100. Spot increase: WBUF, Buffalo, raises 20 sec. from \$110 to \$135.

The St. Louis Parlay: St. Louis is experiencing a three-way ownership switch in TV stations, FCC this week having approved sale of KWK-TV (Ch. 4) to CBS along with transfer of CP for Ch. 11 there from CBS to 220 Television Inc.—while *St. Louis Globe-Democrat* (which had held 23% of KWK-TV) filed application to buy 25% of KTVI (Ch. 2). *Globe-Democrat* is paying \$31,000 for 310,000 shares of KTVI stock, taking over about \$141,000 in mortgages and lending station \$360,000. KWK-TV is being sold to CBS for \$2,500,000, with network paying additional \$1,500,000 to *Globe-Democrat* for TV studio and real estate. Call letters are to change to KMOX-TV. Transfer of CP for Ch. 11 to 220 Television Inc. is part of agreement CBS reached with losers in Ch. 11 hearing (220 Television Inc., St. Louis Telecast Inc. & Broadcast House Inc.) that they terminate all litigation challenging CBS's right to Ch. 11. Agreement also provides that 220 Television is to issue \$200,000 in debentures to both St. Louis Telecast and Broadcast House. Future of radio KWK hasn't been settled, but agreement gives 220 Television first refusal if it's put up for sale (Vol. 13:39).

Commission Okays AM-FM Transfers: Radio sales approved by FCC this week: KQV, Pittsburgh, by trustees Earl F. Reed & Irwin D. Wolf Jr. for \$700,000 to AB-PT (Vol. 13:35) . . . KRMG, Tulsa, by Western Bestg. Co. (Harrington Wimberly, pres.) for \$500,000 to Meredith Publishing Co. (Vol. 13:35) . . . WVDA, Boston, by Vic Diehm Assoc. for \$252,500, plus \$206,000 in stockholder's notes to Great Trails Bestg. Corp., controlled by ex-Secy. of Commerce Charles Sawyer (Vol. 13:39) . . . KWFT, Wichita Falls, by Kenyon Brown for \$300,000 to Ben Ludy and associates (Vol. 13:40) . . . WFMF (FM), Chicago, with functional music service, by Field Enterprises for \$125,000 to Chicago attorney Maurice Rosenfield (Vol. 13:37) . . . WCSI, Columbus, Ind. by Syndicate Theatres Inc. (J. P. Finneran & Trueman Rembusch) for \$100,000 to Findley (O.) *Republican-Courier* (Vol. 13:36) WERI, Westerly, R. I. by Ted Estabrook for \$74,000 to Wm. Sweeney (Vol. 13:36) . . . WOKE, Oak Ridge, by Air Mart Corp. for \$64,000 to Carter M. Parham (21% of WDEF-TV, Chattanooga) and associates (Vol. 13:39) . . . KLMO, Longmont, Colo. by Grady F. Maples for \$63,000 to Arline H. Steinbach (Vol. 13:39) . . . WWXL, Manchester, Ky. control (47%) by Clifford Spurlock for \$32,450 to J. L. Tighe and associates (Vol. 13:39).

Reports of Radio Station Sales: WHAR, Clarksburg, W. Va. sold by George F. Wilson Sr. & Jr. in deal involving \$155,000 to Mr. & Mrs. Mason C. Deaver, former owners of WPUV, Pulaski, Va. (broker, Blackburn) . . . WEAR, Pensacola, by Gulfport Bestg. Corp. (Mel Wheeler, pres.) for \$112,500 by Florida Radio & Bestg. Co. (Edward J. Oberle, pres., also owner of WIVY, Jacksonville, Fla.). WEAR-TV is retained by Gulfport (Chapman) . . . WMMB, Melbourne, Fla. 70% by Mrs. Erna Bessler for \$102,500 to Harlan Murrelle and associates; Murrelle is pres. & 20% owner of WOND, Pleasantville, N. J. and publisher of two N. J. weekly newspapers (Chapman) . . . KLEE, Ottumwa, Ia. by Jack Lester & Wm. O'Connor for \$57,500 to Carroll Marts, ex-MBS central div. (Hamilton, Stubblefield, Twining & Assoc.) . . . KORC, Mineral Wells, Tex. by J. Elroy McCaw for \$45,000 to Action Bestg. Corp., owned by Waco businessmen J. H. Kultgen, Bernard Rapoport and Wm. Stinson . . . KART, Jerome, Ida. by Herbert E. Everitt (66⅔%) and Karl L. Metzberg (33⅓%) for \$35,000 to Frederick M. Parry, engineer for Radio Free Europe in Biblis-Hessen, Germany.

Telecasting Notes: "The film industry," reports Oct. 23 *Variety*, "has quietly launched a campaign to dispel a rumor that is reportedly sweeping the nation that the screen hits now scheduled for theatre presentation will soon be released for free TV viewing." Elsewhere same issue reports survey by unnamed business analyst firm quoted by Allied Theatre Owners of Ill. as indicating that "22.5% of the lost admissions in July were contributed by those who said that they decided to wait to see a picture when it comes on TV" . . . Revival of interest in such "space" shows as *Rocky Jones*, *Space Ranger* and *Flash Gordon* as well as *Science Fiction Theatre* etc. reported by syndicators as result of sputnik. Screen Gems, AAP and United Artists also reportedly are contemplating putting together "space packages" of interplanetary features . . . Popularity of Bing Crosby-Frank Sinatra *Edsel Show* was reflected this week on 2 fronts: (1) ABC-TV's *Frank Sinatra Show* premiere garnered whopping 29.1 Trendex, outranking combined network competition. (2) CBS-TV signed Crosby to another 60-min. special Dec. 11, 10-11 p.m., immediately sold half of it to Shulton cosmetics . . . Bob Hope lost a sponsor as result of appearing on *Frank Sinatra Show* (ABC-TV) which included commercial for alt.-week sponsor Bulova Watch Co. U. S. Time Corp. immediately canceled its partial sponsorship of 3 forthcoming Hope shows on NBC-TV; Hope said he didn't know Bulova commercial would be used on Sinatra's Chesterfield-sponsored show . . . Riding horror wave, ABC-TV has entered into co-production deal with Screen Gems for 39 half-hour *Tales of Frankenstein* films for 1958-59 season

. . . "Made in Japan" label goes on U. S. TV commercials for first time as result of pact between Song Ads Inc., Hollywood, and Cinema Guild Productions, Tokyo. U. S. firm will offer advertisers Japan-made commercials featuring stop-action puppets with U. S.-recorded soundtracks. Firm will also distribute puppet shorts to TV stations . . . Newly reorganized Flamingo Films (Herman Rush, pres.) enters first-run syndication via *Citizen Soldier*, to be produced in cooperation with Defense Dept. at cost of more than \$1,000,000; shooting begins in Europe about Nov. 1.

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Broadcasters must learn to accept criticism, NARTB pres. Harold E. Fellows said Oct. 22, deploring those "who have chosen to ignore criticism, since our industry attracts a good deal, rather than to analyze it." In speech to joint luncheon meeting of Kiwanis Club of Kan. and broadcasters from Kan., Okla. & Tex. at Baker Hotel, Dallas, he said: "It should be the obligation of every broadcaster to take such criticism as comes his way, analyze it, discard that which is motivated by purely selfish reasoning and consider that which comes from responsible sources."

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Comedians will disappear from entertainment world unless networks use their radio stations as "farm system" for training of comics and comedy writers, Steve Allen warned at 16th annual Pulse luncheon in N. Y. this week, where he received the research organization's "Man of the Year" award. He said that young comics need 3 or 4 years on radio, "away from the pressure of ratings," before being moved into TV's "firing line."

Tax Ruling Assailed: IRS refusal to allow station buyers any tax depreciation for TV network affiliation contracts (Vol. 13:35) is "based on something less than knowledgeable facts about our industry & industry practices," Wm. T. Stubblefield of Hamilton, Stubblefield, Twining & Assoc. said Oct. 25. Speaking at U of Miss. School of Business Administration in Biloxi, he said IRS ruling is "unwarranted." Station broker asserted he has first-hand knowledge of "TV operations that have dropped in value one-half upon the receipt of a registered letter serving notice of disaffiliation from a network." He urged "keen awareness of this situation" by all broadcasters. Stubblefield also said that already-high station prices "will continue to increase with the general economy."

"The Critics Be Damned!", Oct. 19 *Sponsor* says in lead article by Evelyn Konrad, deploring press reviews of new TV season programs. "Even *Variety* has begun to wail mournfully, burying the season before it has started," and critics on dailies "have done their best to cry panic," *Sponsor* complains. Magazine runs chart to show Trendex ratings of new shows don't correspond with poor notices in *Variety* and *N. Y. Times*, *World Telegram* and *Daily News*, quotes ad agency "professionals" as pointing out: (1) total TV audience has increased, (2) network TV as sales medium is powerful as ever, (3) shows have improved in talent & technique, (4) it's too early to predict audience reaction to season as whole, anyway.

NTA Film Network picked up 2 new sponsors for its Shirley Temple feature film "Holiday Specials," after 13-city Trendex indicated rating dominance for first program, shown in most cities Oct. 19 or 20. Show got 14.2 rating and 46.5 share of audience in the 13 measured markets, including No. 1 ranking in its time segment in N. Y., Chicago & Los Angeles. Smith Bros. cough drops signed as partic. sponsor of last 2 Shirley Temple films, and Phillips-Van Heusen Corp. (shirts) bought 2 parties. in each of 3 shows plus 6 parties. in NTA's *Premiere Performance*.

TV Fund Frozen: Educational TV kitty of \$100,000 is going begging in N. Y. state treasury because nobody can touch it, according to legal ruling disclosed this week. State legislature appropriated \$100,000 at 1957 session in Albany for special aid to schools developing TV programs and for indirect assistance to non-profit groups offering educational telecasts. Fund had survived budget-cutting of more ambitious educational TV plans proposed by Gov. Averell Harriman (Vol. 13:6). But lawmakers neglected to vote any authorization to anybody to decide how TV money should be distributed. So Dept. of Audit & Control has ruled it can't be spent.

TV-radio columnist Marie Torre was formally directed Oct. 21 by Federal Judge Sylvester Ryan to explain why she isn't in contempt of court for refusing to divulge CBS source of item in her *N. Y. Herald Tribune* column, cited by actress Judy Garland in \$1,393,333 libel action against network (Vol. 13:42). Show-cause order, returnable Oct. 29, was sought by Miss Garland's lawyer, Lionel S. Popkin, who said identity of source was needed to prove cause for libel suit. Popkin told court exec. v.p. Hubbell Robinson Jr. and gen. program exec. Lester Gottlieb of CBS-TV had denied telling Miss Torre that Miss Garland has "inferiority complex" because "she thinks she's terribly fat."

Secy. of State Dulles will star as "chief communicator" on first of *Camera on Washington* series in NBC-TV educational project starting Fri., Nov. 1, 6-6:30 p.m. Opening program in 10-week series undertaken in partnership with Educational TV & Radio Center, Ann Arbor (Vol. 13:38), will deal with Mutual Security Act, show originating in State Dept. Bldg., Washington.

New closed-circuit pay-TV organization is Selectivision Inc., 1 W. 58 St., New York 19 (Plaza 9-2495), which says it plans to establish wired movie systems from theatres in N. Y., Pa., N. J., Conn., Fla. & Chicago. J. T. Hamilton is pres.; Emanuel Demby, secy.; Jules Spaulder, treas.; Bernard L. Goldenberg, asst. treas.

New and Upcoming Stations: KPAC-TV, Port Arthur-Beaumont (Ch. 4) made debut with NBC-TV at 5:55 p.m. Oct. 22, second outlet in area where KFDM-TV (Ch. 6) has been providing service since April, 1955. In Canada, satellites CHBC-TV-1, Penticton (Ch. 13) & CHBC-TV-2, Vernon (Ch. 7) began Oct. 12 repeating programs of parent CHBC-TV, Kelowna, B.C. (Ch. 2).

Meanwhile, Steinman brothers' WLEV-TV, Bethlehem, Pa. (Ch. 51) notified FCC it is leaving air midnight Oct. 31, losses to date totaling more than \$500,000. Same owners operate WGAL-TV, Lancaster (Ch. 8) and hold CP for WRAK-TV, Williamsport (Ch. 36). Another station which should be deleted from on-air total is KVDO-TV, Corpus Christi (Ch. 22), which holds FCC authorization to remain dark until Jan. It left air Aug. 19 after unsuccessful effort to continue operation during reorganization (Vol. 13:32). U. S. total is now 511 operating stations (88 uhf); Canadian total 44.

KPAC-TV has 10-kw RCA transmitter and 12-section superturnstile antenna on 702-ft. Ideco tower at site near Vidor, Tex., 8½ mi. NE of Beaumont. Studios are in Port Arthur. Co-equal owners are Port Arthur College and Jefferson Amusement Co., with Julius M. Gordon, pres. & gen. mgr. and Carl D. Levy, secy., representing Jefferson; O. W. Collins, v.p. and Earl R. Moxon, treas., the college. Mack Newberry, from radio KPAC, is sales mgr.; John Stegall, ex-KFJZ-TV, Ft. Worth, production mgr.; Doug Thompson, ex-KCTV, San Angelo, program mgr.; Glenn Boatright, from KPAC and also dean of electronics at Port Arthur College, chief engineer. Base hour is \$350. Rep is Raymer.

CHBC-TV-1 & 2 use 75-watt RCA transmitters with 80-ft. towers from Western Bridge with wavestack antennas. They're unattended automatic repeaters, controlled from main studio of CHBC-TV, Kelowna, which began operation Sept. 21. CHBC-TV hour is \$170. Reps are Weed and All-Canada.

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

KMOT, Minot, N. D. (Ch. 10) is wiring 5-kw DuMont transmitter and plans start Nov. 15, operating in affiliation with parent KFYR-TV, Bismarck (Ch. 5), writes pres.-gen. mgr. Wm. Ekberg. It has 6-bay RCA antenna installed on 400-ft. Ideco tower south of city. KFYR-TV, also operator of affiliated KUMV-TV, Williston (Ch. 8), has \$275 base hour. Rep is Blair Television Assoc.

WRIK-TV, Ponce, P.R. (Ch. 7) is installing 500-watt DuMont transmitter, plans Nov. 21 test patterns, Nov. 30 programming, reports ½ owner George Mayoral, also exec. v.p. of WJMR-TV, New Orleans, and WORA-TV, Mayaguez, P.R. Alford antenna, due Nov. 7, is to be installed on 100-ft. tower by Nov. 15. Base hour will be \$150. Rep will be Forjoe.

KDUH-TV, Hay Springs, Neb. (Ch. 4), planned as satellite of parent KOTA-TV, Rapid City, S. D. (Ch. 3), has changed target to Dec. 1, reports KOTA-TV business

mgr. Wm. F. Turner. Studio-transmitter building shell is ready and 6-kw RCA transmitter with 25-kw Standard Electronics amplifier and RCA antenna are scheduled to arrive Nov. 1. Footings have been poured for 500-ft. Ideco tower, which is due shortly. KOTA-TV plans to raise base hour to \$200 in Dec. Rep is Headley-Reed.

WGTE-TV, Toledo, O. (Ch. 30, educational) has 100-watt GE transmitter on hand and plans Feb. 1 start, reports Murray W. Stahl, program director. Studios and transmitter will be at U of Toledo, with antenna atop University Hall tower. Harry D. Lam, director of radio-TV education for Toledo Public Schools, will be gen. mgr.

WMUB-TV, Oxford, O. (Ch. 14, educational) has 1-kw RCA transmitter on hand, plans to start studio-transmitter construction in Dec., but still has July 30, 1958 target, reports Stephen Hathaway, director of broadcasting activities for grantee Miami U. Truscon 320-ft. tower is due Nov. 1 and 6-section helical antenna is on order.

CJFB-TV, Swift Current, Sask. (Ch. 5) has ordered 5-kw Canadian GE transmitter for mid-Nov. delivery, plans Nov. 20 test patterns, Nov. 30 programming, writes pres.-gen. mgr. Wm. D. Forst, who says station will be first in Canada with automatic program control. Studio-transmitter building is 75% completed and work on 325-ft. Utility Tower begins Oct. 16. It will use 3-bay batwing antenna. Base hour will be \$120. Reps will be Forjoe and TV Representatives Ltd.

CKBI-TV, Prince Albert, Sask. (Ch. 5) has ordered 10-kw Standard Electronics transmitter for Oct. 31 delivery, plans Dec. start, reports pres.-gen. mgr. E. A. Rawlinson. It will use 600-ft. Wind Turbine tower. Rates not set; rep not chosen.

CFCL-TV-2, Elk Lake, Ont. (Ch. 2) hasn't ordered equipment, but plans May, 1958 start, reports owner J. Conrad Lavigne. It's to be satellite of his CFCL-TV, Timmins, Ont. (Ch. 6), which also holds license for satellite CFCL-TV-1, Kapuskasing, Ont. (Ch. 3), due to start soon. Construction hasn't begun, but land has been cleared and road is being built to site. It will use 400-ft. tower. CFCL-TV base hour is \$180. Reps are McGillivra, Paul Mulvihill & John N. Hunt.

Translator starts: K70AU, Cave Junction, Ore. began Sept. 2 repeating programs of owner KBES-TV, Medford; K83AC, Globe-Miami, Ariz. plans Nov. 1 start duplicating KVAR, Phoenix—K77AD & K80AE there having begun Aug. 28 repeating KOOL-TV & KTVK, Phoenix. Also planning Nov. 1 starts are K71AF, Cedarville, Cal. with KOLO-TV, Reno, programs; K71AH, Salida, Colo. with KCSJ-TV, Pueblo; K72AK, Yosemite National Park, Cal. with KSBW-TV, Salinas-Monterey.

WLEX-TV, Lexington, Ky. (Ch. 18), requesting change to directional with 1° antenna beam tilt, also filed statement of income which shows station is just entering black. It had \$92,292 loss for fiscal year ending March 31, 1956; \$53,531 loss for fiscal 1957; \$250 net profit for March 31-Aug. 31, 1957.

RCA shipped used 12-section superturnstile antenna Oct. 21 to upcoming KVII, Amarillo (Ch. 7), due in Dec.; 12-kw amplifier Oct. 21 to WLEX-TV, Lexington, Ky. (Ch. 18), planning power boost; 50-kw transmitter Oct. 23 to WICU, Erie (Ch. 12), also going to high power.

New reps: KTVO, Kirksville, Mo.-Ottumwa, Ia. to Hollingsbery Nov. 1 (from Bolling); WCBI-TV, Columbus, Miss. to James S. Ayres for southern area (from Dixieland); Everett-McKinney continuing nationally.

WICU, Erie, Pa. became WICU-TV Oct. 25, radio affiliate changing from WIKK to WICU.

RCA'S CAREFUL VIEW OF TV RECEIVER MARKET: "Spotty" is adjective used by Robert A. Seidel, RCA exec. v.p. for consumer products, to describe current TV set sales, as we discussed black-&-white and color outlook with RCA executives in N.Y. offices.

Though industry generally is behind last year in sales, Seidel said, RCA is not -- but he admitted uncertainty about balance of year. Until recently, he said, it looked as if industry sales were firming up. "There are lots of places where there are increases over a year ago," he noted, but "spottiness" is showing up.

Attention to consistently declining factory average price of black-&-white sets was drawn by Seidel -- and he blamed trend to increasing sales of portables -- many of which, he said, are sold as first set in home rather than second. RCA's factory prices, he noted, are considerably above average.

Queried about 14-in. portables, Seidel said they'd remain in RCA line as long as they sell in good volume. However, he said, RCA is selling 3 times as many 17-in. portables as 14-in. -- and, of the 17-in., 3 of 4 sales were high-end sets.

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Turning enthusiastically to color, Seidel reported sales were "going very good," excellent in these cities: San Francisco, Los Angeles, Milwaukee, Indianapolis, Detroit, Baltimore, Columbus, Dayton, Cincinnati, Cleveland. "But," he added, "there still are a number of markets where sales aren't up to expectations."

A key point in color effort, according to merchandising v.p. Martin Bennett, was RCA's 2-hour closed-circuit color show Sept. 4 (Vol. 13:36) -- which drew twice the dealer attendance expected.

Probing for color sales deterrents, Seidel touched on price -- saying he knew of nothing in sight promising reductions, though RCA engineers are continually striving for cuts. "A real reduction will come," he said, "with greater volume."

New Uhf Tuner: General Instrument Corp. comes up with series of strong claims for its new uhf tuner -- not least of which is "appreciably less expensive." Among features: (1) Applicable to all TV sets -- including color and portable. (2) Smaller & lighter -- 2 11/16-in. square, 1 1/2-in. deep, 11 oz. (3) Good compensation for heat-induced frequency drift. (4) Reduced radiation -- "to the lowest level yet attained in any uhf unit." (5) Sturdy construction enhancing stability, particularly in portables that are moved and bumped.

Spokesman declined to specify price, explaining that tuners are made to set producers' specifications and the price varies. Production begins shortly.

Economic Outlook: Varying views on business conditions are expressed this month in report of National Assn. of Purchasing Agents Business Survey Committee. "Many of our reporting members have lost some of last month's optimism. Production and new orders are off from Sept., but about the same as reported in July," it says.

Continued rise in personal income, to rate of \$346.5 billion annually, was reported by U.S. Dept. of Commerce and President's Council of Economic Advisors. Meanwhile, reports that Federal Reserve Board would ease rein on tight money policy had tonic effect on Govt. securities, corporate bonds, bank credit.

Production: TV output dropped again week ended Oct. 18 to 153,846 compared with 164,627 preceding week and 200,425 in corresponding week one year ago. It was year's 42nd week and brought TV production for year to date to about 5,087,100, compared with 5,874,859 in same period of 1956. Radio production was 411,273 (150,-638 auto) week ended Oct. 18 vs. 407,298 (150,075) preceding week and 352,876 (162,-159) in corresponding week year ago. Radio output for 42 weeks totaled about 11,-549,300 (4,252,870) vs. 10,547,548 (3,470,958) in 1956 period.

Trade Personals: Edward A. Altshuler, marketing consultant, named to new post of managing director of Magnetic Recording Industry Assn., 6234 Scenic Ave., Los Angeles . . . Selmer Solem elected v.p. of Appliance Buyers' Credit Corp., finance subsidiary of Whirlpool Corp. . . . John F. McDaniel appointed Hotpoint Appliance Sales Co. acting gen. mgr., continuing as gen. mgr. of Hotpoint's range and component parts dept. . . . Russell S. Rockafellow, ex-Chrysler, named Raytheon industrial engineering mgr. . . . Lewis W. Selsor resigns as Electro-Voice Inc. gen. sales mgr. . . . Alex Nazemetz, ex-RCA international div., named account exec., electronic and technical accounts, Evans, McClure & Assoc., San Francisco . . . Leon Knize, ex-Capehart, appointed Stromberg-Carlson hi-fi components sales mgr. . . . Kenneth B. Shaffer promoted to mgr., field sales, RCA electron tube div. distributor sales staff; John J. Hemberger named mgr., northeastern district, headquartering in Boston; Harold C. Vance, mgr., sales engineering.

Dr. Elmer W. Engstrom, RCA senior exec. v.p. and a pioneer in TV development, has been selected to receive 1958 medal of Industrial Research Institute for "outstanding accomplishment in leadership in or management of industrial research which contributes broadly to the development of industry or the public welfare." It will be presented at Institute's meeting next May in Colorado Springs.

GE's views on color TV sales (Vol. 13:41) are elaborated by Jack S. Beldon, mgr.-marketing, TV receiver dept. who wrote following comment: "I believe that even if a company produced 200,000 sets and sold them even at today's prices, they might break even. You can imagine what would happen if all manufacturers tried this today, with a purchase market of perhaps 200,000 units maximum, which is extremely optimistic—you would really have an over-inventoried situation that would result in a tremendous loss." He also said: "We have stated for a long time, and we still believe, that it will take an invention of some kind to bring the color prices down, and that producing more and more color receivers will not lend itself to the reduction of prices."

GE cuts cooperative ad and promotional fund for radio receivers and electric housewares distributors to 1½% of monthly net billings effective Jan. 1, making grant automatic and eliminating need for filing claims. Previously, GE had granted 2% and required distributor contribution of one-third amount put up by GE. In letter to distributors, dept. adv. mgr. M. M. Masterpool said: "This new plan can only be successful if you continue to add your share to the factory funds up to, and, as has been the practice in the more successful distributorships, in excess of 1% of the net sales billed by the product departments . . ."

RCA sold more black-&-white TV picture tubes in Sept. than in any other month in year, says v.p. and gen. mgr. D. Y. Smith, RCA electron tube div., adding that key factor was "tremendous demand" for 110-degree tubes. Marion, Ind. plant is producing all RCA black-&-white picture tubes, operating at maximum rate with 3 shifts, 6 days weekly.

RCA 2-day clinics on transistors, tape recorders, hi-fi and color TV—for distributor, dealer and independent servicemen—are to be held in scores of major cities, continuing into 1958. Sponsored by RCA and RCA Victor distributors, clinics will include slide projector lectures, demonstrations, workshops.

DISTRIBUTOR NOTES: Graybar appoints W. J. Goerisch and G. L. Carl as Atlantic and Central Pacific district mgrs., respectively; headquarters for the districts are at Philadelphia and San Francisco; W. G. Glennon named district operating mgr. at Boston . . . Hotpoint renews contract for distribution in some 30 Graybar branches . . . GE appoints Graybar for radio in Tampa, Miami, Orlando, W. Palm Beach, Jacksonville, St. Petersburg and Ft. Lauderdale, Fla. . . . RCA appoints Southern Radio Corp., Charlotte, for all of S. C. except 7 southernmost counties which will be handled by King's Appliance and Electronics Inc., Savannah; they replace East Coast Appliances Co., Columbia, S. C. which has gone out of business . . . Sylvania appoints Goldberg-Tiller, 959 Myers St., Richmond (LeRoy B. Goldberg, pres.) for TV in 76 Va. counties, including Richmond, Roanoke, Norfolk markets . . . Krich-New Jersey (RCA), Newark, names Norman Skier, ex-DuMont, adv. mgr. . . . Interstate Supply Co. (RCA), St. Louis, appoints Edgar W. Fehrmann adv. mgr., succeeding John Richmond who is with Interstate's sales staff covering central Mo.; George Meyer named to new post of RCA Victor sales mgr. . . . Disco Distributing Co. (Motorola) moves to 5040 Arsenal St., St. Louis . . . Sylvania appoints Chauncey's Inc., 4740 W. Chicago Ave., Chicago, for radio . . . Admiral appoints Marshall C. Wells as gen. mgr., Admiral Distributors' San Francisco div.; Clarence B. Flinn promoted from midsouth regional sales mgr. to succeed Wells as regional sales mgr. in Dallas office; E. B. Freeman, regional mgr., mid-Atlantic states, will cover special assignments.

Imports of crystal cartridges and pickup arms from European and Japanese firms have resulted in 30% sales drop for Astatic Corp., Conneaut, O., reports pres. George Fraser in explaining hearing which Tariff Commission has scheduled for Feb. 4 (Vol. 13:42). Fraser said Japanese imports are hitting both original equipment and replacement market, citing rochelle salt cartridges which his firm has reduced to \$1.40 against Japanese imports at 75¢ each. Number of Astatic employes has dropped from normal 600-700 to about 500, he said, noting that company had labor contracts calling for 12¢-hourly wage increase in next 2 years. He said 2 West German cartridges and perhaps 10-12 Japanese phono pickup arms are being sold in U. S.

Latest protest over Oct. 14 *Time* cover story on servicemen (Vol. 13:41-42) comes in letter to editor from RCA Service Co. pres. E. C. Cahill, which says in part: "Our own high opinion of this country's independent servicemen is confirmed by national Elmo Roper survey (which is made annually covering entire service industry) showing 91% of TV set owners are pleased with quality of servicemen's work, 89% said service call was answered promptly, 83% were satisfied with prices, 91% felt serviceman was pleasant and courteous." Cahill concluded that service fraternities' "proven record of outstanding performance wholly justified continued public confidence."

RETMA of Canada cites steady drop in selling prices of TV sets from \$523 in 1951 to below \$300, despite 10% sales and 15% excise taxes and inflationary pressures of higher material and labor costs, increased taxation and services—during a period when Govt.'s consumer price index rose almost constantly. RETMA says lower TV prices were due to long-range research, advances in mass production, stepped-up TV sales as new stations opened across Canada. However, it said prices appeared to have leveled off and no further reductions were in immediate sight.

Admiral space at Merchandise Mart will be continued (Vol. 13:42); only public relations headquarters moves to former location, 3800 Cortland St., Chicago.

Financial Notes: RCA posts new sales record of \$853,667,000 for first 9 months of 1957—5% increase over similar period of 1956. Earnings for the 9 months were \$28,320,000 (\$1.87 per share) compared with \$27,893,000 (\$1.82) in corresponding period last year.

RCA chairman David Sarnoff and pres. John L. Burns also reported third quarter record sales of \$288,677,000, compared with \$286,036,000 for quarter ended Sept. 30 last year. Net profits in 1957 third quarter amounted to \$8,009,000 (52¢) vs. \$7,856,000 (50¢) in similar 1956 period.

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Hoffman earned \$1,214,319 (\$1.65 per share) on sales of \$31,119,324 for 9 months ended Sept. 30, 1957, compared with \$1,101,474 (\$1.51) on \$34,241,989 sales in similar 1956 period. Third quarter net was \$350,020 (47¢ on 735,610 shares outstanding) on sales of \$9,993,286 vs. \$317,502 (44¢ on 729,120 shares) on sales of \$11,366,428 in similar quarter last year. Pres. H. Leslie Hoffman wrote stockholders that higher profits on lower sales in 1957 were due to "concentration on profit rather than volume," elimination of unprofitable activities, "expansion of those activities earning a healthy profit." He said planned expansion of semiconductor facilities has been "held in abeyance" although land has been acquired and that no other expansion projects "are contemplated at this time." Hoffman said Defense Dept. adjustments had resulted in terminating one minor contract, rescheduling a major one at ¾ former rate, plus some cutbacks in orders for semiconductor devices.

Daystrom Inc. earned \$1,107,000 (\$1.22 on 903,533 common shares) on sales of \$39,339,000 in 6 months ended Sept. 30, compared with \$1,116,000 (\$1.26 on 888,793 then outstanding) on sales of \$33,652,000 in similar 1956 period. For 3 months ended Sept. 30 profits were \$560,000 (61¢) on sales of \$19,498,000 vs. \$589,000 (67¢) on sales of \$16,751,000 in similar quarter year ago. Pres. Thomas Roy Jones said Sept. was best month in fiscal year with sales up 36% from Sept. 1956. He said firm had no material defense cutback and he expects sales and earnings to increase in next 6 months.

Aerovox Corp. earned \$365,000 (42¢ per share) on sales of \$16,361,000 in 9 months ended Sept. 30, 1957, compared with \$76,000 loss on sales of \$18,826,000 in similar 1956 period. Pres. Wm. Owen reports business volume holding "fairly well but the anticipated fall increase has not materialized as is apparent in many other lines of industry." Working capital, he said, has increased since Jan. 1 from \$5,280,000 to \$6,132,000.

Oak Mfg. Co. earned \$831,964 (\$1.27 per share) on sales of \$16,487,797 in first 9 months of 1957, compared with \$1,352,631 (\$2.06) on sales of \$18,368,576 in similar 1956 period. Third quarter net profits were \$333,763 (51¢) on sales of \$5,692,885 vs. \$347,234 (53¢) on sales of \$5,516,599 in same period last year.

Dividends: *Sylvania*, 50¢ payable Dec. 23 to stockholders of record Dec. 2; *Television-Electronics Fund*, 11¢ Nov. 30 to holders Nov. 1; *P. R. Mallory*, 35¢ plus 2% stock, both Dec. 20 to holders Nov. 15; *Sperry Rand*, 20¢ Dec. 31 to holders Nov. 7.

Kaiser Aircraft & Electronics Corp. is being purchased from *Willys Motors Inc.* by *Kaiser Industries Corp.* in intra-company shift, will be renamed *Kaiser Aircraft & Electronics Div.* of *Kaiser Industries*, with executive offices in *Oakland, Cal.*

Philco Improves: Strong Philco comeback, showing net profit of \$3,112,000 (74¢ per share) on sales of \$270,246,000 in first 9 months of 1957, evoked this comment from pres. James M. Skinner Jr.:

"Although competition is particularly intense at this time, especially in the consumer appliance field, we are indeed gratified with the profit and sales trend. We believe that the forward progress will continue for the balance of 1957. While EIA figures show that the industry is off this year over the comparable period for last year, Philco figures run counter to this. We are very glad to see this since it clearly indicates the public preference for Philco TV-hi-fi-radio lines."

Philco's 9-month profit total nearly tripled last year's earnings of \$1,071,000 (21¢) on sales of \$254,322,000 for the similar period. Earnings for quarter ended Sept. 30, 1957, were \$1,499,000 (37¢) on \$87,595,000 vs. \$240,000 (4¢) on \$87,460,000 sales in corresponding quarter last year.

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N. V. Philips' Gloeilampenfabrieken, big Dutch TV-radio-electrical combine, reports consolidated earnings of \$21,052,631 on sales of \$365,789,473 in 6 months ended June 30 compared with \$16,578,947 on \$294,736,842 in corresponding 1956 period. In first 1957 quarter, net profit was \$10,974,000 on \$189,181,000 (Vol. 13:23). The report issued at *Eindhoven* contained no breakdown of world operations, but noted total number of employes was 154,000 as of June 30 vs. 146,000 year earlier, said sales this year are increasing at 18% rate over 1956—that second-quarter sales "have been higher than we expected." Report also said liquid assets had increased since end of 1956.

Ampex Corp. expects total sales of \$27,500,000 in fiscal year ending next April 30, with profits of \$1,500,000 after taxes & profit sharing, pres. George I. Long told *Security Analysts Society of San Francisco*. Company's profits for fiscal 1957 totaled \$1,087,000, up from \$311,275 in 1956 (Vol. 13:25). He said company expects to get its video tape recorder "selling program" under way with delivery next month of first production unit—aiming not only at TV stations but at closed-circuit TV market, advertising agencies and large TV advertisers.

Hycon Mfg. Co. has filed registration statement (File 2-13697) with SEC for 400,000 shares of 10¢ par common stock to be offered for public sale by *Dempsey-Tegeler & Co.* Statement said \$500,000 of proceeds would be used to repay \$500,000 bank note endorsed by pres. Trevor Gardner, \$80,000 for research & development, \$120,000 for capital improvements, balance for working capital. Price of offering will be stated in amendment.

Thompson Products had record earnings and sales of \$10,568,195 and \$284,139,517 respectively in first 9 months of 1957. Comparable figures last year were \$7,565,219 & \$214,772,134. For 3rd quarter ended Sept. 30, net income was \$2,244,984 on sales of \$88,138,814 vs. \$2,703,377 on \$71,841,023 sales in similar period last year.

Radio Industries earned \$83,968 (18¢ per share on 477,335 shares outstanding) on sales of \$970,174 in 6 months ended Aug. 31 vs. \$53,266 (12¢ on 422,515) on sales of \$621,051 year earlier.

P. R. Mallory & Co. had net income of \$2,701,313 (\$1.81 per share) on sales of \$60,552,262 for first 9 months of 1957, compared with \$1,900,511 (\$1.14) on sales of \$49,752,951 in similar period last year.

Republic Pictures reports net loss of \$248,895 in 39 weeks ended July 27 compared with earnings of \$946,595 (32¢ per share) in comparable 1956 period.

Sylvania's Surge: Sylvania marked up record third quarter and first nine month sales of \$89,363,209 and \$251,883,741 respectively, compared with \$83,792,859 and \$246,153,243 in comparable 1956 periods. Chairman-pres. Don G. Mitchell reported third quarter net income of \$3,853,571 (\$1.07 per share), compared with \$4,167,321 (\$1.16 on fewer shares outstanding); for first 9 months, net income was \$8,642,240 (\$2.37) vs. \$11,544,570 (\$3.20). All figures were adjusted to reflect Jan. 2, 1957 acquisition of Argus Cameras.

Mitchell attributed record sales and third quarter earnings, which more than doubled the \$1,718,725 (46¢) earned in this year's second quarter, to number of factors, including: "TV industry's return to more normal production levels, which in turn increased the demand for the components supplied by Sylvania to other TV set producers"; completion of changeover to 110-degree sets and picture tubes; record-breaking Sylvania TV set sales; strong business in lighting products.

"From the standpoint of both sales and earnings, the outlook is favorable for the remainder of the year in Sylvania's diversified product lines," Mitchell said. He declared that TV factory unit sales nearly doubled last year's first 9-month total, but that company's market for home radios and phonographs softened during third quarter. However, he expects an improvement, especially in hi-fi, during balance of year. Receiving and picture tube sales to other setmakers, said Mitchell, showed substantial increase in third quarter over year's first and second quarters, third quarter picture tube sales setting record for any comparable period.

Commenting on national economy, Mitchell described condition as "rolling adjustment" to be followed by a "re-

sumption of the upward trend by the latter part of 1958." Decline in capital spending, he went on, indicates manufacturing capacity has moved ahead of consumer demand, that temporary industry need is for "breathing spell." Mitchell predicted increased state and local spending, stepped up housing construction, probable softening of interest rates in 1958, increased consumer spending will make up for any "weak spot" in economy and decline in Federal spending.

Despite decreasing govt. defense spending, Mitchell declared that more money is expected to be channeled into electronics equipment and devices. He said Sylvania is participating in a number of defense research and development projects and received several new contracts during third quarter.

American Broadcasting-Paramount Theatres reports operating profit of \$1,333,000 (30¢ per share) in third 1957 quarter compared with \$1,484,000 (34¢) in corresponding period year earlier. Earnings for first 9 months were \$4,033,000 (91¢) vs. \$5,686,000 (\$1.31) in same 1956 period. In letter to stockholders, pres. Leonard H. Golden-son said AB-PT theatre business "was very good" in summer months, exceeding results last year, but that in broadcasting "there was the usual seasonal decline." Noting that "ABC had been running behind for the year," Golden-son observed that difference between 1957 & 1956 results "was steadily narrowed in each quarter" this year. "Overall," he said, ABC-TV programs this season "are indicating good audience gains" over last season; ratings "augur well for ABC in that they point up the network's ability to deliver a more competitive share of the total audience than at any prior time."

Muter Co. earned \$248,155 (34¢ per share) on sales of \$10,407,480 for first 9 months of 1957, compared with a loss of \$148,773 on \$8,646,210 sales in comparable period last year.

TV in Space: More plans for space-stationed TV were revealed this week by Office of Naval Research in disclosure of plans for huge "satellite observatories" to circle earth for decades. Project Stratoscope, long-term astronomical photography program, has already completed first step, which involved photographic cameras carried 20 mi. aloft in balloons. Second step—"Strato II"—will be taken in 1961 and will comprise 36-in. telescope on balloon at altitude of more than 80,000 ft. relaying pictures to ground monitors. Strato III is still tentative, envisions one-ton satellite orbiting 500-mi. above earth and also carrying TV telescope focused remotely on sun and other celestial objects. Meanwhile, Air Force took first step toward possible celestial TV this week when it fired "Farside" rocket to height estimated at between 1000 & 4000 mi. Air Force denied, however, that "Farside" was any more than code name, repudiating earlier stories that project's aim was to shoot TV-equipped rocket around moon to get pictures of never-seen far side of moon. In telephone interview with station WDMG, Douglas, Ga., Russian geophysical officials denied reports that sputnik is sending TV pictures or other strategic information back to Soviet bases. FCC Comr. Lee, in Chicago address, praised Commission's monitoring control branch for "outstanding job in tracking and positioning the Russian satellite."

Sam Norris, chairman of Nuclear Corp. of America, will be sworn in Oct. 28 as asst. director of Electronics Div. of Commerce Dept.'s Business & Defense Services Administration on without-compensation 6-month loan basis. Donald S. Parris is director.

ELECTRONICS PERSONALS: M. A. Maurer promoted to mgr., RCA electronic instruments & parts marketing, Camden; he's been mgr. of RCA Detroit mfg. plant . . . Jose D. Dominguez, exec. engineer of telephone & radio operating dept., named an asst. v.p. of IT&T . . . Allen C. Munster promoted to Philco assoc. director of research, assisting Dr. James F. Koehler, director of research for Philco G&I div.; Wm. H. Forster promoted to director of research, Philco research div.'s solid state electronics dept.; Carlo V. Bocciarelli appointed asst. director of research . . . Chester A. Grondzik, ex-Emerson labs, named mgr. of Systems Automation Group, Washington, a new section of Van Norman Industries' H. W. Butterworth & Sons Co.

National electronics symposium on reliability & quality control, sponsored by EIA, IRE and other industrial & professional organizations, will be held next Jan. 6-8 in Statler Hotel, Washington. M. M. Tall of RCA is gen. chairman of 4th annual session. Keynoter will be Maj. Gen. F. L. Ankenbrandt (USAF, ret.), RCA defense electronics products div., speaking on future reliability requirements.

TV system of improved resolution which will permit optical tracking of guided missiles is included in list of 65 electronics and electricity problems for which the National Inventors Council, Dept. of Commerce, is seeking solution. Total of more than 380 technical problems affecting U. S. defense is listed in 34-pp. booklet, *Inventions Wanted by the Armed Forces*.

Ad Year Nears \$10.4 Billion: Paced by 28% radio increase, biggest U. S. advertising volume in history is running at rate 5% ahead of 1956, should top \$10.4 billion by end of 1957, Oct. 25 *Printers' Ink* reports.

Based on data for first 6 months of 1957, all-year estimates prepared for magazine by Robert J. Coen of McCann-Erickson indicate that network & spot radio revenue will total \$295,000,000 vs. \$229,900,000 in 1956, that network & spot TV advertising will be up 6% to \$1.015 billion from \$954,700,000 last year.

Radio is "surpassing its first quarter pace," TV "failed to hold its earlier gain" but still is expected to run \$60,000,000 ahead of 1956, according to *Printers' Ink*.

Other media share anticipated gains for year in national advertising revenue: Business papers up 10% from \$495,500,000 to \$595,000,000, newspapers up 5% from \$788,900,000 to \$825,000,000; magazines up 3% from \$794,700,000 to \$820,000,000.

Printers' Ink, noting that advertising volume at end of first half this year was 5% ahead of 1956 after 3.4% increase in first quarter, pointed out that level nevertheless was below average 9% rate of annual increase in past 5 years.

Underground Color TV: Installation of closed-circuit color TV system in Strategic Air Command's subterranean headquarters at Offutt Air Force Base, Omaha, was reported Oct. 22 by exec. v.p. Theodore A. Smith of RCA industrial electronic products. System permits instantaneous transmission of briefing information, air intelligence, weather data from colored charts, maps, etc., duplicating them for any location within SAC nerve center. RCA equipment includes 5 live color cameras, 3-vidicon camera system for integrating film material, monochrome industrial camera for surveillance of operations control room, central control facilities, 21-in. color monitors.

"First completely new film studio built in New York in over 25 years" was opened this week at 20 West End Ave. by Caravel Films Inc. The new 4-story \$1,000,000 production center was made necessary by increasing volume of business, particularly TV commercials, according to pres. David I. Pincus, who added that expanded facilities will make possible production of complete TV series packages in addition to commercials. Founded in 1921, Caravel is a leading producer of industrial films.

TV commercials aren't overdone—"it only seems that way," Oct. 21 *Advertising Age* says stoutly. Magazine totted up data for 401 TV stations in Barrow report to FCC (Vol. 13:39-41), found that they average less than 90-sec. of paid commercials for every viewing hour. Even in 6-11 p.m. period, viewers are exposed to less than 2 mins. per hour. Average for commercials from sign-on to 1 p.m. is 50-sec. per hour. Most common commercial runs 1-min.

Doerfer's Pet Peeve: "Protest" section of Communications Act (309c) was described as "instrument of extortion in the hands of certain people" by FCC Chairman Doerfer in Oct. 24 address to Federal Communications Bar Assn. "You know and I know that monies have been passed," he said—adding that it is usually impossible to prove. He urged repeal of section, which he called "fit subject for Congressional investigation." He said protest procedure delays new service to public while FCC hears "internal corporate disputes and other private differences." Since last amendment of protest section in Jan. 1956, he said 72 protests have been filed, of which 64 were in broadcast field. Processing these cases required total of 11,395 professional man-hours and 5596 non-professional man-hours, not including more than 1300 professional and 252 non-professional man-hours spent on these cases by offices of Commissioners. He estimated that total cost to Govt. in processing the 72 protests amounted to \$71,963.55. Doerfer's next speech is Nov. 14, before members' council of New Orleans Chamber of Commerce, at Roosevelt Hotel.

TV-radio audience measurements may be superior to sworn-circulation newspaper gauges, NBC planning & research v.p. Hugh M. Beville Jr. told annual ABC meeting in Chicago. Conceding that broadcasters' systems for estimating audience size aren't comparable to ABC's methods of counting readers, Beville speculated on "enormous effect" on publishers & advertisers if newspapers adopted TV-radio techniques to show: (1) number of readers, page by page, for entire week, (2) how many men who read sports pages also read financial pages, (3) how many women who read society section also read amusement pages & comics, (4) how competing papers rate in such reader counts. Even if ABC service were available to broadcasters, Beville said, it would be complementary—not primary—measurement of audience.

Political speech on N.Y. gangsterism was cancelled by WABC-TV Oct. 24 on ground station's lawyers hadn't had time to "digest & approve it." Time for 15-min. speech by Robert Blaikie had been bought for about \$1200 by Republican headquarters for mayoralty candidate Robert K. Christenberry, but they were notified by station just before scheduled 11:45 a.m. telecast that it couldn't go on. Script hadn't been submitted until about 10:15 a.m. Station substituted travel film.

Rumors of TV deal for White House press secy. James C. Hagerty were denied Oct. 21. He told newsmen there was "nothing to" reports that he had signed contract to take industry job in 6 months—that "as long as the President wants me to remain . . . I will do so."

Broadcasting scholarships for 4 years of college study are offered by Meredith Foundation, sponsored by Meredith Publishing Co., to 2 finalists in National Merit Scholarship competition. Preference will be given to boys in Meredith TV & radio station coverage areas in N. Y., Ia., Mo., Neb., Kans., Ariz., Okla.

One TV station application was filed with FCC this week, bringing total pending to 117 (34) uhf. Application was for Farmington, N. M., ch. 12, by local business group headed by attorney Wade Beavers. [For details, see *TV Addenda 25-M* herewith].

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NOV 4 1957

Television Digest

with **ELECTRONICS REPORTS**

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SUMMARY-INDEX OF THE WEEK'S NEWS — November 2, 1957

EIA'S NEW SPECTRUM STUDY committee optimistic after discussions with top military men; EIA board to act on recommendation Nov. 21 (p. 1)

FTC TV-RADIO MONITORS win first compliance agreement in year-long drive on objectionable commercials; Lanolin drops shampoo claims (pp. 2 & 3).

MEXICAN TV EXPANSION seen starting with growth of new middle class. Elaborate studios, shoestring budgets are secrets of growing success (pp. 2 & 6).

SUBSCRIPTION-TV "POLL" in Bartlesville by Sen. Langer finds 1430 against pay TV, 113 in favor; he'll ask Senate committee probe (p. 5).

ST. LOUIS PROTEST by St. Louis Amusement Co. slows transfers, though chances of success are considered slim. Several site shifts granted (p. 8).

TV SALES & PRODUCTION in Oct. down 20% from last year. Hi-fi trend extending to TV, RCA introducing transistorized combinations, color sets (p. 12).

MOTOROLA REPORTS RECORD 9-month sales, profit up over year ago; Zenith 9-month profit up sharply; Magnavox quarter sales & profits higher (p. 14).

FREY REPORT ON AGENCIES finds mixed opinions on 15% fees for TV packages. Advertisers complain it's too much; agencies, too little (p. 9).

FIVE STATIONS START, including 2 uhf; one uhf resumes operation while another goes off; new Mexican border station. U.S. total now 516 (p. 10).

SOVIET-U.S. TV-RADIO trade talks open in Washington on high diplomatic level but with low outlook for any free exchange of broadcasts soon (p. 16).

EIA MOVES BRISKLY ON SPECTRUM STUDY: That broad-gauge spectrum study urged by many Congressional and industry forces (Vol. 13:41), designed to weigh efficiency of radio utilization by everyone, including the military, moved a step toward realization this week. Electronic Industries Assn. pres. Dr. W. R. G. Baker appointed a strong committee, headed by Hoffman Electronics pres. H. Leslie Hoffman, to recommend EIA's next move—and committee got to work promptly. Though Office of Defense Mobilization has frowned on study, terming it unnecessary and duplicative, industry leaders are still optimistic.

A very knowledgeable "task force" within the "Special Spectrum Study Committee," headed by GE's Paul Chamberlain, met this week with top Defense Dept. & ODM communications officers, seeking to firm up the favorable attitude noted recently by Chamberlain (Vol. 13:41).

Serving on task force are: David B. Smith & Donald G. Fink, Philco; Ira J. Kaar, Hoffman Electronics; Daniel E. Noble, Motorola; Thomas G. Rives, GE; Philip F. Siling, RCA. All except Rives are veterans of industry spectrum & standards hunts—but Gen. Rives is hardly a slouch at the business, having headed up similar jobs for Signal Corps as chief of Ft. Monmouth center before his retirement.

Rest of main committee comprises top-level EIA members: Robert C. Sprague, Sprague Electric, vice chairman; E. C. Anderson, RCA; Max F. Balcom, Sylvania; Robert S. Bell, Packard-Bell; David R. Hull, Raytheon; F. R. Lack, Western Electric; W. J. Morlock, GE; C. B. Thornton, Litton Industries; L. C. Truesdell, Zenith; L. G. Cumming, IRE-JTAC, ex officio.

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There's no question but that sputnik has strengthened military's hand in any spectrum horse-trading, if any develops soon. However, industry's thinking is long-range—8-10 years—and there's no wholesale re-juggling in immediate sight. As for military designs on TV channels, very top level military men still say they see nothing like that in the cards. Incidentally, we understand that the very-long range radar

recently disclosed by Aviation Week magazine as operating in Turkey and elsewhere—to cover Russian missile activity—is an enormous user of spectrum.

In appointing committee, Dr. Baker said its job should be to state why study is needed; to prepare a proposal for submission to President, Congress or govt. agencies; to recommend names of men to serve on a study commission, these to be appointed by President. He suggested procedure may be similar to that leading to establishment of Airways Modernization Board—which followed study by Presidential commission under Edward P. Curtis of Eastman Kodak.

EIA's task force sums up work in meeting Nov. 14; full committee goes over it Nov. 19; whole EIA board considers results in New York meeting Nov. 21.

FTC HALTS ITS FIRST TV COMMERCIAL: FTC's special TV-radio monitoring unit celebrated its first anniversary this week by winning its first advertiser-compliance agreement in its campaign against false & misleading TV commercials—which so far has netted only 8 complaint cases.

Lanolin Plus Inc., Chicago, signed FTC consent order prohibiting it from representing in TV commercials that competitive detergent shampoos will burn hair. FTC complaint, first to be directed at audio-visual advertising for toiletries, alleged Lanolin violated Federal Trade Commission Act (Vol. 13:29).

Order was included in initial decision by FTC hearing examiner Loren H. Laughlin which was adopted by Commission with concurrence of its Bureau of Litigation. FTC announcement of compliance by Lanolin contained usual for-the-record statement in such cases: "The agreement is for settlement purposes only and does not constitute an admission by the company that it has violated the law."

Settlement of charges against Lanolin leaves these TV commercial cases on FTC's active complaint book: Mentholatum Co. (Mentholatum Rub), Omega Chemical Co. (Omega Oil), Fidelity Storm Sash (storm windows), Helene Curtis Industries (Enden Shampoo), Schick Inc. (razors), American Chicle (Roloids), Whitehall Pharmacal (Infrarub, Heet).

American Chicle is fighting complaint against Roloids alkalizer commercial, squaring off against FTC in hearing which started early last month and threatens to continue for some time (Vol. 13:40). Whitehall Pharmacal began defending itself Nov. 1 at hearing on charges that its TV advertising for arthritis treatment was false & misleading. Other cases are in varied pending phases. In none is any network or station involved directly.

For other news of FTC's TV advertising campaign, see p. 3.

MEXICAN TV—REAL EXPANSION BEGINNING: Growth of TV in Mexico, hampered by low living standards, vast distances and widely scattered areas of population, appears to be on verge of really significant spurt—and some Mexican admen are predicting it will be nation's biggest medium within 10 years.

However, you can discount recent reports of plans to extend network of TV stations "to every corner of the republic within a year." Mexicans make haste slowly, and growth of TV there is geared to the rise of a large middle class, a slow process which began in the cities shortly after World War II—but one which is now accelerating with the country's almost sudden economic awakening.

Mexico was first Latin American nation to have TV, but one of slowest in audience growth. Today, after more than 8 years, number of sets-in-use is just pushing 300,000, with a score of set manufacturers and assemblers—most of them U.S.-connected—sharing the market.

Nation's 11th TV station went on air a month ago, and at least 4 more outlets are in various stages of construction. Ten of the 11 stations are operated by, or affiliated with, Telesistema Mexicano, the combine which resulted from an "operational merger" of 2 bitter rival telecasters.



Mexico's advertising economy is built around radio, which is far-&-away the No. 1 medium. There are no important national print media, due largely to illiteracy rate (about 45%). Nation has nearly 300 AM stations—and one estimate (by Mexico City's Noble adv. agency) places radio's annual billings

at about \$26,880,000, more than half the all-media total of \$48,480,000. TV last year took in about \$2,800,000, newspapers \$5,600,000, movie theatre ads some \$2,040,000.

TV rates are low—highest being about \$320 for 30 min. in Class AA time on 3-station interconnected network serving country's principal center of population. This figure includes use of large theatre studio. A 5-sec. spot can be bought on one Mexico City station in prime evening time for a little over \$3.

Popularity of TV in Mexico is fantastic—even after more than 8 years of TV it's still not uncommon to see large group of onlookers clustered around an operating TV set in store window. Cheapest sets cost \$200-\$250 (20% down, 18 months to pay), beyond reach of vast majority. But booming Mexican economy and increasing growth of a middle class hold promise of an ever-expanding rate of set sales.

Only in the last year has Mexico become a really significant market for U. S. TV films. An incongruously elaborate studio setup, combined with the low cost of acting and technical talent, has made it advantageous for Mexican TV to concentrate on live entertainment.

As in most Latin American countries, TV in Mexico produces amazing results on a comparative shoestring by relying on liberal portions of imagination and inventiveness. For our impressions of TV on recent trip through Mexico, see story on page 6.

FTC Streamlines TV Monitoring: Federal Trade Commission's TV ad monitoring procedure, now one year old (see p. 2)—having started in Oct. 1956 with \$100,000 appropriation—is being streamlined again.

For the past year monitoring unit under T. Harold Scott has depended largely on dragnet operation by 135 agency lawyers throughout country to fish up evidence against TV-radio advertising (Vol. 12:20). In spare time (with compensatory time off) field attorneys listened to and viewed commercials at sets in hotels and own homes. They sent in reports & taped recordings from which Scott's Washington full-time headquarters staff of 5 culled likeliest complaints.

Now, for first time, monitoring unit has monitoring equipment of its own. TV set, radio, and recorder are being installed in room on top 7th floor of headquarters building, where staff lawyers will do their own preliminary screening, counting mostly on beefs from public for tips on programs to watch. Then specific commercials will be picked out for further investigation and assignment to field lawyers.

"It's been pretty helter-skelter since we started," unit spokesman told us. "Now we're going to use a rifle instead of a shotgun approach to targets."

At same time NARTB distributed Oct. *Code Bulletin* containing Q.-&A. rundown on "FTC—Friend or Foe?" One question addressed by NARTB to FTC: "Is the FTC concentrating in disproportionate fashion its attention upon TV advertisers?" FTC answer: No; 8 TV complaints are among 250 issued in past year involving all advertising media.

NARTB also reported that spot check of 52 key Better Business Bureaus throughout U. S. showed "positive results" from 8-month-old voluntary joint campaign against TV "bait" advertising. Only 5 of BBB offices reported any unresolved

"bait" problems in May, June & July, NARTB said.

Note: Although they weren't named as defendants in FTC "supermarket" case (Vol. 13:43) which predates monitoring unit and is unrelated to its campaign against fraudulent commercials, CBS & NBC have issued statements on advertising tie-in plans cited in preliminary FTC orders against 6 grocery firms.

CBS said FTC decision that chain store promotional tie-ins with network-owned stations discriminated against smaller customers of grocery producers was "unsupported by the record and insufficient in law." NBC said its present "Chain Lightning" merchandising plan, in which manufacturers pay for radio commercials, is offered to retailers "without discrimination of any kind."

Compromise settlement may be near in long-standing dispute between New York City's stations & networks and City Hall over sales tax on films shown on TV, *New York Times* reported Oct. 30. City has been negotiating with telecasters for 3 years in attempt to arrive at formula for the sales tax payments. Normal sales tax rates paid by movie theatres for showing films is 3% of film rental charge. However, networks and stations argue that films televised from N. Y. are aimed at entire nation or region, and that N. Y. City viewers are only small part of audience. High rate, telecasters argue, might well drive telecasting industry out of city. TV industry has offered to settle for 5% of the 3% rate, *Times* stated, adding that city's counter-offer has been 15% of the 3% tax—which *Times* "understands" most networks and independent stations, with possible exception of NBC, are ready to accept.

"Corporate caste system" is becoming increasingly "formalized & rigidified" by "status symbols" of rank, such as keys to executive washrooms and parking lot assignments, Oct. 29 *Wall St. Journal* says in first of series of reports on management customs & practices. For instance: "At a major broadcasting company an executive's stratum is given away by a look at his secretary's typewriter. Only the offices of higher-level officials get electric models."

Personal Notes: Kenneth W. Bilby, NBC v. p. for public relations, elected an exec. v. p. to head press, national adv. & promotion, exploitation, merchandising and continuity acceptance depts. . . . Everard Kidder Meade Jr., ex-Earl Newsom public relations firm, N. Y., named CBS Inc. v. p. for information services . . . M. H. Dann resigns as NBC-TV v.p. for program sales to join Henry Jaffe Enterprises as pres.; Henry Jaffe becomes chairman of TV production firm, Wm. Phillipson exec. v.p. & gen. mgr. . . . Harry T. Floyd promoted to western div. mgr of NBC-TV sales . . . Charles M. McAbee Jr., from CBS-TV Spot Sales, named gen. sales mgr. of KMOX-TV, St. Louis, call letters taken by CBS for newly-bought KWK-TV . . . Wm. M. Dozier, production v.p. of RKO Radio Pictures, rejoins CBS-TV as a general programming exec. in charge of live Hollywood shows . . . John R. Porterfield, ex-ABC-TV, appointed mgr. of WJMR-TV & WJMR, New Orleans, and elected v.p. of Supreme Bestg. Co. . . . John B. Garfield promoted to local sales mgr. of WJW-TV, Cleveland . . . Maitland L. Jordan, from KOMO-TV, Seattle, named mgr. of radio KOMO . . . Edward Scherer promoted to production supervisor of WTTG, Washington; Coral Long to sales service & correspondence coordinator . . . Gil Martyn promoted to public affairs & public service director of KTLA, Los Angeles . . . John T. Curry Jr. promoted to new post of regional sales mgr. of RAB . . . Benn Squires promoted to new post of program development coordinator of NBC Radio . . . Harold (Hal) V. Phillips, gen. mgr. of WTVH, Peoria, and Edward Breen, pres. of KQTV, Ft. Dodge, named vice chairmen of Committee for Competitive TV . . . Donald L. Sandberg, ex-Indianapolis public schools, named distribution director of Educational TV & Radio Center, Ann Arbor, succeeding Barton L. Griffith, now on U of Mo. faculty . . . John Dunn, CBC coordination officer, assigned to represent network at UN headquarters, N. Y., replacing

ADVERTISING AGENCIES: Frank Martello, TV producer for Kenyon & Eckhardt, Chicago, named commercial production supervisor there . . . Irving Adelsberg named TV dept. mgr. of Norman, Craig & Kummel . . . Rollo Hunter, TV-radio director; Richard Diehl, art director; John C. Legler & B. W. Matthews, account supervisors, named v.p.'s of Erwin Wasey, Ruthrauff & Ryan, N. Y. . . . Robert R. Kibrick, ex-Kenyon & Eckhardt, joins Richard K. Manoff Inc. as media & broadcast planning director . . . John C. Maddox, from Cleveland office, named senior v.p. in charge of marketing services of Fuller & Smith & Ross, N. Y. . . . Howard Mendelsohn, ex-CBS-TV, forms own public relations firm at 612 N. Michigan Ave., Chicago.

Daniel (Jake) Jacobson, supervising FCC engineer in charge of processing TV applications since freeze was lifted in 1952, was picked this week by Comr. Ford to be his engineering asst. Jacobson joined FRC in 1930, has been in FCC's Broadcast Bureau since 1946 except for short period in Safety & Special Radio Services Bureau.

New public relations firm—Taylor-Walker Assoc.—is formed by John H. Taylor & Mary T. Walker, both ex-Save Hannagan and Hill & Knowlton, at 1270 Sixth Ave., N. Y. (Judson 6-5777).

Gaynor & Ducas Inc. is new name of Gaynor, Colman, Prentis & Varley Inc., with Paul Gaynor as pres.; John J. Ducas, exec. v.p.

Ben Duffy, BBDO pres., is subject of interesting feature in Nov. 1 *Printers' Ink*.

New rep: WPST-TV, Miami, to Petry Oct. 28 (from H-R Television).

Vincent Tovell, who joins CBC public affairs dept., Toronto . . . Lester R. Frankel resigns as v.p. & technical director of Alfred Politz Research Inc., to join Audits & Surveys Co. as exec. v.p., partner and a director . . . John Leslie promoted to local sales mgr. of WEEK-TV, Peoria . . . Jack Markward promoted to TV sales mgr. of WOOD-TV, Grand Rapids . . . Keith E. Barze promoted to program director of WBRC-TV, Birmingham . . . Bernie Whitaker, ex-WSJS-TV, Winston-Salem, named local sales mgr. of WRAL-TV, Raleigh, succeeding Gene Gaudette . . . Ed Sanchez, ex-KGGM-TV, Albuquerque, named production mgr. of KFSD-TV, San Diego. . . . Hugh Graham, ex-NBC, named to new CBS-TV post of mgr. of unit management & control services for production operations . . . Robert O. Moran, promotion mgr. of WBEL, Beloit, Wis., named to vacancy on Broadcasters Promotion Assn. board created by resignation of Joseph Zimmerman, who has been named mgr. of WLBR-TV, Lebanon, Pa.

Obituary

Louis B. Mayer, 72, movie great who led MGM into world leadership in film-making, died Oct. 29 of anemia complicated by kidney ailment in UCLA Medical Center, Los Angeles. Son of immigrant Canadian ironmonger, he organized old Metro in 1915 after operating New England theatre chain, joined in 1924 with Marcus Loew & Nicholas M. Schenck in establishing MGM studios, was eased out of control in 1951 after postwar development of TV helped put company into decline. He returned to movie industry next year as chairman of Cinerama Corp., joined with other dissidents who tried this year to take control of MGM's parent Loew's Inc. from pres. Joseph R. Vogel. For 7 years (1943 salary: \$1,138,992.47) he was nation's highest-paid executive. Surviving are widow and 2 daughters, Mrs. Irene Selznick, former wife of producer David O. Selznick, and Mrs. Wm. Goetz, wife of movie executive.

Groucho Marx is winner against Govt. in capital tax gain ruling by U. S. Tax Court on \$1,000,000 sale in 1950 by him and partner John B. Guedel of interests in *You Bet Your Life*, which was switched from CBS to NBC. Court in Washington held that price paid Marx & Guedel represented "fair market value" of their interests in program—not "compensations for personal services" as claimed by Govt. for income tax purposes. Deal gave Marx \$750,000, Guedel \$250,000 over 10-year period, NBC taking all rights to program.

Liquor commercials should be accepted by broadcasters, Oct. 28 *Broadcasting* says in editorial asserting that "interdiction" against such advertising on TV & radio "was imposed and has been cultivated by fear." Arguing that influence of prohibitionists in country as whole is "unimportant," magazine calls on "courageous broadcasters" to defy the taboo: "Where liquor is legal, which is to say most parts of the United States, the advertising of liquor on the air is equally legal. Why shouldn't broadcasters accept their legal rights?"

TV-radio program screening by specific U. S. Catholic censorship agency, as called for by Pope Pius XII in "Remarkable Inventions" encyclical (Vol. 13:37), can definitely be expected by broadcasters, Oct. 26 *Sponsor* says in speculative article on possible effects of censorship by church. But immediate likelihood is that meeting of Catholic bishops in Washington Nov. 12 will delay formal establishment of machinery for reviewing programs, possibly referring question to study committee, magazine says.

United Artists, big independent movie distributor, plans to finance and distribute TV films, with first offering due in 1958-59 season.

Toll TV—Great Debate Rolls On: It was another routine week on pay-TV front—marked, as usual, by violent attacks and staunch defenses of subscription TV via broadcast and wire—with repetitions of most of the same old arguments. But still no applications at FCC for subscription telecasting trials.

Sen. Langer (R-N.D.), member of Senate Judiciary anti-trust subcommittee who plans to introduce bill to ban fee TV in Jan., incensed by recent *Life* magazine article on Bartlesville Telemovie experiment, started postcard poll of Bartlesville residents on subject of pay TV. He addressed letter to every Bartlesville family, stating his opposition to toll TV and enclosing postcards on which respondents could check whether or not they were “in favor of pay-as-you-see TV.” Results, he said, would be turned over to anti-trust subcommittee.

Unfortunately the Senator became a little confused, his letter indicating that he thought Bartlesville was “the only city that has been allowed by the FCC to try out the pay-as-you-see program.”

By week's end, Langer had received total of 1693 postcards and letters in his Bartlesville poll: 1430 voted against pay TV, 113 in favor; 150 wrote letters, most of them indicating that while the writers opposed fee TV they favored wired Telemovies, which they said wasn't the same thing. A few of the 150 expressed fear that Telemovies was forerunner of pay TV.

In Bartlesville, Video Independent Theatres pres. Henry S. Griffing reacted quickly, dispatching letter to Langer denying that Telemovies were same as pay TV and insisting it is merely extension of the movie exhibition business, that it removed no free channels from TV set, and in fact added 3 more choices for viewers. “Like you,” he said, “we are opposed to pay TV . . . We just want to continue selling motion pictures in Bartlesville.”

* * * *

House Judiciary Chairman Celler (D-N.Y.) was heard from again this week—addressing RTES meeting in N.Y., sharing platform with ex-FCC chairman Paul Porter. Celler maintained tests of pay TV would be impossible to

GE doesn't plan to enter video tape recording field, technical products dept. gen. mgr. Wm. J. Morlock told us this week. “We're not in the tape recording business,” he said when asked about company's plans. He said company did some TV recording research, which was discontinued about 1½ years ago. At the moment, he said, GE doesn't visualize a market “expansive enough to permit that kind of competition,” presumably meaning 3-company competition among Ampex, RCA & GE.

Animated commercials patterned after successful spots for Jell-O and Piel's beer are TV trend this season—but few are “different, exciting or unusual,” Oct. 25 *Tide* says. Article singles out these “top” examples of good ones: Columbia Records (“Hi-Fi for Fun”), Johnson & Johnson (Band-Aids), Armour (Liquid Chiffon), Timken Roller Bearings (locomotion methods), Westinghouse (TV sets), Kaiser Industries (diversified operations).

call off, once started; that toll TV would siphon good programming from free TV; that networks and other commercial TV interests would be drawn into it and it would only aggravate monopolistic situations in TV. He also called on FCC commissioners to request Comr. Lee's “removal from the panel when it considers trial pay TV,” because of Lee's authorship of *Look* article last year favoring trial.

Porter, who is attorney for International Telemeter, welcomed FCC's decision for trial of broadcast pay TV, but added: “Maybe it would appear that the immediate future of pay TV is the closed-circuit route.” He said wired closed-circuit would solve problem of shortage of TV channels, suggesting that wired system should add 3 new channels between Ch. 6 & 7. He added that wired TV could supply community TV and “local outlets of self-expression” which he said are lacking in current broadcast TV system.

There were these other developments on pay-TV front, meanwhile:

(1) More “cable theatre” projects are in the works, according to Milton J. Shapp, pres. of Jerrold Electronics, which installed Bartlesville setup. He told convention of Allied States Assn. of Motion Picture Exhibitors that his company is now “working with several exhibitors who are preparing to add cable theatres to their circuit operation.” He added that other exhibitors are planning to install community antenna systems “in select fringe-area communities.” These will have extra channel for future cable theatre programming.

(2) Non-exclusive contract was granted by Ft. Smith, Ark. to Midwest Video, Inc. to wire up city for pay TV, city to receive \$100 a year plus 2% of gross income. Schine Home View Theatres applied for combination fee-TV-community antenna franchise in Herkimer, N.Y.; Hardy Theatres & Lippert Theatres applied for fee-TV franchise in Fresno, Cal.

(3) Another advertising industry spokesman served notice that “if pay TV attracts audiences away from free TV to any appreciable degree you can be certain advertisers will find ways either to use pay TV or to circumvent it.” *Tide Magazine* editorially suggested several methods, in addition to the obvious sponsorship technique: For example, advertisers might supply special slugs to be used in TV coinbox which they would later redeem from operators; or they might arrange to pay for a particular program so viewers wouldn't be billed for that show. Magazine finds it “ludicrous . . . that the operators of pay TV would forever eschew the rich rewards of commercialization,” and predicts that “ultimately the only losers will be the viewers.”

TV sewing lessons on WBAY-TV, Green Bay, Wis. were so successful that Viking salesman Roy Fahlstrom reported 25% sales increase although no TV or newspaper announcements of course were made. Cost of 10-week afternoon course was \$1200, half of which was paid by national distributor, Consolidated Sewing Machine Corp. Fahlstrom plans to offer course in Duluth, Minneapolis and other cities in his territory which includes Wis., upper Mich., Ill., Ind.

Show-cause hearing for *N.Y. Herald Tribune* TV-radio columnist Marie Torre, at which she was scheduled to explain why she wasn't in contempt of N. Y. federal court for refusing to divulge CBS source of item about actress Judy Garland (Vol. 13:42-43), was postponed Oct. 29 until Nov. 7. Judge Sylvester J. Ryan recessed proceeding in Miss Garland's \$1,393,333 libel suit against network because Miss Torre's counsel was out of town.

Telecasting Notes: Televised salute to telecasting industry—on NBC-TV's *Wide Wide World* Nov. 10, produced with cooperation of ABC-TV & CBS-TV—won't devote itself entirely to networks' contributions. One segment will use pickups from stations across nation to show how local stations help develop new talent and program ideas . . . Among local program pickups on the salute to TV: Rehearsals of Japanese program from KRON-TV, San Francisco; inside look at production of children's programs at KMTV, Omaha; square-dance program from KYTV, Springfield, Mo.; look-in on science program from WBZ-TV, Boston, featuring exclusive sputnik films; rehearsal of teen-age rock-&-roll program from WLW-TV, Cincinnati; section of *The Arbitrator* program on WJL-TV, Detroit, which airs public controversies . . . From network standpoint, program will feature 40 stars of network TV in flashbacks over past 10 years. It will conclude with statements by 4 TV critics and "a number of viewers" on whether TV has "fulfilled its promise" . . . **To the amazement of critics—and even of industry itself—westerns seem to be most popular program fare this season.** Two trade publications noted this week that Oct. Trendex puts every new western ahead of show which occupied its time slot last year and gives every returning western an improved rating over last year . . . NBC's faith in late-night live TV finally is being vindicated. Critics have been applauding it lately, *New York Times'* Jack Gould giving it kudos Oct. 31; billings have been rising, biggest coup being this week's \$450,000-gross order from Marlboro cigarettes; station line-up increases to 85 markets Nov. 4 . . . **Unusual cultural presentation:** Hartford's WTIC-TV (Ch. 3) will present J. Arthur Rank's 2½-hour filmed "Romeo & Juliet" Nov. 3, 7:30-10 p.m., complete and without cuts; station is stirring up interest by pointing out that scholars have disagreed on merit of film, and programming v.p. Leonard J. Patricelli has invited teachers and literature students to

send critiques of film to station . . . **Despite defections of Dodgers & Giants, New York probably will have as much baseball on TV as ever next season—WOR-TV plans to televise about 78 Philadelphia Philly games, for which it reportedly is paying about \$600,000, and WPIX is negotiating with Yankees to add 70 away-from-home games to TV schedule in addition to all home games . . . TV hit drama, *Playhouse 90's* "Requiem for a Heavyweight," has been acquired for Broadway stage by Norman Panama & Melvin Frank, who also hope to make it into movie; Jack Palance is being sought to repeat starring role.**

Counterclaim for \$9,000,000 against CBS Inc., asking triple anti-trust damages, has been filed in Chicago federal court by Amana Refrigeration Inc., which was sued in July by network for \$284,545 for alleged contract failure (Vol. 13:29). In reply to CBS suit, Amana says it has paid \$252,431 to network to satisfy network's charges for 7 spots on *Phil Silvers Show*, but that CBS owes refrigerator firm \$3,000,000 on each of 3 anti-trust counts: (1) CBS gave discounts of up to 25% to other advertisers, but limited Amana's discount to 5%; (2) network compels advertisers to buy time on all stations stipulated by CBS; (3) CBS imposes tie-in requirement by which CBS-produced programs & those in which network has interest are favored over programs available from other producers.

MBS news headquarters have been switched from Washington to N. Y. in move "necessitated by increased use of special circuitry for overseas pickups," pres. Paul Roberts announced Oct. 29. Norman Baer, former AP & INS byliner who was TV-radio director of Lewin, Williams & Saylor and consultant to Hilton & Riggio before joining Mutual in Sept., has been appointed news & special events director of radio network. He succeeds Robert F. Hurlough, recently named an MBS v.p. (Vol. 13:43), who continues in charge of Washington operations.

Mexico's Do-It-Yourself TV: When Mexico's Telesistema Mexicano revealed last summer that it hoped to bring live World Series telecasts to Mexico City via hook-up involving a single microwave hop spanning nearly 300 mi. (Vol. 13:33, 38), American TV engineers shook their heads and said the Mexicans were dreaming.

It turns out that they were. As a Telesistema official put it (mildly), engineering tests showed such a distance "calls for another relay," and so World Series wasn't seen live in Mexico City. In an industry in which phenomenal expenditures are commonplace, it would seem logical to install the extra relay or 2 and have it done with. But in Mexico, such an expenditure was out of the question and international hook-up was shelved "for the time being, at least."

Technical and artistic ingenuity on a relative shoe-string budget keeps Mexican TV operating with some first-class entertainment (and some that's not so good), despite low receiver circulation (see p. 2).

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"Not a single American or European expert helped us get started. Our TV is strictly Mexican. We've made some mistakes, too, but they were also our own." So we were told by one of topkicks of big Telesistema Mexicano, formed 3 years ago when the 2 principal Mexican TV operators got together in a sort of marriage of convenience. The rival TV entrepreneurs were Emilio Azcarraga,

owner of large string of radio stations, and Romulo O'Farrill, industrialist and publisher of *Mexico City Novedades* and *News* (English). Their alliance is complicated, falling short of merger in that each holds title to own stations. However, both groups share same technicians, equipment and studios in Mexico City's huge Televiscentro.

Claimed to be world's largest TV studio under one roof, Televiscentro was built originally as a Mexican "Radio City," but was changed in midstream to a TV city. On recent visit there, we toured Televiscentro's 18 large studios (largest of which seats 1100 spectators). The center is equipped with 27 live image orthicon camera chains—RCA, GE & DuMont—with Zoomar and other associated equipment.

Televiscentro is headquarters for Mexico City's 3 TV stations, origination point for live programming on 3 others (by off-the-air pickup) and kines for non-interconnected outlets. Some 700 people are employed there, all of them connected in some way with telecasting.

On our tour of Televiscentro, we were amazed at the number of live shows in various stages of rehearsal and preparation. Until this year, 70% of programming has been live, with 27 drama shows originating from Televiscentro each week. Telesistema produces no original filmed shows—"they're too costly," an official explained.

Economy-bound budgets have given rise to some ingenious techniques. Almost all large scenery flats consist of plain brown wrapping paper mounted against wooden frame. Telesistema artists are told what scenery to depict—and they go to work, using only their imagination

and ordinary colored chalk. Colored, because it helps create illusion of depth and makes actors feel more at home. When show is over, wrapping-paper scenery is discarded; no storage problems.

Popularity of live dramatic shows is undisputed. No. 1 show this year has been 60-min. *Teatro Angel Garaza*, starring Spanish actor Angel Garaza and consisting of light domestic comedies. Also popular are variety shows—including one 11:15 p.m.-12:15 a.m. stanza reminiscent of NBC-TV's *Tonight*. We saw a 60-min. Pepsi-Cola spectacular, built around Mexican popular songs and featuring some of the country's favorite artists. Among other live presentations, of course, are quiz shows (including the ubiquitous *64,000-Peso Question*).

Telesistema does large number of remotes, boxing being most popular of the sports, which also include baseball and an occasional bullfight. One popular remote origination is *Visiting the Stars*, televised live from celebrities' homes, which seems to have been inspired by Ed Murrow's *Person to Person*.

Conducting latter show and serving as news commentator and all-around trouble-shooter is soft-spoken, U. S. educated Juan Duran y Casahonda, whose official title is director of public relations. Not the least of his tasks is maintaining good relations with Ministry of Communications, which—unlike FCC—exercises strict control over program content and is empowered to (and does) levy fines when it thinks program content is in questionable taste or when "adult programs are broadcast during children's hours."

This year, for first time, Telesistema has been going in heavily for Spanish-dubbed U. S. TV films. "We resisted them for a long time," said Sr. Duran, "because we didn't think that's what the people wanted"—but they're obviously going over, and Mexico City's 2 principal stations now divide their time evenly between live and filmed shows.

Among popular U. S. shows in Mexico are *Rin Tin Tin*, *Count of Monte Cristo*, *Highway Patrol*, *Lassie*, *Disneylandia*. Only one film series is presented entirely in English—Ziv's *Eddie Cantor Show*—sponsored by Raleigh cigarettes and aimed at city's large English-speaking population.

Telesistema has library of "thousands" of feature films of all vintages and origins—mainly French, Argentine, Spanish. Virtually all Mexican-made features may be shown on TV 3-4 years after release to theatres. Because of small number of sets and low govt.-controlled price of theatre admissions (32¢ top), this has made no dent at all in tremendous popularity of movies.

Many of the non-Spanish films have subtitles, but some—notably old U. S. 2-reel comedies—rely on tech-

nique of off-camera narration. Telesistema tries to get copy of original script with its films, and narrator explains picture as it is unreeled. We viewed an elderly Laurel & Hardy comedy shown in this manner, and the result was a trifle confusing.

As for commercials—like Mexican radio, Mexican TV has plenty of 'em. Watching a late evening show we counted 7 in a row before a power failure ended our viewing for the night—the closing commercial on one show, two spots, two station break spots (station uses 2 ID's and 2 sets of call letters, identifying originating station and satellite), another spot followed by an opening commercial for next show.

* * * *

Programs from 2 of the 3 Mexico City channels are picked up off-air and retransmitted by 2 transmitters on 13,500-ft. Cortez Pass about 50 mi. SE of Capital. These transmitters give amazing coverage, and they are picked up direct at another mountain-top site—Mt. Zamorano, near Queretaro, more than 150 mi. NW—and retransmitted by Ch. 3 transmitter there. At present, Zamorano transmitter repeats one Cortez Pass channel for one week, the other the next week—alternating to give sponsors even break. Second transmitter is being installed on Mt. Zamorano.

Remainder of Mexico's stations are not interconnected with Mexico City. Only other stations in the interior are at Monterey & Chihuahua, but new ones are under construction at Torreon & Durango. There are stations along U. S. border at Tijuana, Mexicali & Juarez.

Big barrier to interconnection of Mexico's TV stations is fact that—except on and near the central plateau—distances between populated areas are vast. It's not economically feasible to interconnect 2 stations which are 600 mi. apart without populated areas in between which can support own TV stations and thus help amortize cost of relay.

Viewing in Mexico—particularly outside of the city—is an experience in itself. Due to variations in power-line voltage and frequency (50 cycles is nominal house-current standard), picture falls in and out of sync, sound wells up and fades. But Mexicans aren't nervous dial-twiddlers; they've learned that if you wait patiently the picture will come back.

Heavy variations in line voltage are tough on sets, and there seem to be more TV repair shops than there are sets-in-use—all apparently doing thriving business.

TV sets are available in sizes from 14 to 24-in., mostly assembled largely from U. S. parts and bearing such familiar trade-names as Admiral, Philco, RCA, GE, Packard-Bell, Majestic—with European brands such as Philips also making headway there.

Powerful new Vatican radio station was dedicated this week by Pope Pius XII with plea for peace. The \$2,500,000 broadcasting center was financed by funds from congregations throughout world, has medium-wave transmitter with 120-kw power, 3 short-wave installations, one with 100-kw and 2 with 10-kw each. Vatican has plans for telecasting, too, in future, having requested 2 frequencies under Stockholm allocations plan. It once experimentally used 819-system donated by French.

West German TV stations, owned by non-profit state-private combines, served notice that they would seek commercial telecasting monopoly, opposing entry of privately owned competitors into TV field. Three of Germany's 5 public TV chains already accept limited number of spot commercials, which are generally bunched into 30-min. program.

Subsidy of about \$2,000,000 for Swiss non-commercial TV network has been voted by Govt. Operated by Post Office dept. and supported by receiver licenses, the 4-station system is heavily in red. Swiss newspaper publishers have also offered annual subsidies totaling some \$500,000, so long as stations continue on non-commercial basis.

Cuban Labor Confederation buy of Union Radio, acquiring stations in Havana and 9 interior cities, was announced Nov. 1 by Confederation secy. Eusebio Mujal. He said \$150,000 would be spent for modern equipment at stations, whose sale price was reported as \$450,000.

Circulation peak of 5,806,060 copies was set by TV *Guide's* Oct. 12 edition, topping previous record of 5,669,726 set March 9, 1957. New York metropolitan edition led magazine's 50 regional editions with 1,210,800 for Oct. 12 issue.

St. Louis Switch Protested: A fly in the balm of everybody's-happy-now station-ownership parlay in St. Louis—wherein FCC approved CBS's purchase of KWK-TV (Ch. 4) and 220 TV's acquisition of Ch. 11 CP (Vol. 13:43)—appeared in form of protest filed this week by St. Louis Amusement Co. (Fanchon & Marco theatres). Protestant was once competitor of CBS's for Ch. 11 but defaulted early in the fight, never was considered a contender; in this week's filing, it charges "unlawful combination," and "buy out" of opposition. Protestant faces uphill fight proving its standing to protest. However, even if it fails to convince FCC, it delays transfers.

Commission cleared up several facilities-change applications: (1) WNHC-TV, New Haven (Ch. 8) from 9 mi. north of New Haven and 26.5 mi. southwest of Hartford to 19.8 mi. northeast of New Haven and 14.5 mi. south of Hartford. (2) WJBF, Augusta (Ch. 6) to about 10 mi. south of present site, increasing height from 610 to 1370 ft.—affirming earlier grant after WNOK-TV, Columbia, S. C. (Ch. 67) withdrew protest. (3) WICU, Erie (Ch. 12) to 5.6 mi. southeast of city's center—affirming previous authorization upon withdrawal of protest by WSEE, Erie (Ch. 34). (4) KTRX, Kennewick, Wash. from Ch. 25 to 31.

Convinced that Hattiesburg-Laurel, Miss. area can't support 2 stations and that uhf can't survive in Baton Rouge, majority owners of WDAM-TV, Hattiesburg (Ch. 9) and WAFB-TV, Baton Rouge (Ch. 28)—Edgar Stern group, operating WDSU-TV, New Orleans (Ch. 6)—asked FCC for permission to move WDAM-TV to Baton Rouge, take WAFB-TV off air. Also submitted was agreement whereby grantee WTLM, Laurel, Miss. (Ch. 7) would take over WDAM-TV facilities for \$160,000, begin operating on Ch. 7.

Another uhf grant for Baton Rouge was lined up with initial decision favoring Port City TV Co. for Ch. 18, after competing applicant Bayou Broadcasting Co. dropped out. Port City agreed to pay Bayou \$4000 for expenses, in return for which Bayou agreed to drop its Ch. 40 CP, which it had sought to change to Ch. 18.

FCC received petition from Ch. 15 grantee WCBF-TV, Rochester, to assign Ch. 13 to that city so it can switch to the vhf channel.

Translators granted: Lebanon, N. H., Ch. 81, to WWLP, Springfield, Mass.; Gold Beach Ore., Ch. 74, to Community TV Assn.; San Saba, Tex., Ch. 80, to Norman R. Phillips.

FCC network study staff report (Vol. 13:40-41) will be printed by House Commerce Committee in about a month. Spokesman for Chairman Harris (D-Ark.) said it will be issued as report of Committee to House—without endorsement, but in form of "letter of transmittal." FCC's Office of Network Study currently is re-editing report carefully for typographical errors, incorrect footnote references, etc. Single copies will be available without charge.

Early congressional consideration of bills to exempt all-channel sets from 10% Federal excise tax was urged in letter to House Ways & Means Excise Subcommittee Chairman Forand (D-R. I.) by Committee for Competitive TV. Pointing out that at least 10 more uhf stations have gone off air since last spring, CCTV stated: "The uhf TV situation is more serious at this moment than it was a year ago."

NARTB Code Review Board quarterly meeting Nov. 11-13 in Hollywood will take up TV films staff monitoring report, viewer complaints & comments.

Craven Boosts Boosters: Legalizing the illegal vhf boosters will be proposed formally to full FCC by Comr. Craven, who inspected Colo. booster operations at request of Gov. Steve McNichols. He'll propose that boosters be classified as "limited radiation device," and that station operators whose signals are to be relayed certify to FCC as to probability that boosters will cause no interference and agree to provide regular engineering inspection. His view is that Communications Act doesn't require boosters to be considered "transmitters," that they may be considered part of receiver. Craven says western telecasters are willing to go along. He also reports that community antenna operators are prepared to accept proposal. Actually, he says, CATV operators have little desire to build cable systems in towns served by boosters because they're too small. In one case, booster serves 7 families.

Refusal of equal TV time to Negro leader by WLBT, Jackson, Miss., following 60-min. program in which 3 southern politicians aired views on racial issues, posed problem of "fair" programming—and what Govt. can do about it—to FCC this week. In protest dated Oct. 17, Miss. field secy. Medgar Evars of National Assn. for Advancement of Colored People asked Commission to enforce equal time rule against station so he can answer Gov. J. P. Coleman, Sen. Eastland (D-Miss.) and Rep. John Bell Williams (D-Miss.), who had discussed Little Rock, Ark. crisis. FCC spokesman pointed out to newsmen that rule applies only to bona fide candidates for public office, not to controversial issues, although Commission expects stations to be "fair" in overall programming. FCC itself had made no reply to protest this week.

Trial of test case involving legal right of United Automobile Workers to spend dues money directly for political broadcasts opened this week in U. S. District Court, Detroit. Corrupt Practices Act indictment against union for sponsoring campaign shows on WJBK-TV, Detroit, in 1954 election was dismissed last year (Vol. 12:5), but Govt. won appeal to Supreme Court, which ordered trial to determine issues (Vol. 13:11). Union claims telecasts were educational—not political—even if they did favor candidates supported by UAW. Govt. contends they violated law against direct contributions to candidates by unions or corporations.

"Equal time" protest alleging discrimination against Socialist Workers Party by DuMont's WABD, N. Y., in mayoralty campaign was filed Oct. 29 with FCC, which offered little hope of any action prior to Nov. 5 election. Minority party complained that station excluded candidate Joyce Cowley from *Between the Lines* program which gave time to rivals, asked that FCC "rectify" situation before voters go to polls. But FCC replied that issue (including rejected offer of 15-min. by WABD to Mrs. Cowley) may require hearing which couldn't be concluded before Nov. 5.

Invitation to inspect uhf setup of WWLP, Springfield, Mass. (Ch. 22) has been accepted by FCC members who will fly there Nov. 22. Station also operates satellite WRLP, Greenfield, Mass. (Ch. 58), translator W79AA, Claremont, N. H., holds CPs for translators W71AA, Newport, N. H. and W81AA, Lebanon, N. H.

Only TV application on agenda of CBC Board of Governors Dec. 6 meeting is for satellite of CJBR-TV, Rimouski, Que. (Ch. 3), to be operated by La Compagnie de Television Pohenegamooke Inc. in Estcourt, Que. (Ch. 70). CBC also is reported exploring possibility of building 4 satellite TV stations in northern Ont.

Transocean TV pickup from BBC was reported Nov. 1 by Press Wireless at Baldwin, L. I., where reception of signal lasted 1½ hours.

Preview of Frey Report: Most advertisers think they pay agencies too much commission for packaged TV shows, while even more agency men are convinced that the 15% they get isn't enough.

These are among preliminary findings in long-awaited Frey Report disclosed this week in Atlantic City at 48th annual meeting of Assn. of National Advertisers, which commissioned \$40,000 study of agency practices, services & compensation a year ago.

Prof. Albert W. Frey of Amos Tuck School of Business Administration at Dartmouth College polled 845 adv. mgrs., 412 agencies, 277 media, 193 officers of corporations, came up with 24-page report, 17 pages of tables which will be included in full study to be published in Jan.

Among adv. mgrs. responding to Frey questionnaires, 59% thought agencies' commission for packaged TV shows should be less than 15%, only 35% supported standard fee. For agency-produced shows, 60% thought 15% was proper, 31% thought figure should be higher.

Among agencies, 70% of those which have produced TV shows figured commission should be higher—and higher proportion of agencies which have bought packaged shows believed that 15% is least which should be charged.

In general, many big advertisers reported they want to scrap present 15% commission system, substitute flat fees negotiated with agencies. Agencies generally said commission system should be continued—with the 15% upped.

Advertisers and agency & media executives at ANA meeting reached no common conclusions on

touchy subject of fees, but indications were that Frey Report might lead to some major changes in system. ANA itself confined itself to statement that "any comment at this time would be premature," although pres. Paul B. West said at press conference that "positive note" had been struck by industry's unprecedented self-examination.

* * * *

TV fare itself came under criticism at meeting, pres. John P. Cunningham of Cunningham & Walsh asserting that "index of boredom" by public "has been rising steadily" under "great massive waves of imitation." Next sponsor who buys a TV western which isn't "marked creative departure from the pattern ought to turn in his grey flannel suit and go to the eternal showers," he said.

"We want it [TV] to be a strong, well-rounded medium," Cunningham said. "Multiplication of the same type of show, such as the present wave of singers, quizzes, and westerns, can only narrow the base of TV, restrict its power and its value to the people."

On the other hand, v.p. Lansing B. Lindquist of McCann-Erickson told meeting that if there is one word for TV & radio networks today, in comparison with 5 years ago, it is "maturity." He said that for first time advertisers have "full-blown, grown-up set of media tools" in broadcasting. Lindquist particularly praised network radio as "programmed, scheduled & priced more intelligently than ever before in the history of the medium."

Warning that much "management, marketing & advertising energy goes down the drain" in developing & promoting new products, Conrad Jones of Booz, Allen & Hamilton said admen should give "more to the management decisions that precede commercial introduction."

"There are brilliant advertising campaigns for products in dying fields, but the product will still die," Jones said, asserting one function of admen is to help make sure new products will yield commercial return.

Ownership in WMFD-TV, Wilmington, N. C. (Ch. 6) is being sold by Richard A. Dunlea & wife, who are disposing of their 210 shares (60%) for \$153,850. Dan D. Cameron, other TV stockholder, retains 40%; Dunlea keeps radio WMFD, of which he is sole owner. Dunlea stock buyers are WNCT, Greenville, N. C. (Ch. 9), paying \$150,000 for 171.5 shares, and Wilmington businessman J. W. Jackson paying \$3850 for 38.5 shares. After transfer has been effected, stockholders are to buy additional shares at \$100 each in following amounts: WNCT, 250 shares; Dan D. Cameron, 200; James W. Jackson, 50. Ownership will then be: WNCT, 49.58%; Dan D. Cameron, 40%; James W. Jackson, 10.41%. WMFD-TV Sept. 30 balance sheet shows \$46,878 in accumulated earnings as of Jan. 1, 1957, reduced by loss from sale of coaxial cable, trade of transmitter equipment and depreciation to \$38,186. It had \$73,380 current assets, \$389,731 in property; \$60,967 current liabilities, \$18,035 taxes payable, \$288,453 notes payable. WNCT Sept. 30 balance sheet lists \$103,299 surplus and \$51,896 profit to date for 1957.

Option for 50% of WIIC, Pittsburgh (Ch. 11) may now be exercised by H. Kenneth Brennen & family, FCC having approved \$500,000 stock sale to them under terms of merger agreement reached in 1955 with *Pittsburgh Post-Gazette* (WWSW), which retains other 50% (Vol. 13:40). Brennen family has sold Pittsburgh radio WJAS & WJAS-FM to NBC (Vol. 13:39), but retains radio WHJB, Greensburg, Pa. and Radio Advertising Co., Pittsburgh. WJAS formally changed hands Oct. 31.

Sale of WATV, Newark-N. Y. (Ch. 13) with WAAT & WAAT-FM, includes assumption of \$950,000 in obligations by buyer NTA, bringing price up to \$4,500,000, sales agreement providing that NTA is to pay \$2,500,000 for stock, additional \$1,000,000 out of station profits (Vol. 13:40). WATV Sept. 30 balance sheet filed with transfer application lists \$148,115 deficit. It had \$123,362 current assets, \$475,939 fixed assets; \$532,416 liabilities, \$215,000 common stock. NTA consolidated July 31 balance sheet lists \$1,474,443 earned surplus since June 8, 1955 and additional \$3,640,896 capital surplus. It lists \$5,152,154 cash, \$11,510,869 in notes and accounts receivable, \$27,611,493 current assets, \$903,461 fixed assets; \$16,985,218 current liabilities, \$3,531,617 deferred film rental income, \$2,734,787 payables due after 1 year, \$4,600,000 6% sinking fund subordinated notes.

Purchase of WROM-TV, Rome, Ga. (Ch. 9), which holds authorization for move to Chattanooga, by Martin Theatres of Georgia for \$722,500 (Vol. 13:40) was approved by FCC. Sellers, headed by Dean Covington, failed to find financial aid needed to build "first-class" Chattanooga outlet and decided to sell to Martin Theatres (E. D. Martin, pres.), owner of WTVM, Columbus, Ga. (Ch. 28).

Sale of WREX-TV, Rockford, Ill. (Ch. 13) for \$2,850,000 by Greater Rockford Television Inc. (Louis E. Caster, pres.) to Continental Television Corp., in which Bob Hope has 50% interest (Vol. 13:40), was approved by FCC. Hope's associates are Albert Zugsmith, 25%; Ashley L. Robison, 15%; Arthur B. Hogan, 10%.

New and Upcoming Stations: Bumper crop of stations began operation this week, largest number to make debut since summer of 1955. Five were new starters (2 uhf), one uhf resumed after moving to new site, and Mexican border outlet reports start earlier this month. Demise of WGLV, Easton, Pa. (Ch. 57), in economic difficulties, which left air Nov. 1, brings on-air total to 516 (90 uhf). New starters: WLWI, Indianapolis (Ch. 13) began 5 p.m. Oct. 30 with ABC-TV; WINR-TV, Binghamton, N. Y. (Ch. 40) 7 a.m. Nov. 1 with full NBC-TV schedule, also carrying some ABC-TV; WOWL-TV, Florence, Ala. (Ch. 15) Oct. 28 with NBC-TV & CBS-TV; KXGN-TV, Glendive, Mont. (Ch. 5) Nov. 3 with CBS-TV; WMVS-TV, Milwaukee (Ch. 10, educational) 4:45 p.m. Oct. 28. WKST-TV (Ch. 45) resumed Oct. 31 as Youngstown, O. outlet with ABC-TV, after moving from New Castle, Pa. Border starter is XEM-TV, Mexicali-El Centro, Cal. (Ch. 3), which reports Oct. 1 debut as independent.

WLWI began programming same day it got program authorization, following FCC denial of petitions by losing applicants, who sought to block effectiveness of grant to Crosley Bestg. Corp. (Vol. 13:43). It's area's fourth outlet; Crosley's fifth vhf, third affiliated with ABC-TV. It has 50-kw RCA transmitter and 12-bay superturnstile antenna on 1016-ft. Ideco tower at Ditch Rd. & 96th St. Studios are at 1401 N. Meridian St. John T. Murphy is TV v.p. for Crosley; John Babcock, from WLWT, asst. gen. mgr. of WLWI; Robert Lamb, ex-Chicago sales mgr. for Crosley, sales mgr.; Lyle R. Allen, ex-WITN-TV, Washington, N. C., merchandising mgr.; Charles W. Brodhead, ex-CKLW-TV, Detroit-Windsor, program director; Bruce Cox, WLWT, director of special services. Base hour is \$1100. Rep is Crosley.

WINR-TV is programming 18 hours daily using 25-kw RCA transmitter and 52-gain pylon antenna on 400-ft. tower to get 1070-kw maximum ERP. City's other outlet is Triangle Publications' WNBK-TV (Ch. 12). WINR-TV is owned by *Binghamton Press* (Gannett). Dale Taylor, ex-mgr. of radio WENY, Elmira, is gen. mgr.; A. Victor Ludington, ex-sales mgr. of WOAY-TV, Oak Hill, W. Va., sales mgr.; Bill Densmore, ex-WDAN-TV, Danville, Ill., program director; Gino Ricciardelli, ex-WPTV, Palm Beach, technical director. Base hour is \$300. Rep is Hollingbery.

Application for sale of KVTB, Sioux Falls, Ia. (Ch. 9) & radio WNAX, Yankton, S. D. by Cowles Bestg. Co. for \$3,000,000 to Peoples Bestg. Corp. (Vol. 13:41) includes Oct. 5 balance sheet for Cowles (also operator of WHTN-TV, Huntington, W. Va. & WHTN, radio KRNT and owner of 60% of KRNT-TV, Des Moines), which lists \$351,863 paid in surplus, \$194,852 operating surplus. It had \$599,739 current assets, \$195,933 in KRNT-TV common stock, \$2,066,933 fixed assets; \$450,823 current liabilities; \$107,285 long term liabilities, \$1,800,000 capital stock.

Facilities changes: KOVR, Stockton (Ch. 13) began Oct. 28 with 316-kw from new site on Butte Mt., near Jackson, Cal., after operating since Sept. 16 with interim 138-kw on Mt. Diablo. WESH-TV, Daytona Beach (Ch. 2) goes to 100-kw, having received program authorization Nov. 1. KROC-TV, Rochester, Minn. (Ch. 10) Oct. 31 went to 240-kw. KSHO-TV, Las Vegas (Ch. 13) went to 11.5-kw Oct. 26, now located at El Rancho Vegas Hotel.

WOWL-TV is in northwest corner of state near Tenn. border; only TV within 90 mi. is WMSL-TV, Decatur, Ala. (Ch. 23), 43 mi. away. WOWL-TV has 1-kw GE transmitter, GE antenna on 300-ft. tower from U. S. Tower Co. at 800 Cyprus Mill Rd. Richard B. Biddle, pres.-gen. mgr., owns 50% (25% personally, 25% through radio WOWL, of which he has 52% control). Jack Worley, from WOWL, is sales & program mgr.; John Utley, ex-KLAS-TV, Las Vegas, production mgr.; Larry Rohling, WOWL, chief engineer. Base hour is \$200. Rep is Forjoe.

KXGN-TV has 5-kw DuMont transmitter and 1-bay GE antenna on 192-ft. Fisher tower at Kendrick Ave. & Valentine St. It's near eastern border of state, 92-mi. from KDIX-TV, Dickinson, N. D. (Ch. 2) and 88-mi. from KUMV-TV, Williston, N. D. (Ch. 8). Owner is Lewis W. Moore, also owner of radio KXGN and local theatre. Coming from KXGN are gen. mgr. Dan C. Palen, sales director Karl Johnson, film buyer Lewis W. Moore, chief engineer Donald J. Powers. Base hour is \$125. Rep is Grant Webb.

WMVS-TV has 10-kw RCA transmitter at Port Washington & Donges Bay Rds.; Alford 4-bay antenna is side-mounted at 700-ft. level of WITI-TV tower. Studio is at 1015 N. 6th St., where closed-circuit operations have been conducted for over 2 years by grantee Board of Vocational & Adult Education. H. E. Barg, Board business mgr., is gen. mgr.; Paul K. Taff, operations mgr.; John Lemke, program & film mgr.; James C. Wulliman, chief engineer.

WKST-TV quit air Jan 14, 1955 while awaiting FCC action on petition to move transmitter to Youngstown, O. 17-mi. away (Vol. 11:2). Permission was given early this year (Vol. 13:8), contingent on field intensity survey showing that coverage of New Castle would comply with rules. It has new RCA transmitter and 638-ft. tower at 3800 Shady Run Rd., Youngstown, emits 198-kw ERP. Studios are at Shady Run Rd. and in New Castle. S.W. Townsend, pres. & gen. mgr., and Wanda E. Townsend control WKST-TV & WKST. Robert C. Harnack, from Paul Smith Adv., is sales & production mgr.; Harry Reith, from WKST, is New Castle sales mgr. Base hour is \$350. Rep is Everett-McKinney.

XEM-TV claims 100-kw ERP, with 90% of programming in English. It has studio & transmitter in Hotel Barbara Worth, El Centro. Affiliated with Telesistema Mexicano S.A. (Emilio Azcarraga interests), it's headed by Don Carlos Blando, gen. mgr. Robert Kelly, ex-KIVA-TV, is sales mgr. Base hour is \$200. Reps are National Time Sales and Harlan G. Oakes.

Transfer of KHVH-TV, Honolulu (Ch. 13) & KHVH to Kaiser-Burns Development Corp. in deals involving \$168,750, plus assumption of \$266,000 in notes due Henry Kaiser (Vol. 13:40) was approved by FCC. Hal Lewis, who remains with stations, gets \$25,000 for his 25% of TV, \$100,000 for 50% of radio stock. Henry J. Kaiser Co. owns 50%, Fritz B. Burns 43.5%, of Kaiser-Burns Development, operator of Hawaiian Village Hotel.

TV, radio & press dominate "mind, morals & thinking" of Americans who once were influenced by ministers & educators, Rev. Paul O. Madsen of N. Y. told American Baptist urban convocation Oct. 29 in Indianapolis. Citing 3 TV & 4 radio networks and 3 press associations as main influences now, he said "church is not prepared for such broad scale mass manipulation of mind and perhaps never should be."

RCA shipped 24-gain antenna Oct. 18 to upcoming WMBD-TV, Peoria (Ch. 31), due in Jan.

Reports of Radio Station Sales: WRMA, Montgomery, Ala. by Ralph M. Allgood & Grover Wise for \$165,000 to WRMA Bestg. Co. Inc., owners of WAOK, Atlanta (broker, Blackburn) . . . WIKB, Iron River, Mich., by WIKB Inc. (Henry Frailing, pres.) for \$53,000 to Edwin Phelps and son, of Wilmette, Ill. (Kander) . . . WDIA, Memphis, Tenn. by John R. Pepper & E. R. Ferguson for \$1,000,000 to owners of WOPA, Oak Park, Ill. (Ch. 44 grantee) and KXEL, Waterloo, Ia., headed by Egmont Sonderling . . . WAND, Canton, O. by P. C. Wilson for \$150,000 to Agnes J. Reeves Greer, owner of WJER, Dover, O.; WKJR, Pittsburgh, Pa., & WAJR, Morgantown, W. Va. (Crisler) . . . WZIP, Covington, Ky. by WZIP Inc. (Arthur L. Eilerman, pres.) for \$150,000 to Leonard P. Gorian & Alfred B. Katz (Crisler) . . . WTAN, Clearwater, Fla., 75% by Mary B. & William G. Wells for \$150,000 to H. Dennison Parker, v. p. and 25% owner of station.

Radio sales approved by FCC this week: WNGO, Mayfield, Ky. by R. B. Ligon and gen. mgr. T. E. Brewer for \$120,000 to Charles W. Stratton and H. D. & Mose Bohn (Vol. 13:37) . . . WSKI, Montpelier, Vt. by Paul Perrault for \$75,000 to Elles E. Erdman & Nayte Schoonover (Vol. 13:33) . . . KYTE, Pocatello, Ida. by J. Ronald Bayton for \$60,000 to Thomas R. & Andrew H. Becker (Vol. 13:41) . . . WOOW, New Bern, N. C. by Paul Reid for \$50,000 to Leo Hoarty and associates of WBOF, Virginia Beach, Va. (Vol. 13:39) . . . WCPM, Cumberland, Ky. by Edward F. Shadburne for \$41,860 to Elmo Mills (Vol. 13:40) . . . WJOE, Ward Ridge, Fla. by Vacationland Bestg. Co. Inc. for \$40,000 to Rupert P. Werling (Vol. 13:41).

Just plain music and nothing else—this plan seems to winning a few adherents among radio stations. *N. Y. Herald Tribune's* Joe Hyams devoted Oct. 29 column to AM station described as "Radio 860," San Diego, which is programming nothing but background music, with no commercials—collecting \$1-a-month subscriptions from listeners who want to hear commercial-free music, sans calypso or rock-&-roll. Though not identified in article, station is presumed to be Tijuana's XEMO. Meanwhile, new "music-only" FM-only station WBKW (Joe L. Smith Jr.) began operation in Beckley, W. Va., announcing programming will "consist entirely of hi-fidelity music, uninterrupted except by station and sponsor identification at the quarter hour"—with music continuing in background during these announcements. Station will also play binaural tapes, cooperating with local WJLS (AM).

TV gives "new dimensions" to education, consultant Alexander J. Stoddard of Ford Foundation's Fund for the Advancement of Education said Oct. 30 in Chicago at national conference on high schools. "TV does not substitute for what was in the past," he told teachers, "but it adds new dimensions to what we already have had and can continue to hold."

CBS Foundation fellowships, worth \$8000 each for study at Columbia U, will be awarded for second year to 8 "promising persons engaged in radio & TV news & public affairs" (Vol. 13:1, 18). Applications for new grants, which start in fall of 1958, will close Dec. 16 at Foundation office, 485 Madison Ave., N. Y. Winners will be announced in Feb.

America's biggest fortunes, as listed in Nov. *Fortune*, are noteworthy for scarcity of those with TV connections. Of total of 76 named, having fortunes from \$75,000,000 to \$1 billion, only 6 have known connection to TV industry: oilmen H. L. Hunt & Sid Richardson, Amory Houghton & Arthur A. Houghton Jr. (Corning Glass), financier John Hay Whitney, Henry J. Kaiser.

Return to Radio: CBS Radio took page ads in Oct. 30 *N. Y. Times* and *Wall St. Journal* to proclaim that 14 of 15 "biggest network radio advertisers in the peak radio year 1948" are back this year—and all have used CBS Radio. "Even more important," ad boasts, "large corporations (Ford, Home Insurance, Longines-Wittnauer, GM) which were not big network radio users 10 years ago are now important advertisers" on network. Returnees listed: Procter & Gamble, Sterling Drug, General Mills, General Foods, Gillette, Miles Labs, Lever Bros., Liggett & Myers, American Home Products, Colgate-Palmolive, R. J. Reynolds, Philip Morris, Swift, GE. Radio also was promoted in Oct. 31 *N. Y. Herald Tribune* by rep Henry I. Christal with page telling "How to Wrap Up a Region"—using WBEN, Buffalo; WHAM, Rochester; WGY, Schenectady; WSyr, Syracuse.

"Radio will be a major tool of the free nations of the world in offsetting the iron & intellectual curtains which the Communist nations are attempting to put around the masses of people that they have doomed to slavery." So said Westinghouse Broadcasting pres. Donald H. McGannon this week in address to Chicago Kiwanis Club describing his recent tour of Radio Free Europe installations. "Honest news is a scarce commodity behind the Iron Curtain," he said—and RFE has exploited this fact by "beating the Communists' time and again on their own stories."

Network ban on "darkies" and other racial terms in folk songs used as official state songs was ended this week by CBS & NBC following demands by southern Democrats for investigation of such "censorship" (Vol. 13:31). But restoration of original language to state-adopted songs only didn't satisfy Chairman Harris (D-Ark.) of House Commerce Committee, who said Nov. 1 committee "undoubtedly" will explore issue, which he described as "serious one." Fla. uses "Swanee River," Ky. "My Old Kentucky Home" as official songs.

Little Rock crisis provided "electrifying example of TV's unique ability to give the nation an unobstructed, on-the-scenes view of the crucial events of our time," CBS-TV station relations v.p. Wm. B. Lodge told Baltimore Ad Club luncheon observing 10th anniversary of WMAR-TV. System of free TV breeds unity in times of crisis and strengthens U. S. democracy, he said.

Radio & TV Executives Society opens 4th annual time buying & selling seminar Nov. 12 at luncheon in Biltmore Hotel, N. Y., with pres. Lewis H. Avery of Avery-Knodel speaking on "History of Spot Radio & TV." Series of 16 Tues. sessions there runs until March 11.

FM Progress in Europe: There are now more than 500 FM stations on air in Western Europe, according to tabulation by European Broadcasting Union's Technical Centre in Brussels. List shows Italy leading with 199, West Germany with 157, United Kingdom 37, Finland 28, Switzerland & Austria 16 each, Denmark 10, Netherlands 8, France & Yugoslavia 7 each, Sweden 6, Morocco & Norway 4 each, Vatican City 2, Luxembourg & Spain 1 each. Tabulation of stations as of April 1957 by location and by frequency, with essential technical information is available from EBU Technical Center, 4 Rue de la Vallee, Brussels for 25 Belgian francs (about \$5). Title: *List of Sound Broadcasting Stations (VHF Band)*. Also available from Technical Center is similar listing of European TV stations, covering principal outlets (but not repeaters and satellites) as of April 1957. Titled *List of Television Stations (VHF Band)*, it may be purchased from same address for 25 Belgian francs.

OCT. SALES & PRODUCTION DOWN 20% FROM LAST YEAR: TV production, factory and distributor sales are about 20% under totals for Oct. 1956, but manufacturers are watching retail sales and inventories, keeping good balance at a lower level.

Production in Oct. was 656,000 compared with 821,000 a year ago; factory sales of 662,000 compared with 861,000, distributor sales were 646,000 vs. 860,000. End of Oct. factory and distributor inventories totaled 1,650,000, a reduction of about 50,000 below those of same period in 1956.

Trade sources feel heavy production cutback in Oct. corresponds to similar reduction in Nov. 1956 when production dropped from Oct.'s 821,000 to 680,000.

Meanwhile, final retail sales figures for Sept. have been set at 705,000, excluding about 18,000 exports, only about 2000 less than we reported in preliminary estimate (Vol. 13:42). Retail sales in Sept. 1956 were 763,908.

TV with Transistors: Transistors have finally come to TV -- via hi-fi. RCA, going along with trend toward revival of TV-phono combinations, this week announced new TV-phono, 2 black-&-white consoles and one color set -- all using the transistorized sound system which RCA developed for its hi-fi sets.

The 4 new sets all have 21-in. picture tubes. Combination has 5 speakers, lists at \$550. Others have 3 speakers -- and jack for phonos, tuners or stereo tape players, etc. Color set lists at \$895, black-&-white consoles at \$495.

RCA's pitch on these sets will be quality of sound. RCA Victor TV div. v.p. C.P. Baxter said introduction of sets follows "survey that reveals a considerable market for complete home entertainment instruments that include both TV and high fidelity." He sounded keynote in RCA campaign when he said new sets provide "the most realistic TV sound ever produced."

RCA also added to its line new 21-in. table model at \$180-\$190, console at \$380. All new sets are due for shipment in "near future."

Raytheon Tube & Transistor Surge: Not one of the tube-making giants, but a steady producer over the years, Raytheon's picture tube plant at Newton, Mass. is operating 24 hours daily; "limited" 3-shift schedule is in effect at the Newton semiconductor plant and at one of 2 receiving tube plants at Newton & Quincy.

Transistor production is "considerably ahead" of last year, N.B. Krim, v.p. and gen. mgr. of receiving and CR tube operations, told us. He listed Raytheon's total transistor production since 1954 at about 7,750,000 through Oct. or more than 20% of U.S. industry total.

Total value of Raytheon tube and semiconductor production is "well over one-third billion dollars," or about 10% of U.S. total since 1922, Krim said. By units this amounts to about 400,000,000 receiving tubes, 2,500,000 picture tubes, 24,000,000 transistors and diodes.

Oct. was "particularly good month" for picture tube sales, reports Krim, although year-to-date total is not quite up to last year, following sale of Raytheon TV-radio div. to Admiral (Vol. 12:22). Bulk of Raytheon picture tube sales are to manufacturers of new sets, some "5 or 6 major accounts," which Krim declined to name -- but which we understand includes Philco and Westinghouse. He said receiving tube production is slightly ahead of last year.

Tube prices "can only go one way -- up," said Krim, describing business this way: Very few picture tube companies are able to show a decent return on investment.

Pointing up diversification, Raytheon -- which did considerable radar work in World War II -- took wraps off new Hawk air defense missile which it is making for

Army. Shown at Assn. of U.S. Army meeting in Washington Oct. 29, Hawk ignores stationary objects, makes use of supersonic speed to attack moving aerial targets even at tree-top height. Spokesman said Hawk uses advanced radar system, can be transported by plane and used with fast-moving assault troops.

Production: TV output was 169,806 week ended Oct. 25, compared with 153,846 preceding week and 200,148 in corresponding week one year ago. It was year's 43rd week and brought TV production for year to date to about 5,245,000, compared with 6,080,052 in same period of 1956. Radio production was 401,178 (125,813 auto) week ended Oct. 25 vs. 411,273 (150,638) preceding week and 346,349 (144,547) in corresponding week year ago. Radio output for 43 weeks totaled about 11,953,000 (4,380,000) vs. 10,884,760 (3,607,911) in 1956 period.

Trade Personals: Robert W. Redecker promoted to mgr., sales and merchandising, RCA Service Co. consumer products service . . . Samuel N. Regenstrief resigns as v.p.-manufacturing, Philco appliance div. . . Tom E. Mumford promoted to Hoffman radio div. sales mgr. for radio-hi-fi . . . Richard D. Evans promoted to govt. sales mgr., Sylvania special tube operations, Woburn . . . Norval H. Green promoted to mgr., RCA semiconductor div. general quality control . . . Robert A. Jewett promoted to product sales mgr., chemicals, phosphors and semiconductors, Sylvania chemical & metallurgical div. . . Walter H. Powell, International Resistance Co. director of industrial relations, elected a v.p.; J. Burton Henry promoted to sales mgr., new products div., continues as administrator of IRC sales divs. . . Kendrick R. Wilson Jr. elected Avco pres. succeeding Raymond A. Rich who resigned post but will continue as consultant; F. C. Reith, ex-Ford v.p. and mgr. of Mercury div., elected Avco v.p. and pres. of Crosley div. . . C. M. Mooney, ex-IBM, joins IT&T as U. S. govt. relations director . . . Nat Welch, Orradio sales v.p., appointed to Ala. Educational TV Commission . . . Wm. M. Stafford Jr., ex-Electra Distributing Co., named SE sales rep., Westinghouse electronics tube div. . . Sam P. Karr named editor of *NEDA Journal*.

James J. Cassidy, ex-editor of *Electrical Dealer*, recently merged into *Mart*, has joined trade news staff of *Television Digest*.

"Phenomenal results" are reported by Motorola consumer products marketing v.p. S. R. Herkes from current \$1,000,000 TV advertising program. He said this is "first time we have taken national advertising down to local level to this extent." Series consists of 12 full-page newspaper ads in over 100 key markets—with 5 ads already having run—as supplement to national magazine ads. Series has evoked many queries from non-Motorola dealers, he said, and added that he had reports of consumer ordering sets on strength of ads. Herkes described the ads as "hard-hitting," making use of such gimmicks as Motorola's Tube Sentry.

Attention set manufacturers: An American serviceman's gripes about difficulties of repairing printed-circuit sets are entertainingly aired in article appearing in Nov. issue of—of all things—*Wireless World* of London. Author of highly amusing and provocative piece is Jack Darr, Ouachita Radio-TV Service, Mena, Ark.

Sequel to service problem story in Oct. 14 *Time* (Vol. 13:41) came in Nov. 4 issue which carried 10 letters to Editor—none overly critical—commenting on story. Included was one from Sol Polk, Chicago, wishing story had reported "obvious need for adequate, authorized, qualified schooling in our high schools to train service people."

DISTRIBUTOR NOTES: Hotpoint Appliance Sales Co. names Max Culpepper dealer-sales mgr. for New York district . . . Associated Merchandising Corp. promotes James Garrigan to merchandising representative for TV, radios, tape recorders, phonographs, etc. . . Sylvania appoints Whitehead Radio Co., 118 E. Long St., Columbus, O. for tube and semiconductor products . . . Elliott-Lewis Corp. (Motorola), Philadelphia, moves to former headquarters of Motorola-Philadelphia Co., 120 S. 30th St. . . Polk Bros., Chicago, elects Milton E. Hellman, ex-Merchants Acceptance Co. exec. v.p., as financial v.p.

EIA renames Julius Haber, RCA, chairman of public relations & adv. committee. Other members: Edward W. Allen Jr., DuMont; Robert Burros, Olympic; Karl H. Carstens, Magnavox; Allen Center, Motorola; J. D. Hevron, J. W. Davis Co.; Bert Housman, Automatic Radio Mfg. Co. Inc.; Norman Huey, GE; C. Erik Isgrig, Zenith; James Jewell, Arvin; R. W. Johnson, Westinghouse; Robert M. Jones, Philco; C. R. Lunney, Sylvania; Harold J. McCormick, Motorola; Joseph R. Owens, GE; W. W. Price, Bendix Radio div.; Wm. T. Reedy, Packard-Bell; D. A. Sandberg, Delco; Arthur Schwartz, Columbia Records, CBS; Wm. F. Sharkey, Industrial Develop. Engineering Assoc.; D. B. Van Winkle, Hoffman.

Kudos for TV-radio dealers and servicemen is aim of Westinghouse electronic tube div. booklet, *This is the Story of a TV Set*. Adv. mgr. J. C. Lane said "consumers are not aware of the 'buy' they get in modern servicing because they fail to understand basic costs that go into servicing. Our program is designed to bring this story to the consumer." Booklet is given dealers in a "Build Consumer Confidence" kit which also includes window display and streamers.

Improved and expanded federal business statistics have been recommended to Congress by the National Accounts Review Committee of the National Bureau of Economic Research. Group called for increased Commerce Dept. staff, surveys of consumer spending and saving every 5 years. Also recommended was immediate action on suggestion of Federal Reserve Board consultant committee for improvements in consumer finance surveys of U of Mich. Survey Research Center.

German TV market presents good opportunity for American manufacturers, reports Blaupunkt v.p.-gen. mgr. Werner Meyer, saying Germany "would require approximately 50,000 units a year for next few years." However, he said sets would have to meet German standards and be backed up with strong service setup. Meyer also said he expects hi-fi boom here to continue with rate of German set imports remaining at about 200,000 annually.

Kansas City Electric Assn. reports sale of 211 color sets in Sept., bringing total to date to 2369.

New Display Devices: Two new electroluminescent panels capable of storing images for long periods were described by RCA scientists this week at third annual meeting of IRE Professional Group on Electron Devices. The experimental devices, with potential applications in radar and other electronic display systems: (1) A new form of light amplifier, which, after 1/100-sec. exposure to dim image, stores and displays the image in bright form for several minutes or longer. This has been made in 3-in. square panel, is based on newly discovered properties of cadmium selenide. (2) A high-definition picture storage panel comprising arrangements of photoconductive and electroluminescent materials in tiny cells on a specially fabricated glass plate. One design contains 1275 cells per sq. in., another about 1600.

Fast-growing Litton Industries has plans for 2 new mergers into new fields, chairman-pres. Charles B. Thornton disclosed at annual meeting. Litton recently announced mergers with Maryland Electronics Mfg. Corp., Aircraft Radio Corp. and Monroe Calculating Machine Co. (Vol. 13:38; 41-42). Thornton told stockholders that a special meeting would be called in next 2 weeks to study Monroe merger, that nearly 90% of Monroe stockholders have agreed to the move. He said all mergers would be on basis of exchange of Litton stock.

Business pickup in second half of 1958, sparked by demand for household appliances, is view expressed by Commerce Dept.'s Business Advisory Council at last week's meeting in Hot Springs, Va. Sears, Roebuck chairman T. V. Houser told economic outlook session that "BAC sees over-all business activity continuing at a high-level plateau but gradually dropping from the present record-breaking high slowly until some time in 1958. It sees no basis for any long continued decline in the American dynamic economy."

Engineer salaries are still increasing, reports American Management Assn., but average boost of 5.9% in year ended June 30, 1957, is down from preceding year's 8.6% average. Assn. says pattern of decreasing salary hikes for engineers and technicians closely follows rate of middle and top management. Survey shows median annual engineer salaries were \$5400 for "entering category" to \$13,100 for highest non-management group. In Canada, median salaries range \$4700-\$10,400 for similar levels.

All-industry semiconductor sales will total \$200,000,000 in 1958, Hughes Aircraft Co. semiconductor mgr. Joseph S. O'Flaherty predicted this week. He said 1957 sales will total \$125,000,000, up from last year's \$70,000,000. Hughes' semiconductor sales, he added, are expected to total more than \$20,000,000 this year and \$35,000,000 next year.

Continued faith in fair trade laws was voiced this week by Willard H. Sahloff, v.p.-gen. mgr., GE housewares & radio receiver div., in talk to Housewares Club of N.Y. He admitted "recent legal developments have not been favorable to fair trade" but reaffirmed "our belief in the continued vitality of fair trade as a marketing philosophy."

Battery-powered radios with built-in radiation detectors were proposed by AEC Comr. Dr. Willard F. Libby in talk this week to Assn. of U. S. Army in Washington. His plan calls for "manufacture and sale of perhaps tens of millions" of such sets as part of national defense plan against radioactive fallout from enemy attack.

Hotpoint reports 1958 TV line exceeding sales estimates, describing sales as "now rising sharply, well ahead of the normal year-end holiday season." Five new 21-in. sets are being introduced, leader table model priced at \$190.

Financial Notes: Motorola reports record 9-month sales of \$166,023,034, earnings of \$5,350,422 (\$2.76 per share) and pres. Robert W. Galvin "envisions a satisfactory fourth quarter . . . and total earnings for the year will be greater than last year." Comparable figures for first 9 months of 1956 were sales of \$162,689,182, earnings of \$4,817,964 (\$2.49).

Third quarter earnings were \$1,940,644 (\$1)—second highest for any third quarter—on sales of \$60,356,275 vs. \$1,751,757 (91¢) on sales of \$60,887,948 in comparable 1956 period.

Galvin wrote shareholders that enhanced earning situation was due to improved price-to-cost TV relationship, increased hi-fi sales, favorable contract car radio business—"all 5 of our divisions having contributed to this result."

Terming the economic situation "fluid," he said Motorola is "alert to this condition" and has "good control of our inventories, receivables and general operations." However, Galvin stated that "we do not envision anything other than a moderate readjustment in the economy as a whole . . ."

* * * *

Zenith earned \$4,885,301 (\$9.92 per share) on sales of \$111,134,284 in first 9 months of 1957, compared with \$3,890,765 (\$7.90) on \$100,568,265 sales for corresponding months of 1956. Net profits for quarter ended Sept. 30 were \$2,487,164 (\$5.05) on sales of \$44,648,062 vs. \$1,359,941 (\$2.76) on sales of \$35,197,330 in similar 1956 period. Pres. E. F. McDonald Jr. said profit figures do not include proceeds from settlement of litigation with RCA, et al (Vol. 13:37-38) since exact amount is still being determined. He said Zenith unit sales of TV receivers in third quarter were up 22% from last year while industry sales were down 9.1%. For 9 months, he said, Zenith TV sales were up 11% while industry was down 14%. McDonald noted third quarter jump of 50% in dollar volume of radio-hi-fi-phonographs compared with 1956 third quarter, strong demand for 7-transistor portable radio—with company unable to keep up with orders despite increased production.

Magnavox reports net profit of \$920,150 (95¢ per share) on sales of \$19,222,205 in quarter ended Sept. 30, 1957, compared with \$790,333 (81¢) on sales of \$17,037,158 in comparable 1956 period. Pres. Frank Freimann told annual meeting that despite decline in TV orders, increased hi-fi and electronics business would keep volume high in current quarter. Introduction of products such as transistorized radio, new concept in portable TV, hi-fi radio-phonographs and TV models now going into production will help current and subsequent quarter sales, he said.

Dividends: Magnavox, 37½¢ payable Dec. 14 to stockholders of record Nov. 25; Westinghouse, 50¢ Dec. 2 to holders Nov. 8; Official Films, 5¢ Dec. 2 to holders Nov. 15; Erie Resistor, 10¢ plus 1% stock Dec. 15 to holders Nov. 29; Consolidated Electrodynamics, 10¢ Dec. 13 to holders Nov. 27; IBM, 60¢ Dec. 10 to holders Nov. 13 plus 2½% stock Jan. 28 to holders Jan. 6; International Resistance, 5¢ Dec. 2 to holders Nov. 15; Lear, dividend omitted; Loew's, dividend omitted.

Electronic Assoc. earned \$830,800 (\$1.43 per share) in first 9 months of year, compared with \$750,549 (\$1.37) in corresponding 1956 period. Third quarter net income was \$437,416 (75¢) vs. \$168,859 (31¢) last year.

DuMont Labs reports profit of \$20,000 on third quarter sales of \$10,302,000, compared with a net loss of \$439,000 on sales of \$12,019,000 in similar 1956 period. However, for 9 months ended Sept. 30, 1957, DuMont lost \$978,000 on sales of \$30,151,000 vs. loss of \$923,500, after a \$1,209,500 tax carryback credit, on sales of \$34,490,000 in comparable 1956 period. Pres. David T. Schultz said improved TV receiver business was "an important factor" in third quarter profit. Allen B. DuMont Jr., TV receiver div. mgr., reported "receiver operation has made a profit during each month" since June introduction of new line. "Despite some present sales slowdown in the industry," he said, "DuMont television and high fidelity business remains at anticipated levels."

Westinghouse earned \$49,102,000 (\$2.83 per share) on record sales of \$1.477 billion in first 9 months of 1957, compared with a loss of \$1,399,000 on sales of \$1.015 billion during strike-affected first 9 months of 1956. Third quarter net profit was \$18,487,000 (\$1.07) on record sales of \$494,394,000 vs. \$10,314,000 (59¢) on sales of \$409,717,000 in corresponding 1956 period. Chairman-pres. Gwilym A. Price expects continued high volume of shipments in fourth quarter, saying unfilled orders remain at high levels despite record sales. New line of consumer products was well accepted, he said, and reported Sept. sales to distributors & dealers "considerably ahead of 1956."

Clevite Corp. reports that its diversified electronics & automotive parts business earned \$3,553,000 (\$1.87 per share) on record sales of \$57,071,000 in first 3 quarters of 1957 vs. \$2,630,000 (\$1.35) on \$53,790,000 year earlier. Third quarter net profit equivalent to 39¢ per share, compared with 56¢ in same 1956 period, was short of expectations, however, chairman James L. Myers & pres. Wm. G. Laffer ascribing decline to reduction in defense shipments. Partly offsetting reduction were gains by Clevite transistor & diode manufacturing units in Waltham, Mass. and Dusseldorf, Germany. "We expect these operations to continue to show increasing sales & profits," they said.

Webcor Inc., formerly Webster-Chicago, specializing in hi-fi but reporting govt. and lamination divisions also operating profitably, increased sales 29% in first 9 months of 1957 to \$28,548,591 and net profits to \$1,107,545 (\$1.70 per share). Result, says pres. N. Malz, is that it will resume cash dividend payments "late this year," especially since "sales and income outlook for the 4th quarter appears exceptionally favorable." In same 1956 period, sales were \$22,073,680, net loss \$216,505 (35¢ per share). Sales in Sept. quarter were \$12,910,115 and net income \$603,502 (93¢) vs. \$9,577,472 & \$18,470 (3¢) in 1956 quarter.

Raytheon earned \$3,258,000 (\$1.15 per share) on sales of \$172,948,000 in 9 months ended Sept. 30, 1957, plus net gain of \$2,671,000 (94¢) from stock sales and loans to Datamatic Corp., for total earnings of \$5,930,000 (\$2.09). Third quarter earnings were \$962,000 (34¢) on sales of \$60,999,000. No comparative figures are available since Raytheon changed from fiscal to calendar year Jan. 1. Pres. Charles F. Adams listed govt. business backlog of \$250,000,000, substantially devoted to guided missiles.

Record sales of \$85,000,000, earnings of better than \$3 per share for current fiscal year, were seen by Daystrom pres. Thomas Roy Jones in talk this week to N. Y. Society of Security Analysts. This compared with sales of \$75,069,000, earnings of \$2.77 per share, in year ended March 31, 1957. Jones said Daystrom's business is divided into 68% commercial, 32% government, with backlog—mostly industrial—at \$35,000,000 vs. \$26,000,000 a year ago. He declared that research & development expenditures had been expanded from last year's 4% to 6.5% of sales.

Grim Warning: "Possibly five years," warns RCA chairman David Sarnoff, is all the time we have "to head off catastrophe for the human race . . . The Free World under American leadership must concentrate . . . on the supreme task of weakening World Communism—from within and from outside—to the point where it ceases to be a peril." Gen. Sarnoff told third annual meeting of Assn. of U. S. Army Oct. 29 in Washington that perfection of an intercontinental missile is "now inevitable . . . It is only a matter of time before both sides have an operational missile . . ." He went on to say "because electronics is at the heart of this weapon, I have been close enough to its development to believe that this climax will be reached within 5 years, and possibly sooner," achieving a stalemate which he termed "Dreadful Parity." He called for countermeasures such as "an adequate Cold War offensive—not a mere holding action . . .;" formation of a "NATO for Political Defense;" maintenance of balanced military forces and resolving "whatever inter-service conflicts there may be in the field of ballistic missiles and related weapons, and speed up their development into operational forms."

American Bosch Arma earned \$4,286,617 (\$2.26 per share) on sales of \$101,089,137 in first 9 months of 1957 compared with \$3,385,438 (\$1.77) on \$86,729,566 year earlier. Backlog of military business in electromechanical & electronic systems and fuel injection & automotive electrical equipment stood at \$180,000,000 Sept. 30. But Arma operations have been affected by military budget alignments, necessitating 10% cut in employment, and general business slowdown is expected to reduce American Bosch sales slightly in present quarter, according to pres. Charles W. Perelle.

Collins Radio Co. earned \$2,699,179 (\$1.63 per share) on sales of \$123,912,221 in year ended July 31, 1957, compared with \$3,195,930 (\$1.96) on sales of \$125,141,055 in comparable period year ago. Order backlog of \$115,000,000, 25% higher than a year ago, was reported as of July 31. Report said drop in earnings was due to cost of research & development on commercial items.

Texas Instruments, big transistor manufacturer, reports net profit of \$953,000 (29¢ per share) on sales of \$17,284,000 in 3 months ended Sept. 30 vs. \$476,000 (14¢) on \$10,563,000 in same 1956 period. For 9 months of 1957 earnings were \$2,572,000 (78¢) on \$48,114,000 compared with \$1,506,000 (45¢) on \$29,853,000 year earlier.

E. J. Korvette Inc. sought SEC approval this week (File 2-13715) to register 70,000 shares of \$1 par common stock which it holds in its treasury for an employe stock participation plan. Korvette said plan was set up by agreement with Retail Clerks Union.

General Tire growth is detailed in Nov. *Fortune* article by Spencer Klaw. Story says its RKO Teleradio subsidiary will gross about \$55,000,000 this year, net \$3,000,000—a return of 27% on General's \$11,000,000 investment (including a \$7,000,000 loan) in the business.

Ling Electronics Inc. earned \$308,485 (35¢ per share) on sales of \$3,970,000 for year ended July 31, 1957, compared with loss of \$66,505 on sales of \$191,879 in 9 months ended July 31, 1956 (full year figures not available).

Jefferson Electric Co. purchase of Electronics Products Corp., Santa Barbara, Cal., for approximately \$650,000 has been approved by boards of both companies, report officials.

Meredith Publishing Co. earned \$1,068,046 (83¢ per share) in quarter ended Sept. 30, 1957, compared with \$1,145,082 (89¢) in similar 1956 period.

Reds Bid for TV Swap: High-level diplomatic conversations between U. S. & Soviet Union on on-again off-again proposals for TV-radio and other exchanges (Vol. 13:31) finally opened in Washington this week. Indications were that there'd be plenty of talk, running for long time, before any agreement is reached—if then.

Preliminary jockeying for advantage by U. S. Ambassador Wm. S. B. Lacey, who spoke for Secy. of State Dulles, and Russian Ambassador Georgi N. Zaroubin, who led Red delegation, centered around (1) U. S. suggestion for uncensored TV-radio programs as starter toward better relations between 2 countries, and (2) USSR suggestion for virtually unlimited trades—but without mention of Russian censorship or other restrictions.

Reminding Zaroubin that Dulles had proposed freer exchange of information at 1955 Geneva conference, Lacey pointed out that "obstacles in the information field have not been removed in the USSR," that broadcasts from other countries are still jammed and news dispatches censored.

"It is in connection with these obstacles to free exchange of information and ideas that my Govt. has taken the initiative to repeat the proposal it made 2 years ago to engage in a periodic exchange of radio & TV broadcasts of commentaries on world events," Lacey said.

Ignoring Lacey's references to Soviet "obstacles," skipping subject of "commentaries," Zaroubin said:

"Soviet proposals also provide for an exchange of radio & TV broadcasts on science, techniques, sports, industry, agriculture, education & health. We propose also that a regular exchange of radio & TV programs of classic, folk & contemporary music be organized. We have in mind the organization of reciprocal trips of radio, TV & press representatives."

This diplomatic exchange failed to bring either party close to acceptable agenda for negotiations.

Meanwhile in Moscow censorship issue was sharpened—possibly to provide fresh bargaining point for Washington discussions—by sudden ban on all shipments of movie or TV film abroad, although for more than 2 years foreign correspondents have been able to send it out freely.

At diplomatic reception Oct. 29, correspondents protested ban to Communist boss Nikita S. Khrushchev, whose interview on CBS-TV's *Face the Nation* in June (Vol. 13:23) revived talk of reciprocal TV-radio trade. He brushed them away, saying he hadn't even heard of order.

Foreign Ministry spokesman said, however: "There are no regulations in the Soviet Union permitting customs to pass film for shipment abroad." He thought somebody must have made mistake in passing previous shipments.

TV set licenses in Britain undoubtedly now outnumber radio-only licenses—because at end of Aug., licensed TV receivers totaled 7,331,207 (increase of 61,459 during month), radio-only licenses totaled 7,354,024, of which 322,085 were for auto receivers.

Blow to Free Access: Continuation of Canon 35 ban on TV, radio and press photography coverage of court trials was recommended Nov. 1 by American Bar Assn. committee, reporting in Chicago on findings of 18-month study of organization's Code of Ethics. Scheduled to be acted on by ABA's House of Delegates in Atlanta, Ga., next Feb. 24-25, report concluded that cameras and broadcasting apparatus "inevitably create visual & psychological distractions which have no justification in a court of law." It did urge that Canon 35's language be modified so that rule wouldn't apply to ceremonial occasions such as naturalization proceedings. Report was promptly denounced by NARTB pres. Harold E. Fellows, who deplored ABA committee's "unwillingness to recognize 20th Century methods of communications," expressed broadcasters' "regret" that committee "has seen fit to perpetuate ABA's position against broadcast & photographic coverage of court trials which prevents public proceedings from being truly public." Fellows asked ABA to give NARTB "fair opportunity to state its case" against Canon 35 before acting on report. NARTB's protest was seconded by pres. Ted Koop of Radio-TV News Directors Assn. and chairman Julian Goodman of its freedom-of-information committee. They said "ABA still seeks to inhibit the right of the American people to full information about their courts."

TV courtroom coverage in Conn. as "experiment"—despite American Bar Assn.'s Canon 35 against it—was proposed by Superior Court Judge Thomas E. Troland at annual meeting of Conn. Bar Assn. in Hartford. Most lawyers participating in panel on Canon 35 at meeting opposed relaxation of ban, but Troland said it should be tried, along with radio microphones & still cameras, because: "The time is coming inevitably when this rule will be relaxed . . . I don't mean with noise, Klieg lights, wires and popping up and down. But if the methods are unobtrusive we ought to try it. We ought to have a pilot project in one court and experiment with it for a time."

Canon 35 isn't needed to control TV, radio & photographic coverage of courts, directors of Tex. State Bar assert in report adopting recommendations by special committee against observance of American Bar Assn.'s ban on cameras & microphones. Report presented by Chief Justice Spurgeon E. Bell of Court of Civil Appeals, Houston, holds that trial judges themselves should continue to decide whether such coverage is proper.

Two applications for TV stations and 7 for translators were filed with FCC this week, bringing total to 118 (34 uhf) for stations, 37 for translators. Station applications: for Portland, Ore., Ch. 2 by *Tacoma News-Tribune*, owners of KTNT-TV (Ch. 11), Tacoma; for Lubbock, Tex., Ch. 5, by partners David P. Pinkston & Leroy Elmore. Translator applications were for Indio, Cal., Eureka, Nev., Gallup, N. M., Olean, N. Y. and 3 for Redwood Falls, Minn. (For details, see *TV Addenda 25-N* herewith.)

Conversation down to the old firehouse must be dull. Eureka, Nev. (pop. 470) Volunteer Fire Dept. this week applied for Ch. 76 translator to repeat programs of KSL-TV, Salt Lake City.



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SUMMARY-INDEX OF THE WEEK'S NEWS — November 9, 1957

"HIDDEN SELL" — subliminal commercialism — stirs up storm as 20 congressmen protest; FCC investigates. Can it be used on TV? (p. 1).

NO MORE KINES on NBC-TV after April, pres. Sarnoff announces, revealing plans for monochrome & color "Tape Centrals" on both coasts (p. 2).

ROYALTY-FREE CROSS-LICENSING deal for use of RCA patents on radio & monochrome TV equipment and tubes, offered to manufacturers (p. 3).

FM BAND IN DANGER? Rep. Roosevelt says his Small Business Committee will act as "watchdog" to prevent encroachment by "vested interests" (p. 5).

ABC STRENGTHENS DRIVE against toll TV which "will kill network TV as we know it." Sen. Langer's Bartlesville poll: 1930 against, 163 for (p. 7).

MATURITY OF TV-RADIO as news media again proved by coverage of new Sputnik. Eisenhower's new science czar is veteran of allocations study (p. 8).

NO PRICE BOOST seen for TV sets by major manufacturers with exception of Motorola. Average factory price of sets rises to \$131 in Sept. (p. 10).

1958 TV SALES about equal to 1957, but at lower dollar volume, predicted by Philco's Skinner. Official 9-month TV output put at 4,589,164 (p. 10).

JAPANESE FM TUNERS due here soon, backed by U.S. technical know how. Japan's transistor output seen hitting 5,000,000 monthly by 1959 (p. 12).

DISCLOSURE OF FINANCES of protestant proposed in Austin, Minn. case; to be considered by FCC as method of discouraging protest filings (p. 8).

NEW UHF OUTLET begins programming in La Salle, Ill., bringing TV stations to 517. Canadian satellite starts. Reports on upcoming stations (p. 9).

NETWORK TV BILLINGS mount again in Sept. with 4.6% gain over year earlier for \$40,810,081 total; 9-month billings reach \$369,076,607 (p. 14).

FCC TO REPORT ON 'INVISIBLE' TV ADS: Report of FCC's "task force" investigation of advertising industry's own sputnik—the injection of commercial messages directly into the subconscious, bypassing the conscious mind—is due to be made public within next 2 weeks.

Whole issue may be academic, according to some well qualified TV engineers, who doubt whether subliminal impression technique is practical—or even possible—on TV. There are others, however, who believe such a system can be made to work—although we could find no indication technique had been tested on TV except by its own promoters, Subliminal Projection Co., 5 E. 57th St., N.Y.

Subliminal perception technique, already tested in movie houses (Vol. 13:37), consists of superimposing brief commercial message or trade name in such a manner that it makes impression on mind of viewer without his consciously knowing that he has seen it. It has aroused storm of complaints—particularly in Congress, and FCC's investigation resulted from receipt of about 20 letters from legislators.

In application of subliminal technique to movies, special projector is used to flash instantaneous word or trade-name on screen—demonstrations have employed 1/3000-of-a-second pulse—which viewer doesn't even know he's seen. But his subconscious mind knows.

But how do you flash a 1/3000-second impulse on a TV screen—considering that it takes electron beam 100 times as long to paint one single frame of a TV picture? This stumps some TV engineers, both in industry and FCC.

But Subliminal Projection Inc. claims to have the answer. Exec. v.p. Richard E. Forrest explained to us this week that subliminal perception is dependent on elements other than speed—one of them

being intensity of image. He said that as length of viewing period is increased, if intensity of the image (brightness) is decreased, commercial message can be kept below threshold of conscious perception.

His company's TV technique, he said, uses image of extremely low brightness, which can be superimposed on regular TV image for extremely long periods of time without being noticed consciously—but which gets its message through to the mind nonetheless. With low contrast and brightness, he said, superimposed image can be retained for minutes—doing its work unnoticed.

He said system had been used successfully on closed-circuit TV but added that his company is not currently demonstrating it because it owns no closed-circuit gear. We could find no network officials who would say they had seen it, but all 3 networks are known to be cautiously interested—even if only because their policy is to overlook no new technological developments.

So far as we could ascertain, system has never been tried on the air in this country and there are no present plans to try it—to which both Forrest and the 3 networks agreed. There have been unverified reports that BBC tested system using—of all things—dirty words superimposed on drama show, to stir audience reaction. Along Madison Ave. there is tendency to dismiss this report as adman's dream.

■ ■ ■

Whether it's practical for TV or not, FCC is deadly in earnest in its investigation. Chairman Doerfer, in preliminary report to interested congressmen, stirred up some headlines this week when he said "there is some indication in the trade press that this new technique may have been used on TV." He didn't say whether he was referring to reports of British TV tests.

Conducting FCC's flash inquiry is task group drawn from Broadcast Bureau and offices of general counsel & chief engineer. Purpose of investigation is to determine whether "hidden sell" should be barred from TV, and if so, whether FCC has power to control it or requires new legislation.

While Communications Act provides that FCC can't censor programs, some staffers point out that possible approach to banning any subliminal commercials might be contained in Sec. 317, which provides that sponsors of each program must be identified. Also, they point out, Commission is obligated to check stations' performance in public interest, including any use of deceptive advertising.

Rep. Dawson (R-Utah), one of protesting congressmen, this week urged FCC to ask stations voluntarily to withhold use of technique until investigation is completed. This isn't necessary at this stage of game. Until more is known about technique—not only whether it's possible, but about its moral and ethical implications—industry people we queried echoed the network executive who told us: "I wouldn't touch it with a 10-ft. pole."

Note: In addition to Subliminal Projection Co., another company—Experimental Films Inc., New Orleans—claims to have developed the process and to have had patent applications pending for a year.

TAPE REPLACES KINES ON NBC NEXT SPRING: NBC is first network to announce outright abandonment of kinescope film recordings in favor of magnetic tape.

Just 2 weeks after RCA's impressive demonstration of first practical color TV tape recording (Vol. 13:43), NBC pres. Robert Sarnoff disclosed that network will have 6 RCA prototype color recorders plus 5 Ampex black-&-white machines installed in \$1,500,000 "Tape Central" in its Hollywood studios by start of Daylight Time next April. Sarnoff said "similar Eastern Tape Central" will be built in Radio City.

With this one fell swoop, network will discontinue both monochrome and lenticular film color kinescoping of programs and take large step toward "clock-time" programming for different time zones.

From New York and Hollywood, Sarnoff said, NBC-TV plans to eliminate completely Daylight Time schedule changes in all Standard Time zones and to "meet the west coast problem by a tape repeat of the whole schedule throughout the year."

All 3 networks have been making increasingly heavier use of tape for time-zone problems, and particularly west coast repeats. CBS-TV, with largest number of Ampex recorders, has been making greatest use of tape.

One fly-in-the-ointment—though Sarnoff didn't seem to consider it an obstacle—may be difficulty of obtaining the extra AT&T circuits required for such a repeat schedule during Daylight Time period. He stated that NBC plans to lease "an additional 2000 mi. of lines" for 6 months beginning in April, at cost of about \$750,000. It's known that the other networks also are planning Standard Time tape repeats for their summer programming—and AT&T is going to be faced with a monumental new-facilities task if it hopes to meet all of these requests for extra circuits.

It's known that at least one network—probably all of them—put in requests with AT&T for enough trunk circuits to get close to "clock-time" programming this winter, but that they had to tone down their requirements because there just weren't enough intercity lines to go around (Vol. 13:39).

NBC currently has 3 prototype Ampex monochrome tape recorders, is understood due to receive 2 production models in Jan., 3 more in Feb.; CBS has 5, and at least 9 more on order; ABC has 3, more on order. Deliveries of production model Ampex black-&-white recorders, at \$45,000 each, are due to begin this month—company aiming to have 100 in use by midsummer.

RCA has announced that production model color tape recorders would be available commercially in "latter 1958;" Ampex has indicated it will have color conversion kit for its black-&-white recorders about same time.

RCA OFFERS ROYALTY-FREE PATENT EXCHANGE: RCA's promised new deal on patent licensing (Vol. 13:37-38, 40, 42.) is currently being submitted to its TV, radio and tube manufacturing licensees. These are principal provisions:

(1) Licensees would pay no royalties on use of patents in fields of radio and monochrome TV receiving & transmitting equipment, commercial radio apparatus and all tubes except color TV tubes—in exchange for cross-licensing agreement.

(2) "Color apparatus of any kind"—transmitting, receiving and tubes—is specifically excluded from proposed agreement.

(3) Agreements are to be retroactive to Sept. 1, 1957 and to extend to Jan. 1, 1963.

It's not known whether any agreements have been signed yet—RCA maintaining strict silence.

Add Cable Applications: Additional applications for cable-theatre franchises (Vol. 13:41, 43) were reported this week as filed in 5 states by Tele-Movie Development Co., Film Exchange Bldg., Los Angeles; in 2 states by Frisina Amusement Co., Springfield, Ill. Tele-Movie applications: Ariz.—Phoenix. Cal.—Arcadia, Azusa, Bakersfield, Chula Vista, Colton, Corona, Coronado, Covina, Delano, El Cajon, El Segundo, Escondido, Hawthorne, Hermosa Beach, La Mesa, Lakewood, Manhattan Beach, Monrovia, National City, Paramount, Pomona, Redlands, Riverside, San Fernando, San Gabriel, Santa Barbara, Ventura. Ill.—Chicago. Nev.—Las Vegas. Wis.—Milwaukee. Frisina applications: Ill.—Charleston, E. St. Louis, Effingham, Greenville, Litchfield, Mattoon, Shelbyville, Springfield, Taylorville. Mo.—Hannibal, Mexico, St. Charles. Tele-Movie Development, which also has formed subsidiary Tri-Cities Tele-Movie Co., was organized in May by pres. Walter J. Dennis, v. p. Will Baltin, treas. J. E. Poynter, secy. Harrison W. Hertzburg. Frisina Amusement manages movie theatres in central Ill. cities with John B. Giachetto as gen. mgr. Port Arthur, Tex. application was reported filed meanwhile by Custom TV Inc., Houston.

Color telecasts will be started on limited schedule Nov. 8 by WGN-TV, Chicago, with *The World Is Yours* travel film sponsored by Chicago Motor Club. *Ding Dong School* will be shown in live color starting Nov. 11. Station's equipment includes studio live camera chain and 3-tube vidicon film chain.

TV Critic Faces Critics: CBS-TV's long-heralded *The Seven Lively Arts*, cultural series featuring acidulous TV critic John Crosby of *N. Y. Herald Tribune* as narrator, had premiere Nov. 3—and got panned in his own column. Crosby delicately gave task of reviewing first program (S. J. Perelman-written "The Changing Ways of Love") to playwright George Axelrod, who reported in Nov. 6 *Herald Tribune* that topic "managed to overwhelm 7 arts, 3 narrators (Crosby, Perelman, Mike Wallace), 9 cameras and a whole trunkful of marvelous film clips." Axelrod found Sun. 5-6 p. m. show "disappointing," although "vast improvement on the unchanging ways of Desi & Lucy." As for Crosby himself, guest critic thought his "gentle, wryly perceptive style" wasn't displayed to best advantage, hoped he'd be more himself in upcoming programs. Nov. 3 *N. Y. Times* gave series send-off with interview with Crosby by J. P. Shanley. Next day *Times* critic Jack Gould took off after it: "It is not often that sex can be tedious for most of an hour, but it was . . ." Critic Gould was kind to critic-turned performer Crosby: "The Newspaper Guild may be proud of his debut, and certainly Actors Equity will be understanding." Series is unsponsored.

TNT establishes 4 regional offices, names these mgrs.: John B. O'Connor, eastern div., 575 Madison Ave., N. Y.; Gordon N. Morford, western div., 612 N. Michigan Ave., Chicago; Fred V. Davis, central div., Fisher Bldg., Detroit; Douglas George, Pacific Coast div., 5859 Melrose Ave., Los Angeles.

Personal Notes: Thomas W. Moore resigns as gen. sales mgr. of CBS-TV Film Sales to join ABC-TV as sales v.p.; John Howell promoted to his CBS-TV Film Sales post . . . Slocum Chapin assumes new ABC-TV post of v.p. in charge of client relations . . . John H. Pace resigns as exec. v.p. & gen. mgr. of Public Radio Corp. (radios KAKC, Tulsa, and KIOA, Des Moines) to join ABC as gen. mgr. of radio KABC, Los Angeles, and managing director of radio KGO, San Francisco, Dec. 1 . . . Jess Oppenheimer, TV producer-director-writer, appointed head of new NBC-TV creative programming unit, reporting to Manie Sacks, v.p. for network programs & talent . . . H. W. (Hank) Shepard, special projects director of NBC o-&o stations, named gen. mgr. of radio WJAS, Pittsburgh; Martin Pollins, from NBC Radio Spot Sales, sales mgr.; Oscar Campbell, chief accountant for o-&o stations, business mgr. . . Bradley R. Edimann promoted to sales mgr. of WGN-TV, Chicago, succeeding Theodore Weber, resigned; Edward A. Warren, ex-WNDU-TV, South Bend, named film mgr. succeeding Bob Hibbard . . . Kenneth E. Chernin promoted to new post of promotion director of Triangle Publications TV-radio div.; Donn E. Winther, from WBNF-TV & WBNF, Binghamton, to asst. promotion director . . . Wm. F. Kiley, ex-gen. mgr. of WFBM-TV & WFBM, Indianapolis, and TV-radio-theatre sales veteran Ted Nicholas, have formed new adv. agency, Kiley & Nicholas, 3445 Central Ave., Indianapolis, starting with 18 accounts . . . Warren Fritze promoted to engineering director of WTCN-TV & WTCN, Minneapolis; Dave Lee, from Willis S. Martin Co., named adv. & promotion director of WTCN-TV . . . Ken Sparnon promoted to station relations director of BMI . . . R. W. (Pat) O'Brian, ex-TPA, named marketing director of Fred A. Niles Productions . . . Arthur R. Lerner promoted to asst. treas. of Guild Films; Curtis Kaufman, ex-WMBV-TV, Marinette-Green Bay, named client relations director . . . Art Holbrook, ex-WIBW-TV, Topeka, named managing director of Southern Cal. Broadcasters Assn., succeeding W. J. Taylor, now sales & operations mgr. of radio KWIZ, Santa Ana . . . Charles Hinds, ex-WCBS-TV, N. Y., named program director of WXIX, Milwaukee, replacing Leon Drew, who joins KMOX-TV, St. Louis, as program director . . . Bert Samson, ex-Crosley Bestg. Corp., named

ADVERTISING AGENCIES: Gray Playter, adv. research mgr. of Armstrong Cork Co., appointed chairman of ANA adv. research committee . . . Dr. Jaye S. Niefeld, ex-McCann-Erickson, joins Keyes, Madden & Jones as research v.p. and plans board member; Edwin L. Fletcher named research director; Charles Chappell, v.p. & art director . . . Roswell W. Metzger named exec. committee chairman of Erwin Wasey, Ruthrauff & Ryan, Chicago; Haakon B. Groseth & Larry Northrup, exec. v.p.'s; Jack E. Fleisch, Kenneth D. Stewart & Wm. D. Watson, senior v.p.'s . . . Dan Kane promoted to TV-radio director of Ellington & Co., Harry Bailey to TV-radio creative supervisor . . . Charles M. Skade, ex-American Management Assn., named a senior v.p. of Fuller & Smith & Ross . . . Ted Grunewald, TV-radio director and a v.p. of Hicks & Greist, elected a director . . . Charles A. Bornstein, ex-NBC, joins traffic staff of N. W. Ayer TV-radio dept. . . Robert Coen appointed assoc. media director of McCann-Erickson.

Segal, Smith & Hennessey, veteran Washington communications law firm, splits in two—one firm to be headed by Paul M. Segal, other to be known as Smith & Hennessey, headed by George S. Smith and Philip J. Hennessey Jr. Change is effective Jan. 1, Segal to remain at 816 Conn. Ave., others to move. Division of other attorneys in firm hasn't been indicated.

exec. v.p. & gen. mgr. of Song Ads Inc., Hollywood, replacing Robert Sande, resigned . . . Hernan Nigaglioni resigns as gen. mgr. of WKAQ-TV, San Juan, P. R., to return to own public relations firm; Jose Oviedo named acting gen. mgr. . . Michael Ames, ex-D. M. S. Hegarty Assoc. and Emerson Radio, joins Ursula Halloran Assoc., public relations . . . Jack M. Davidson, ex-Northern Bestg. Ltd., which operates Ont. & Alta. radios, named exec. v.p. of CKY Ltd., Winnipeg . . . Robert I. Guy, ex-operations mgr. of KNTV, San Jose, named program director of KTNT-TV, Tacoma, succeeding Burke Ormsby . . . Zack Hill, ex-WREC-TV Memphis, named operations mgr. of WKXP-TV, Lexington, Ky . . . Richard P. Robbins, ex-Queen for a Day staff, named press information director of KTLA, Los Angeles; Robert G. Reagan promoted to public relations director . . . Gene Strul promoted to news director of WCKT, Miami . . . Paul S. Abbott, from WSYR-TV, Syracuse, named gen. mgr. of WSYE-TV, Elmira, succeeding T. Robert Bolger, resigned . . . Bruce H. Ratts promoted to studio supervisor of WBZ-TV, Boston . . . L. Walton Smith, from WROC-TV, Rochester, advanced to promotion director of Transcontinent TV Corp.

Bruce Eells resigns as TPA western div. v.p. to become exec. v.p. of United Artists TV, headquartering in N. Y. and embarking on large-scale TV production-financing project; TPA central div. v.p. Walter Plant succeeds Eells as western div. v.p., headquartering in Los Angeles; in other TPA promotions, Arthur Spirt moves from account exec. to central div. mgr., Stanley Levy from sales spot mgr. to national station sales director. TPA plans to add 8-12 men to central & western divs. after kick-off sales meeting week of Nov. 18 in N. Y.

Obituary

Harry L. Palmer, 76, retired v.p. of McCann-Erickson, N. Y., died Nov. 2 at home in Skowhegan, Me. He joined agency's predecessor, H. K. McCann Co., as gen. mgr. in 1917, retired in 1938. His widow survives.

Kyoshi Nagata, 54, pres. of govt.-owned Bestg. Corp. of Japan (NHK), died Nov. 3 following heart attack in Tokyo during reception for visiting Berlin Philharmonic.

Broadcasters' Promotion Assn. elected Elliott W. Henry Jr., adv. promotion & press information director of ABC's central div., as pres. at closing session of second annual meeting Nov. 2 in Sheraton Hotel, Chicago. He succeeds Westinghouse adv. & sales promotion mgr. David E. Partridge. Charles A. Wilson, WGN-TV & WGN, Chicago, was named 1st v. p.; Montez Tjaden, KWTV, Oklahoma City, 2nd v. p. Directors for 3-year terms: James M. Kiss, radio WPEN, Philadelphia; Ken McClure, WMBR-TV, Jacksonville; Ed M. Morrissey, KIMA-TV & KIMA, Yakima; Robert Peel, WHEN-TV & WHEN, Syracuse.

RAB reelects all officers, led by chairman Kenyon Brown, KGLC, Miami, Okla. Retained at N. Y. headquarters are pres. Kevin B. Sweeney; v. p. & gen. mgr. John F. Hardesty; v. p. & promotion director Sherril Taylor; asst. secy.-treas. Wm. L. Morison. Also renamed are secy. Wm. B. McGrath, WHDH, Boston; treas. John S. Hayes, WTOP, Washington.

Pennsylvania Community Antenna TV Assn., newly formed, elects: Bob Tarlton, Landsford, pres.; Ray Schneider, Williamsport, v.p.; John Arnts, Bangor, treas.; Miss Yolanda Barco, Meadville, secy.

Mass. Broadcasters Assn. elects: Roy V. Whisnand, radio WCOP, Boston, pres.; W. C. Swartley, WBBZ-TV, Boston, v.p.; George Jaspert, radio WCCM, Lawrence, treas.; Lawrence Reilly, radio WTXL, W. Springfield, secy.

FM Band in Danger? Rep. Roosevelt (D-Cal.) focused attention this week on upcoming FCC study of long-range requirements for 25-890 mc portion of spectrum when he charged in Portland, Ore., speech that "vested interests" threaten to encroach on FM broadcast band and pledged that his House Small Business Committee would set itself up as a "watchdog" to protect rights of small businessmen dependent on FM broadcasting.

Among groups he said have expressed desire for all or part of FM band are American Petroleum Institute, AT&T, NAM, "power combines," railroads and shortwave radio manufacturers. Former FCC Comr. Frieda Hennock, now in private law practice and representing MBS, is believed to be behind Roosevelt's concern over the FM band.

Deadline for filing in FCC's 25-890 mc proceeding has been extended to Nov. 25—and there are certain to be renewed requests for sharing of FM band by industrial radio users. NAM's Committee on Manufacturers Radio Use filed petition for shared use of band nearly 3 years ago (Vol. 11:6). It's still pending—but FCC has made what is, in effect, a counter-offer.

Tax on TV & radio commercials is proposed in Baltimore City Council ordinances scheduled for hearing Nov. 13. One measure would assess 7½% sales tax on gross sales price of any advertising time sold for intrastate broadcast originating in city and directed at persons within Md. Similar municipal tax would apply to other media. Proposals face opposition from broadcasters, press, advertisers, retailers, labor. In advance of hearing, TvB pres. Norman E. Cash sent telegram to Mayor Thomas D'Alesandro Jr. warning against "revolutionary move." Cash said it "could reduce the income to your city and severely restrict your administration," which supports tax as means of raising \$4,200,000 for 1958 budget, although opponents argue it actually would cause business losses, hurt city's economy. "This is a gun at the back of the advertising world," pres. C. James Proud of Advertising Federation of America said, terming proposals "threat to freedom of the press."

TV columnist Marie Torre of *N. Y. Herald Tribune* was formally ruled in contempt of court by Federal Judge Sylvester J. Ryan Nov. 7 for refusing to identify CBS informant she quoted in item about contract dispute between network and actress Judy Garland (Vol. 13:42-44). Miss Torre was released in custody of her counsel pending possible sentencing at further hearing Nov. 12 in U. S. District Court, N. Y. *Herald Tribune* has promised to appeal to Supreme Court if necessary to sustain columnist's right to protect source in case, in which Miss Garland is suing CBS (but not Miss Torre or newspaper) for \$1,393,333 for libel.

Camera-microphone coverage of N. Y. City Council sessions was demanded again Nov. 3 by Radio-Newsreel-TV Working Press Assn., which protested that Council had "pigeonholed" request made at hearing last March (Vol. 13:10). Letter to majority leader Joseph T. Sharkey said that Council's failure to act on issue "will not result in the disappearance of the question," that with public support Assn. will win right to cover meetings—and "our efforts will not cease until we do."

In its split-channel proposals, Commission offered the manufacturers the shared use of 150-mc band (with other services) and exclusive use of band around 450 mc. Commission's feeling is that this would accommodate industrial users for another 5-10 years anyway. Manufacturers haven't yet indicated whether offer is adequate.

On long-term basis, industrial radio users spearheaded by NAM are expected to put in strong pitch for FM band (and possibly even a portion of TV band; American Trucking Assn. once hinted it had eye on Ch. 2). Their argument is that their need for frequencies is constantly expanding and that some broadcasting services—notably FM—aren't making maximum use of spectrum.

If industrial radio users want to push hard for FM band, it could be real threat—since NAM group includes nation's industrial giants, many dwarfing companies in TV-radio. It's too early to say for sure, but feeling among those who have followed situation closely is that manufacturers—while continuing to demand FM band frequencies—will finally accept current FCC proposal, but call it a stopgap.

On a long-range basis, outcome could be different—depending upon how strong a case is made in FCC's proceeding by FM broadcasters and others for continued exclusive use of entire FM band. Recent resurgence of FM "came at the right time," so to speak, to provide evidence to Commission that FM, far from being dead, is getting livelier all the time.

Political telecasts sponsored on WJBK-TV, Detroit, by United Automobile Workers in 1954 Congressional election campaigns didn't violate Corrupt Practices Act (Vol. 13:44), U. S. District Court jury decided Nov. 6. Jurors took less than 2 hours to free UAW from govt. charges that 9 TV programs constituted illegal electioneering under law forbidding direct political contributions by corporations & unions. Court listened to recordings in which only Democratic candidates spoke, UAW spokesman explaining all Republicans had refused invitations to appear on dues-paid programs. Union argued successfully that telecasts were part of UAW's educational program for members.

"Blasphemy of democracy" is committed by broadcasters who try to manipulate public by "application of subtle psychological devices," chairman Dr. Charles A. Siepmann of NYU's Communications in Education Dept. told Freedom Forum at Mt. Pleasant High School, Schenectady. He deplored what he said was assumption by TV-radio industry that "best programs are those with the most viewers," protested big-audience-big-profit concept of broadcasting, said industry should "get back to the fact that our society is dedicated to the nurture of individuals." Siepmann urged public pressure for "improved mass media conscience."

Public interest programming requests, averaging some 200 annually for each station, pose major problem for broadcasters to determine which community efforts to support, NARTB pres. Harold E. Fellows told American Medical Assn.-NARTB meeting Nov. 7 in Chicago. He said "more thorough knowledge of broadcasting and its problems" helps public service groups to get air time.

Suit for \$2,000,000 has been filed in U. S. District Court for Southern District of Cal. by Sarkes Tarzian Inc., alleging 8 former employes, after leaving about Aug 1, conspired with Audio Devices Inc. to "convert Sarkes Tarzian Inc.'s restricted, confidential and secret information and processes to their own purposes and to defraud Sarkes Tarzian Inc."

Telecasting Notes: New wave of panic is sweeping over movie exhibitors, apparently based on public impression that films currently in movie houses will soon be on TV. Movie trade press lately has buzzed with demands for campaign to assure public that current features won't come to TV for long time. Movie industry market researcher Albert E. Sindlinger, according to Nov. 6 *Variety*, has prepared report indicating that 36,000,000 potential theatre admissions were lost during July because of wait-&-see-it-on-TV attitude . . . **Movie industry is doomed**, said pres. Edwin Silverberg of Chicago's Essaness Theatre Corp., unless it ends "suicidal giveaway" to TV. He predicted 10,000 movie houses will be forced to shut down next year because of old movies on TV . . . **AAP reported withholding its unsold Warner Bros. features** in some 35 markets for wait-&-see period of year or more. Purported reasons: Possibilities of pay TV; waiting for more free TV outlets to open, offering bigger markets. Among markets reportedly affected (those in which full 725-picture library hasn't been sold): N.Y., Los Angeles, Milwaukee . . . **Bargain film sale** in 200 basement markets has been started by CBS-TV Film Sales for 2-month run through slack syndication season, ending Dec. 31. Calculated to make smaller stations bulk buyers, offerings of 10 film packages are ticketed at \$20-\$75 each for 104-show contracts, \$10-\$37.50 for 520-show contracts, with final starting date Nov. 1958. *The Gray Ghost, Annie Oakley, Whirlybirds* aren't on bargain counter, but such CBS-TV properties as *Life With Father, Our Miss Brooks, Honey-mooners, Brave Eagle* are . . . **NBC now placing its Tonight show** on non-affiliates in markets where affiliates won't carry it . . . **New Sun. night entry**, running against formi-

dable Ed Sullivan-Steve Allen field, is *Harbourmaster*, filmed adventure series which R. J. Reynolds Tobacco is moving Jan. 5 to ABC-TV Sun. 8:30-9 p.m. from CBS-TV Thurs. 8-8:30 p. m. Apparent reason for sponsor's switch: *Maverick* has been doing well on ABC-TV Sun. 8-8:30 p. m. despite Sullivan on CBS-TV and Allen on NBC-TV 8-9 p. m. In past, ABC-TV has found advertisers reluctant to take them on . . . **New live network:** Federated Networks Inc. is name given by Television Clearing House (whose main line is supplying merchandise prizes for TV) for proposed live program packaging deal aimed at groups of 3, 4 & 5-station regional hookups of small-market stations . . . **Kings of boxoffice** in feature films on TV are Clark Gable & Spencer Tracy, Nov. 4 *Billboard* reports on basis of survey of 15 months' ratings of feature films on Los Angeles' KTTV . . . **Guild Films** reportedly has completed buyout of its reported 380,000 shares formerly owned by Matty Fox . . . **NBC's rating improvement** shows up dramatically in early Oct. reports of Nielsen and ARB: Nielsen's total audience rating give NBC & CBS each 5 of top 10 shows; Nielsen average audience is divided 6-4 in favor of CBS; ARB is 5-to-5 for regularly scheduled programs Oct. 8-14—and if you include 4 specials, ARB's "top 14" would be 8-6 in favor of NBC . . . **"Peter Pan" returns:** NBC-TV proposes 3rd engagement March 31 for Mary Martin in smash show which drew estimated 67,000,000 viewers March 7, 1955 and 55,000,000 for repeat performance Jan. 6, 1956. Starred in "Annie Get Your Gun" on network Wed. Nov. 27, 8:30-10:30 p. m., she's reported ready to give "Peter Pan" another swing . . . **Bing Crosby** cancels his scheduled Dec. 11 CBS-TV 60-min show. Reported reason: unavailability of desired guest performers.

TV-induced "rigor kinescopis" threatens children, associate prof. Edward Stasheff of U. of Mich. told 28th annual Parent Education Conference at Ann Arbor, describing symptoms as glazed look in eye, ache-all-over feeling, drowsiness, extreme wear on TV-room furniture. Now on leave as program associate at Educational TV & Radio Center, Stasheff said cure is improved programming to meet children's needs, greater selectivity in parents' viewing habits. He added: "TV has, on the whole, avoided the programming excesses of radio in the '30's & '40's. Children's TV programs have, in the main, not been harmful. At worst, they have been time-wasters & habit formers."

Popularity of horror films on TV is analyzed in Nov. 2 *Sponsor* by pres. Dr. Ernest Dichter of Institute for Motivational Research, who concludes that their "final and perhaps conclusive appeal" for viewers is: "No matter how horrible the commercial is, this is more horrible!" He also thinks there is self-identification by audience with "uncontrollable monster"—that "we would not really mind being a little out of control every once in a while, if only just to redress the balance." Advice to sponsors: Use products as "bridge back to reality, a practical & radical contrast to horrifying unreality."

Piel's TV "Bert & Harry" are principals in injunction suits filed by beer firm against competitor Gunther Brewing Co. and latter's former adv. agency, Sullivan, Stauffer, Colwell & Bayles, alleging they misappropriated animated cartoon characters for commercials. Piel Bros. contends in action in U. S. District Court, Baltimore, that Gunther "used for its own purposes copies & confusing simulations" of "Bert & Harry." Agency is accused by Piel in N. Y. State Supreme Court of trademark infringement. In both suits Piel asks damages in addition to restraining orders.

Demand for FCC probe of ABC-TV by Los Angeles police captain James E. Hamilton, who alleged he was libeled by ex-gambler Mickey Cohen on May 19 *Mike Wallace Interviews* show (Vol. 13:28), was rejected Nov. 6 by Commission. Complaining that network & stations carrying program neglected to observe any "code of decency," Hamilton had asked for FCC investigation of network leading to hearing on suspension or revocation of stations' licenses. But FCC pointed out that ABC-TV had apologized for remarks by Cohen on the unrehearsed show, that Commission exercises no control over stations' programming except in periodic review of over-all operation in public interest. Cohen incident didn't provide "sufficient basis for any further action" by FCC, Hamilton was told.

Latest Pat Weaver enterprise: He has joined with Henry J. Kaiser and showman Mike Todd in new organization (as yet unnamed) to exploit and build huge aluminum domes for "big-screen film spectaculars, stage and concert entertainment, and all types of auditorium events." Scheme was announced after the 3 met at showing of Todd's *Around the World in 80 Days* in aluminum dome theatre at Kaiser's Hawaiian Village Hotel. Weaver was named pres. & managing executive of new enterprise, which will be equally owned by Kaiser, Weaver, Todd and their organizations. Deal doesn't affect Weaver's other activities, including his Program Service organization and his post as TV-radio director of Kaiser Industries.

Viewing gains by TV, rising to 38,000,000 families during 6 p.m.-midnight period in March, compared with 34,000,000 in March 1956, were detailed by Dr. Leon Arons, TvB research director, based on recent A. C. Nielsen survey. All weekly time periods showed TV viewing per average minute climbed 15-30%. Based on different homes reached, TV attracted 5-15% more families in 11 of 12 time periods, 6-9 a.m. period showing 3% drop.

ABC Bolsters Toll TV Opposition: Adding to networks' accelerated drive against toll TV, Oliver E. Treyz, v.p. in charge of ABC-TV, told Minneapolis Ad Club Nov. 7 that "various experiments in the field of toll or pay TV . . . will kill network TV as we know it."

Treyz said if ABC had been forced to bid against pay TV for shows "it could not have purchased for and brought to the American people—on a free screen—our renewal of *Disneyland*, *Cheyenne*, our purchase of Sid Caesar-Imogene Coca, the *Adventures of Zorro*, Frank Sinatra, Pat Boone, *Colt .45*, *Circus Boy*, Walter Brennan in the *Real McCoy*s, and *Maverick*."

ABC couldn't compete pricewise, he said, "with a pay-TV entrepreneur who had signed up even a minimum of 5% of the people. It would have been the case of a network—as a trustee of the people—being outbid by the booking agency for perhaps 1% of the people who would pay to see . . . It cannot fail but to enable the few, who are willing to pay, to deprive the many, who now get free TV."

In other developments: (1) Final results in Sen. Langer's poll of Bartlesville showed 1930 against pay-TV, 163 for. (2) AFL-CIO industrial union dept., at Washington convention, opposed pay TV as curtailing "free use of a medium which has become part of the American home," said it would relay views to FCC, Congress, other agencies. (3) Los Angeles Dodgers' pres. Walter O'Malley said "if we don't have pay-TV, there will be no TV of our games at all." (4) San Francisco Giants signed up for 3-year radio broadcast of home and road games, pres. Horace Stoneham saying there will be no free TV of Giant games because club has exclusive contract with Skiatron. (5) Digitronics claimed development of a decoder which would be mass-produced for a little over \$10. (6) Committee to oppose pay TV in Milwaukee was formed by AFTRA attorney Harry Holloway.

Radio-TV News Directors Assn. elected Jack Krueger of WTMJ-TV & WTMJ, Milwaukee, as pres. at 12th annual convention Nov. 8 in Balmoral Hotel, Miami Beach, succeeding Ted Koop of CBS, Washington. Named v. p.'s were Wm. J. Small, WHAS-TV & WHAS, Louisville, for programs; Ralph Renick, WTVJ, Miami, for TV; John Maters, WILS, Lansing, for radio. F. O. Carver, radio WSJS, Winston-Salem, was elected treas. Directors for 3-year terms: Jack Morris, KTVX & KTUL, Tulsa; Julian Goodman, NBC, Washington; Charles Shaw, WCAU-TV & WCAU, Philadelphia. Directors for 1-year terms: Wm. Monroe, WDSU-TV, New Orleans; Hugh Bremner, radio CFPL, London, Ont. CBS Inc. pres. Dr. Frank Stanton was scheduled to receive Paul W. White Memorial Award at convention Nov. 9. Other RTNDA awards for 1957: "Outstanding news story"—WFAA-TV, Dallas, and radio KCMO, Kansas City. "Outstanding news operation"—WBAP-TV, Ft. Worth, and radio KCMO, Kansas City. "Distinguished achievement" in news coverage — WCKT, Miami; KTVT, Salt Lake City; radio WCAU, Philadelphia, radio WRCA, N. Y.

New camera chain for expansible closed-circuit TV networks in industrial, commercial & educational fields was announced Nov. 8 by RCA. Designed as foundation for expand-as-needed system or as addition to existing system, chain (ITV-201) includes portable vidicon-type camera, self-contained control unit, viewing monitor—priced at less than \$3000.

BBC-TV's Switch: British govt.-owned BBC will stop trying to compete with commercial ITA for maximum audience, BBC-TV director Gerald Beadle indicated. His announcement appeared to be about-face, since BBC earlier had revealed plans for more popular programming in hope of becoming strong competitor for ratings. Beadle said, however, that BBC-TV now plans to offer programming "nearer to the forefront of taste and intellectual interest." He explained that while ITA continues to follow tried-&-true formula programming, BBC intends to "see to it that at least one of our national channels is modern, up-to-date and devoted to satisfying the requirements of an educated democracy in the making." Beadle's disclosures followed publication of survey statistics by both Nielsen and TV Audience Measurement (TAM) indicating that ITA programs outpull BBC by nearly 3-to-1 in areas where they are in competition.

TV ratings are misused by sponsors & adv. agencies as "convenient whipping boy" when shows are dropped, pres. Dr. Sydney Roslow of Pulse Inc. said Nov. 7 at luncheon meeting of American Marketing Assn. in Brass Rail Restaurant, Park Ave. & 40th St., N. Y. He told media research discussion group that managements, serviced by own research men, have own reasons for cancelling programs—"but intentionally or unintentionally they are putting the blame on ratings." Similar complaint was voiced by v. p. W. Bruce McEwen of C. E. Hooper Inc., who urged agency heads to count on trained researchers—not ratings and time buyers alone—to "decide when and on what networks & stations shows should appear."

"Dictatorial powers" of NCAA to prevent TV coverage of Queen Elizabeth & Prince Philip at Oct. 19 U of Md.-U of N. C. football game were blasted this week by v.p. George T. Hartford of WTOP-TV, Washington, as "sad commentary on our system of govt." In letter to Congress, he said station tried to televise the "once in 100 years" news feature, that hundreds of thousands in Washington-Baltimore area "would have given anything to see" royal couple at game, but that NCAA officials refused "their august blessing."

First broadcasting use of "semantic differential" psychological research method for time sales was claimed Nov. 4 for radio KDKA, Pittsburgh, by Westinghouse. Research method breaks down attitudes arranged according to age, sex, education, other characteristics of listeners interviewed, applying "technique for assessing meaning quantitatively, with the use of a bipolar scale of words," according to Westinghouse research chief Mel Goldberg.

Neat-riot answers question: To find out if "anyone was watching our TV show," Waldenheim Furniture, Milwaukee retailer, this week inserted offer of free \$8.95 TV lamp to any customer who entered store 9-11 a.m. One-minute commercial pulled 8000 people, police riot squad, added \$15,000 worth of lamps to original giveaway order, sold no furniture, and somewhat eased Waldenheim's doubt of viewership of its WITI-TV "\$6,000,000 Movie."

TV producers Mark Goodson & Wm. Todman head N. Y. group which has bought *Pawtucket* (R. I.) *Times* for \$3,000,000. They control purchaser New England Newspapers Inc., which bought newspaper from group controlled by trust established by late Edward B. Aldrich.

Site for new British commercial TV station for north-east England has been selected at Burnhope, 5 mi. south-east of Cossett. Meanwhile, work has begun on commercial outlet at Chillerton Down, Isle of Wight. Both stations will use Marconi transmitters and antennas.

TV, Radio & Sputnik: Birth of Sputnik II found networks and stations ready to improve on the excellent coverage job they did on first Sputnik—adding still more to their stature as mature news media. In addition to networks' excellent job of special programming, bulletins and progress reports, these other TV-radio industry angles in U.S.-Russian space battle were prominent in week's news:

(1) Individual stations did big job in reporting on new Sputnik, sometimes feeding to network. For example, St. Louis' KTVI shot telephoto film footage of the satellite, fed later to ABC-TV's *John Daly & the News*. Milwaukee's WTVJ-TV & WTVJ apparently were first to monitor radio tone which some specialists say may be heartbeat of Sputnik's canine passenger. Newsmen of several radio stations picked up their telephones, called Soviet officials and came up with scoops.

NBC-TV had a minor scoop which could have become a TV sensation—but it's just as well that it didn't. Training 4 TV cameras on moon through telescopes at Hollywood's Griffith Observatory, NBC's *Today* brought viewers first televised eclipse of moon Nov. 7. In back of minds of network and viewers was widely touted possibility that Russia might shoot H-bomb rocket to moon on 30th anniversary of Red revolution.

(2) President Eisenhower took advantage of TV's intimacy and immediacy to reassure public of America's military-scientific progress. He took

unusual step of telling public that his appearance was first in "series" of TV-radio broadcasts devoted to subject. Overnight 15-city Trendex rating of CBS-NBC live telecast was 35.9, with 60.6% share of audience. ABC-TV repeat 2 hours later got 9.6 rating, 18% share.

(3) MIT pres. James R. Killian, named by President Eisenhower as Special White House Asst. for Science & Technology, is no stranger to TV-radio industry. As member of President Truman's Communications Policy Board in 1950-51, he was one of authors of policy which is used as guide in govt.-private radio spectrum allocation. Board's report (Vol. 7:31) was notable in that it recommended that military and other govt. frequency users, as well as private applicants, be required to justify requests for spectrum space.

(4) That Soviet has eye on use of satellites as long-distance TV-radio transmitting antennas and relays was indicated in Moscow Radio interview with a Prof. Manayev, identified as radio engineer. "By sending a sputnik to an altitude of 600-900 mi.," he said, "it is possible to get a radius of [coverage] reaching thousands of miles. In other words, the transmitters of the Moscow TV center can be raised so they will be able to serve an area as big as the entire European part of Russia." He said that by having "a number of these sputniks it may be possible to realize the idea of beaming radio & telegrams to a sputnik and relaying them from a sputnik."

FCC Weighs Protest Curb: FCC shortly will consider another approach to reduce filings of economic-injury protests. Commission has long protested against protests, pleading with Congress to take law off the books. Chairman Doerfer recently inveighed bitterly against protests, in speech before Federal Communications Bar Assn. (Vol. 13:43).

Latest protest-discouraging technique was proposed in Austin, Minn. radio case. KAUS, also operating KMMT(TV), protested grant of 1-kw daytime station to George A. Hormel II, on economic injury and interference grounds. Hormel, through attorney Harry M. Plotkin, asked that KAUS be required to prove injury by laying bare all its financial records.

Hormel asserted that KAUS should be required to show injury as it would in a private damage suit, that "throughout the law where a party alleges the existence of a fact, he must be prepared to prove it by evidence and must make available to his opponent all relevant records and data in his possession to enable the opponent to challenge the accuracy of his showing."

KAUS then withdrew economic injury issue, asserting however, that request for inspection of books is premature; that protestant "should be permitted to try its case in its own way;" that it "would resist to the last any such broad demand . . ."

Hormel then came back to Commission with motion that whole protest be dismissed, charging that KMMT has no standing to protest because of unwillingness to disclose finances—and matter stood there are week's end.

Another protest case arrived at initial decision stage. Examiner H. Gifford Irion urged retention of grant of WESH-TV, Daytona Beach (Ch. 2) move toward Orlando—over joint protest of 5 Orlando stations and applicants. He stated: "Leaving suspicious inferences apart, the evidence does not suggest likelihood that the Perry interests intend to convert WESH-TV into an outlet primarily for Orlando. Their testimony was clear and unequivocal that WESH-TV would remain a Daytona Beach station regardless of what incidental service it might render to either the audience or advertisers of Orlando. If future events were to prove the contrary they would have to be the subject of a renewal or revocation proceeding; they cannot be surmised here."

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CPs granted: Ch. 10, Elko, Nev., to Nevada Radio-TV; Ch. 70 translator in Lovelock, Nev.

Allocations actions: (1) Finalized shift of Ch. 3 from Cheyenne to Sterling, Colo., deletion of Ch. 8 from Ainsworth, Neb., substitution of Ch. 8 for 3 in McCook, Neb. (2) Proposed switch of Ch. 75 for 74 in Lewistown, Pa.

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Facilities changes: WMSL-TV, Decatur, Ala. (Ch. 23) began Nov. 8 with 189.2-kw max. directional; WLEX-TV, Lexington, Ky. (Ch. 18), also Nov. 8 with 170-kw max. directional; WFIL-TV (Ch. 6) & WRCV-TV (Ch. 3), Philadelphia, plan joint inauguration of new 1000-ft. tower Dec. 15.

WJBF, Augusta, Ga. (Ch. 6), this week moved into new \$300,000 studio-office building, which replaces building damaged by fire over year ago. It has been operating from new transmitter site near Beach Island, S. C. since Sept. 8.

New and Upcoming Stations: Uhf WEEQ-TV, La Salle, Ill. (Ch. 35) and CKSO-TV-1, Elliot Lake, Ont. (Ch. 3) report programming debuts. U.S. on-air total now is 517 (91 uhf); Canadian, 45. WEEQ-TV got program authorization Nov. 8, planned to make debut over week end. It has 1-kw GE transmitter, 400-ft. Stainless tower at site near Tonica, Ill., some 45 mi. from Peoria. Principal owner is Sen. Robert S. Kerr, also with interest in KVOO-TV, Tulsa (Ch. 2). Coming from WEEK-TV are Edward G. Smith, WEEQ-TV gen-mgr. and Wm. W. Pendergraft, chief engineer. WEEK-TV hour is now \$600. Rep is Headley-Reed.

In Canada, new starter is satellite CKSO-TV-1, Elliot Lake, Ont. (Ch. 3), in uranium mining area, approx. 80 mi. west of parent CKSO-TV, Sudbury, Ont. (Ch. 5). The station began Oct. 26 with reduced power, reports W. J. Woodill, gen. mgr. of CKSO-TV. It has 2-kw RCA transmitter, moved from CKSO-TV after latter's boost to 30-kw. Temporary antenna is to be replaced soon with 2-bay RCA on 100-ft. Stainless tower. Lucien (Lou) Albert, from CKSO-TV, is resident mgr. CKSO-TV hour is \$240. Reps are Weed and All-Canada.

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

KVII, Amarillo (Ch. 7) has transmitter house ready for 5-kw RCA transmitter due shortly and plans Dec. 7 start with ABC-TV, reports pres.-gen. mgr. Murry Woroner. Work on 833-ft. Andrews tower began Nov. 4, and 12-section antenna is scheduled for installation Nov. 20. Ownership interlocks with local radio KAMQ. Base hour is \$300. Rep is Venard, Rintoul & McConnell.

KXLJ-TV, Helena, Mont. (Ch. 12), to be low-power satellite of parent KXLTV, Butte (Ch. 4), hopes to begin programming in Nov., reports pres.-gen. mgr. Ed Craney. Studio-transmitter building is nearly ready, awaiting delivery of Sarkes Tarzian 250-watt transmitter. Installation of 2-bay RCA antenna on 80-ft. Fisher tower begins soon. KXLTV has \$200 base hour. Rep is Walker.

FCC Wins CP Damage Suit: Precedential damage suit against FCC in which bankrupt Bestg. Corp of America demanded \$13,455,719 for CP cancellation 10 years ago was tossed out of U. S. Court of Claims Nov. 6 as "neither equitable nor legal." It was first time that applicant for CP had gone to court in attempt to hold Commission financially & legally responsible for losses allegedly suffered from loss of CP. Sustaining FCC arguments that it had right to cancel permits in interests of public welfare & national security, Court in Washington adopted findings of trial commissioner Marion T. Bennett that BCA was not entitled to U. S. recompense for withdrawal of Ch. 1, Riverside, Cal., which was reallocated for govt. use. Company headed by pres. & principal owner Willard L. Gleeson had signed waiver when CP was issued Dec. 29, 1946, stipulating that it was not license to broadcast and that interference with other channels might force cancellation. CP was suspended by FCC May 20, 1947, and Gleeson started suit. Court held that (1) BCA's application for CP was "misleading," (2) BCA's financial condition at time was "unstable & inadequate," (3) "general economic conditions in Riverside area brought on company's financial troubles in first place, (4) FCC couldn't

KUED, Salt Lake City (Ch. 7, educational) has Dec. 15 target for programming, reports mgr. C. Richard Evans for owner U of Utah. It has 5-kw transmitter wired and ready, but 6-section superturnstile antenna isn't scheduled for installation on 140-ft. Ideco tower until Dec. 1.

WIPR-TV, San Juan (Ch. 6, educational) has changed programming target to Dec. 15, but now has test pattern picture on air, reports gen. mgr. R. Delgado Marquez for P. R. Dept. of Education. It has 25-kw RCA transmitter and 6-bay antenna on 200-ft. Blaw-Knox tower at TV-radio plant 15 mi. from San Juan, plans to operate 6 hours daily.

ZBM-TV, Hamilton, Bermuda (Ch. 10) plans to begin as 500-watt outlet in Jan., carrying programs of the 3 U. S. networks and British Rediffusion. Owners: radio ZBM, 55%; *Royal Gazette*, 30%; *Mid-Ocean News*, 15%. Walt Staskow will be managing director; W. Holmes, program director; R. Harbin, production director; Aubrey Harris, chief engineer. Base hour will be \$70. Reps will be Intercontinental Services Ltd. (N. Y.), Stovin-Byles Ltd. (Toronto) & Overseas Rediffusion Ltd. (London).

RCA shipped 6-kw transmitter Nov. 5 to upcoming KDUH-TV, Hay Springs, Neb. (Ch. 4), due on air in Dec. as satellite of KOTA-TV, Rapid City, S. D.; 6-section superturnstile antenna Nov. 4 to KSD-TV, St. Louis (Ch. 5), planning move to new site; 3-section superturnstile Nov. 5 to WRC-TV, Washington (Ch. 4), planning move; 25-kw transmitter Nov. 7 to WHBF-TV, Rock Island, Ill. (Ch. 4), planning move.

Rate increases: KCKT-TV, Great Bend, Kan. Nov. 1 added Class AA hour (6:30-10 p.m. Mon.-Sat., 6-10 p.m. Sun.) at \$350, min. at \$60, Class A hour remaining \$250. WEAR-TV, Pensacola, Sept. 1 raised hour from \$300 to \$350, min. \$60 to \$70. WMTV, Madison, Nov. 1, hour \$280 to \$325, min. \$56 to \$65. KFBC-TV, Cheyenne, hour \$175 to \$200, min. \$35 to \$40.

Translator starts: K71AH, Salida, Colo. began Oct. 30 repeating KCSJ-TV, Pueblo. K74AK & K78AD, Ukiah, Cal. have transmitters but won't begin until Dec. 1 with KBET-TV & KCRA-TV, Sacramento, when power transmission construction will be completed.

Canadian rep firm Horace N. Stovin has changed name to Stovin-Byles Ltd., with addition of W. D. Byles, ex-Young & Rubicam Ltd., as pres.—Stovin named chairman.

be blamed in any event for losses because "the facts are that most, if not all, of those losses arose from plaintiff's other activities."

P. R. Banta will buy back 10% of KGEO, Enid-Okla-homa City, which he and other owners of licensee Streets Electronics Inc. are selling for \$2,500,000 to L. E. Caster and Ashley L. Robison (Vol. 13:41). Banta will buy his 10% from Caster, who is to acquire 75% of KGEO, Robison 25%. Streets Aug. 31 balance sheet shows deficit of \$751,738 to date. It had \$96,803 current assets, \$463,492 fixed assets; \$747,016 current liabilities, \$313,401 due on RCA note.

RKO Teleradio's purchase of radio WGMS, Washington, pending for 1½ years (Vol. 12:14 et seq.) was finally approved by FCC this week after minority stockholder Lawrence C. Smith withdrew protest to the \$400,000 sale (Vol. 13:42).

Chicago headquarters of central divs. of ABC-TV, ABN & ABC Film Syndication will be moved next Feb. 1 from Kemper Insurance Bldg. (old Civic Opera Bldg.) to expanded offices in London Guarantee Bldg., 360 N. Michigan Ave.

FEW SIGNS OF TV RECEIVER PRICE INCREASES: Despite recent announcement of picture tube increase, most manufacturers agree there's little chance of hike in TV set prices before end of year. Only exception is Motorola, Edward R. Taylor, exec. v.p. consumer products, saying "we've told our distributors to expect a price boost on TV," and noting recent \$3 increase on Motorola portable radios.

Militating against higher set prices at this time are: (1) Softness of market -- which many believe is now beginning to firm up -- and setmakers' disinclination to inject possible unsettling element. (2) Time lag of 4-6 weeks before mid-Oct. announcement of picture tube price increase becomes effective, thus giving set manufacturers chance to stock up on tubes. Here's cross-section of TV makers' views:

Motorola's Taylor says "we probably will increase TV prices despite soft market." His feelings: "You can't lose money and keep on selling sets." Taylor pointed to auto industry which "isn't afraid to raise prices and if autos get off to a fast start they could carry the whole economy upward with them." Motorola had good week the week before last, he said, followed by dropoff last week -- and this week seems to be going well among distributors checked. Taylor feels market is firming up, but that Nov. and Dec. will be at a lower level.

"RCA has no current plans for any price adjustment," we were told by Robert Seidel, exec. v.p. consumer products. "We've just had one of our biggest black-&-white weeks -- with color also holding up well. In last 2 weeks RCA stepped up its percentage of industry sales on the distributor to dealer level -- and that's where it counts; dealers don't buy what they don't need."

GE's Jack Beldon, marketing mgr., TV receiver dept., says: "At the moment GE has no plans to increase TV set prices in the immediate future. However, the television industry cannot go on forever absorbing cost increases without having them reflected in set prices."

Philco's Henry E. Bowes, v.p. & gen. mgr., TV div., says "we have no immediate plans to raise our current prices."

Emerson pres. Benjamin Abrams declares: "We're certainly not considering any change in price between now and the end of the year, especially on models now in production. However, any increased cost, such as 5% boost on picture tubes which amounts to about \$1 per set, makes us begin to think of raising prices and would of course be considered in any new models coming out."

Admiral spokesman says tube price increase may result in higher prices for sets around first of year. Queried on Admiral business, he said market had been soft, but now seemed to be getting better.

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Note: Average factory price of TV, which had declined steadily to low of \$124 in April, has now moved upward to Sept. mark of \$131, compared with \$128 in Sept. year ago. (Prices exclude federal excise taxes.) Higher average price is due mainly to modest price increases on 1958 line -- which in turn is attributed to boost in cost of steel for cabinets, more expensive 110-degree tubes, etc. Production mix has remained about same between April & Sept.

Philco's Skinner Scans 1958: An early prognosticator, Philco pres. James M. Skinner Jr. stepped out this week with following estimate of 1958 prospects: "Industry TV unit sales in 1958 should be approximately equal to 1957," but he foresaw average unit price "slightly down from 1957 because more portables and table models will be sold than consoles." However, he does feel that portable and table prices "should be slightly higher" next year. "Color TV," he said, "will not be of much business

significance in 1958." Philco itself hopes to do better in 1958, Skinner stated -- "although 1957 was quite satisfactory." He looked for good radio business, continued hi-fi boom.

One-Set Show: Sylvania stages unique press preview to show single set, an ultra-thin, 110-degree, 10-in. deep, 21-in. console (Vol. 13:40). Price hasn't been set, but model is in production, will be on dealers' floors by time of unveiling Nov. 13 at Hotel Biltmore, N.Y. It's separate from line to be introduced near year end.

Retail Sales: TV retail sales through Sept. were 4,452,081, reports EIA, compared with 4,603,626 sold during first 9 months of 1956. Official Sept. sales were 705,247 vs. 510,097 in Aug. and 763,908 in Sept. year ago (Vol. 13:42,44). Radio sales at retail, excluding auto sets, totaled 5,840,372 vs. 5,405,052 sold in similar 9-month period of 1956. Sales in Sept. were 893,366 vs. 756,345 last Sept.

Production: TV output was 152,306 week ended Nov. 1, compared with 169,806 the preceding week and 196,032 in corresponding week one year ago. It was year's 44th week and brought TV production for the year to date to about 5,397,000 compared with 6,250,051 in same period of 1956. Also this week, EIA officially estimated first 9 months production at 4,589,164 compared with 5,259,271 in similar 1956 period. Sept. production was 832,631 (87,040 uhf), compared with 673,734 (88,615) in Aug., and 894,211 (96,785) in Sept. 1956.

Radio production was 399,196 (131,327 auto) week ended Nov. 1 vs. 401,178 (125,813 auto) preceding week and 358,217 (152,139 auto) in corresponding week year ago. Radio output for 44 weeks totaled about 12,352,000 (4,511,000 auto) vs. 11,230,218 (3,760,196 auto) in 1956 period. First 9 months production was placed at 10,376,354 (3,839,345 auto) compared with 9,535,896 (3,060,093 auto) in similar period last year. Sept. production was 1,610,748 (446,419 auto) compared with 965,724 (301,971 auto) in Aug. and 1,319,189 (349,790) in Sept. 1956.

Transistor Boom Continues: Transistor sales tripled in Sept., compared to previous year, and more than doubled in cumulative 9 months, according to EIA. Sept. factory sales were 3,231,000 worth \$6,993,000 vs. 1,115,000 worth \$3,455,000 in Sept. 1956. For 9 months of 1957, factory sales hit 18,842,300 worth \$49,056,000 vs. 8,113,000 worth \$23,172,000 in 1956. EIA's breakdown by months:

	1957 Sales (units)	1957 Sales (dollars)	1956 Sales (units)
January	1,436,000	\$ 4,119,000	572,000
February	1,785,300	5,172,000	618,000
March	1,904,000	5,321,000	708,000
April	1,774,000	4,880,000	832,000
May	2,055,000	5,636,000	898,000
June	2,245,000	6,121,000	1,130,000
July	1,703,000	4,216,000	885,000
August	2,709,000	6,598,000	1,315,000
September	3,231,000	6,993,000	1,115,000
TOTAL	18,842,300	\$49,056,000	8,113,000

Shifts in TV brand ownership by Dallas households is noted in March 1957 survey by *Dallas Morning News*—unaffiliated with Consolidated Consumer Analysis survey (Vol. 13:40) which compiles similar brand preference for 23 markets. Dallas survey shows set saturation at 85.8%, up from 80.5% last year; 13.5% purchased sets within previous 12 months; 16.5% 1-2 years ago; 19.6% 2-3 years ago; 6.3% more than 6 years ago. RCA was top brand, owned by 14.4% of households; Motorola 12%; Admiral 11.8%; GE 9.9%; Philco 9.3%; Silvertone 6.3%; Westinghouse 4.9%; Zenith 4.7%; Hoffman 3.8%; Magnavox 3.4%. In 1956, standings were: RCA 14.5%; Motorola 14.2%; Admiral 11.1%; Philco 8.3% GE 7.8% Zenith 5.9%; Silvertone 4.9%; Westinghouse 4.8%; Hoffman 4.7%; Magnavox not in top 10.

Tips to small business on selling govt. market are given in new Small Business Administration booklet, *ABC of Selling to U. S. Government*.

Tube Sales Off: Both picture and receiving tube sales were off for Sept. and 9 months vs. comparable periods of last year, according to EIA reports. Producers sold 1,071,662 TV picture tubes worth \$20,819,036 at factory in Sept. vs. 1,267,045 units worth \$22,990,754 in Sept. 1956. For 9 months of 1957, factories sold 7,308,552 worth \$135,625,838 vs. 8,087,352 at \$146,995,480. Receiving tube sales totaled 44,382,000 at factory in Sept. worth \$35,545,000 vs. 44,432,000 worth \$35,093,000 in 1956. For 9 months, receiving tube sales slid to 341,663,000 worth \$287,934,000 at factory vs. 347,436,000 worth \$279,237,000. EIA's breakdown by month:

	Picture Tubes		Receiving Tubes	
	Units	Value	Units	Value
January	760,860	\$ 13,594,525	37,571,000	\$ 31,170,000
February	728,363	13,134,778	44,460,000	36,631,000
March	833,257	14,850,847	43,010,000	37,007,000
April	629,838	11,394,043	27,970,000	25,384,000
May	758,328	14,031,519	32,836,000	28,955,000
June	1,104,013	19,981,319	35,328,000	31,314,000
July	491,935	9,835,586	33,077,000	27,042,000
August	930,296	17,984,185	43,029,000	34,886,000
September	1,071,662	20,819,036	44,382,000	35,545,000
TOTAL	7,308,552	\$135,625,838	341,663,000	\$287,934,000

Small business firms account for about two-thirds of EIA membership, according to survey by small business committee of EIA parts div. "Small" means firm employs less than 500 and is not dominant in its field. Survey shows 8.5% were "medium" companies (501 to 1000); 25% were "large," employing over 1000. Average employment for all member companies was 4000. Average for small was 133; medium, 700; large, over 15,000. Average number of plants was 3.75. For small firms average plants were 1.35; medium, 2.2; large, 10.6.

Latest Howard W. Sams publications: *1958 Test Equipment Annual* (120 pp., \$1); *Servicing TV Sync Systems* by Jesse Dines (32 pp., \$3.95).

Japan Broadening Exports: FM tuner is next piece of equipment. Japanese manufacturers will be aiming at U. S. market, according to Nov. 7 *Home Furnishings Daily* interview with T. T. Yamagata and M. Ito, representatives of 16 makers at Japanese Electronic Exhibition currently at 1140 Broadway, N. Y.

U. S. firms have sent technicians and test equipment to help FM tuner production by: Fukuin Electric Co. Ltd., Sansui Electric Co. Ltd., Kasuga Radio Co., Matsushita Electric. Yamagata said that full lines of speakers, cartridges, tone arms, microphones, and other hi-fi sound equipment are already being shipped to both set makers and hi-fi specialty shops here. No estimates of quantities were given, though 1957 imports may have doubled since 1956. Export of packaged hi-fi seemed unlikely at present, and record changer export improbable since Japan makes turntables only, he noted. Quality of Japanese goods has improved with aid of "American technical know-how," Yamagata added.

Other makers at exhibit: Aiko Electric Co. Ltd., Fukuyu Sound Co. Ltd., Kataoka Denki Co. Inc., Murata Mfg. Co. Ltd., Mitsumi Electric Co., Neat Sound Co. Ltd., Primo Sound Research Inc., Sakura Electric Co. Ltd., Sawafuji Mfg. Co. Ltd., Shinano Onkyo Co. Ltd., Showa Musen Kogyo Co. Ltd., Suzuki Denki Co. Ltd., Tamura Mfg. Co. Ltd.

Home Furnishings also reports that transistor production in Japan could hit 5,000,000 a month by 1959, current rate being estimated at 700,000-800,000 a month (U. S. rate: 2,100,000 a month); that miniature tube portable radio production has been practically eliminated by transistorized portables except for small export production; that transistor boom and radio retail saturation is causing makers to push for other electronic fields.

Canadian TV sales by distributors to dealers were down sharply for Sept. and 9 months, RETMA of Canada reporting Sept. sales of 62,100 vs. 98,277 in Sept. 1956; 295,338 for 9 months vs. 411,562 last year. Sales by provinces: Ontario, 111,206 for 9 months, 21,614 in Sept.; Quebec 84,289 & 18,787; British Columbia 25,307 & 5241; Alberta 21,942 & 5447; Manitoba 18,538 & 4350; Nova Scotia 12,696 & 2441; Saskatchewan 10,798 & 2419; New Brunswick & Prince Edward Island 8238 & 1508; Newfoundland 2324 & 293.

Nearly 1,000,000 picture tube bulbs have been produced for tube makers in practically all western European countries by Societe des Verreries Industrielles Reunies du Loing (SOVIREL), Paris, owned jointly by Corning Glass Works and 2 major French glass makers—St. Gobain & Glaces de Boussois. Modern plant 50 mi. from Paris began operation in summer 1955, uses Corning mass-production techniques.

Sylvania Electric (Canada) Ltd. sets up new div. in Montreal, taking over distribution Jan. 1 of TV-Radio from former distributor Northern Electric which will concentrate on electrical contracting. M. Drummond Brooks, former Northern TV & appliance marketing mgr., will head new Sylvania operation.

Packard-Bell enters portable TV field with 17-in., 110-degree-tube "Porta-Bell" model in fiber glass cabinet available in charcoal & white at \$189.95; mocha & white, turquoise & white at \$199.95.

Cornell-Dubilier appoints Friend-Reiss agency for all ad accounts.

Trade Personals: Theodore A. Smith, exec. v.p., RCA industrial electronic products, named a director of RCA Communications Inc.—raising membership to 13 . . . Robert Stevens, ex-McCann-Erickson, named Zenith adv. mgr., succeeding Charles McKinney, resigned . . . Charles Ellis, I. D. E. A. Inc. gen. sales mgr., adds duties of adv. mgr., succeeding Wm. Sharkey, resigned . . . Daniel P. Knowland Jr. promoted to Heath Co. asst. gen. mgr. . . Donald W. Collins, ex-Rumrill ad agency, Rochester, named Sylvania special sales rep for hi-fi . . . Clarence F. Jensen, ex-Webster Electric, appointed chief engineer, Jensen Industries . . . Lee Gunter Jr. promoted to Shure Bros. chief development engineer; Robert Troxel to chief products engineer . . . Edwin Weisel Jr., ex-Olympic, named distributor sales mgr., DeWald Radio; Seymour Wald promoted to contract sales mgr.

Glen L. Logan, managing director Electric League of Los Angeles, elected pres. International Assn. of Electrical Leagues; John McDermott, Electric Assn. of Kansas City, v.p.; Cliff Simpson, Electric Assn. of Chicago, treas.; Herb Cook, Electrical Assn. of Detroit, secy.; IAEL's next convention set for Washington, Oct. 1-3, 1958.

DISTRIBUTOR NOTES: Westinghouse Appliance Sales Corp., N. Y., names Dan Nagler sales mgr., replacing Joseph J. Raspaolo, resigned . . . Sylvania names C. R. Bower, ex-Hyde Sales Co., Denver, district sales mgr., Kansas City, replacing Richard G. Evans, transferred to Dallas . . . Graybar names C. E. Kalb mgr. at Columbus in Cincinnati territory; H. G. Cook, Ohio Valley district mgr. at Cincinnati; M. P. Johns, Miss. Valley district mgr. at St. Louis; W. E. Iseli mgr. at Eugene in Seattle territory . . . Olympic appoints Greylock Electronics Supply, Albany; W. L. Roberts Inc., Memphis; H. E. Sorenson Co., Des Moines . . . DeWald Radio appoints as reps for AM-FM tuner & amplifier, transistor table radio, clock radio: Berliant Assoc. for N. Y. state; Jesse P. Johnson Co., for N. C., S. C., Tenn., Ala., Ga., Miss.; H. W. Knaggs Co., for Ia., Neb., Kans., Mo., southern Ill. . . Bell Sound Systems names for tape recorders, stereo accessories, hi-fi components: Leader Electronic Supply, Newark; Sanborn Music Co., Detroit; Yale Radio-Electronics Co., Hartford; Radio Parts Supply, R. D. Schwalb, both San Francisco; Buckeye Electronic Distributors, Chillicothe, O.; Morrison Radio Supply, Ashtabula, O.; Rowton TV & Sound Distributor, Paducah, Ky. . . Jos. M. Zamoiski Co. (Zenith) Washington-Baltimore, promotes Millard B. Fleisher from gen. sales mgr. to v. p., Washington div.

New "Mark Series" of RCA color sets were featured in 2 nearly full-page ads this week in *N. Y. Times*. Nov. 3 ad was placed by distributor Bruno-N. Y., Nov. 8 by Davega Stores. Both listed home demonstrations at \$15—to be applied to purchase price.

Federal excise taxes paid by TV-radio, phonograph and component manufacturers amounted to \$149,192,000 in year ended June 30, reports IRS, compared with payments of \$161,098,000 year ago.

Hi-fi not yet booming in hinterlands, points out Nov. *Electrical Merchandising*, which notes that without big promotion like full-dress hi-fi show, TV-appliance dealers find hi-fi remains music merchants' specialty.

Reprinting of service story in Oct. 14 *Time*, which set off barrage of comment in TV industry (Vol. 13:41-44), is being considered by *Reader's Digest*, which has sought reprint permission.

Electronics Personals: Frederick H. Guterman, ex-American Bosch Arma, elected v.p. & gen. mgr., DuMont industrial & military equipment div. . . Donald A. Sutherland, ex-Miehle Printing's Star-Kimble Motor div., appointed gen. mgr., Elgin National Watch Co. electronics div. . . Robert W. Olsen named Texas Instruments v.p. in charge of research & engineering; E. O. Vetter to gen. mgr., industrial instrumentation div. . . Dr. Clarence Zener, director of Westinghouse Research Labs, awarded Bingham Medal by Society of Rheology for metals research . . . Christian J. Goodman promoted to products sales mgr. GE semiconductor products dept., a new post, succeeded by Arling Woolaver as district sales mgr. for N. J. & eastern Pa. . . John R. McAllister promoted to purchasing mgr., Philco govt. & industrial div., replacing Wm. MacMurtrie, retiring after 23 years . . . T. C. Wisenbaker named asst. mgr. missile systems div., Raytheon; H. T. Ashworth replaces him as Bristol, Tenn., plant mgr. . . Henry M. Taylor, ex-Sylvania, named mgr. of marketing, Stromberg-Carlson (San Diego) . . . Crump Smith, from Federal Telephone & Radio, named institutional & export adv. mgr. of IT&T . . . Wm. H. Garbade, Crescent Corp. pres., elected a director of Hycon Mfg. Co. . . Raymond W. Searle elected pres. & treas. of Technology Instrument Corp., Acton, Mass.; Lucius E. Packard, chairman.

“Outstanding Young Electrical Engineer of 1957,” selected by Eta Kappa Nu, electrical engineering honor society, is Robert P. Crago, 30, director of engineering of IBM military products div. Honorable mention: Dr. W. R. Beam, 29, mgr., microwave advanced development, RCA tube div.; Glenn W. Stagg, 34, senior engineer, American Gas & Electric Service Corp., N. Y.

New “scatter” link—world’s third commercial over-horizon system—was placed in Puerto Rico-Dominican Republic service (Vol. 13:33) by IT&T Nov. 1, providing 6 two-way telephone channels 238-mi. between San Juan & Ciudad Trujillo. IT&T’s Radio Corp. of Puerto Rico operates one end of link, augmenting existing high-frequency circuit. General Telephone Co. subsidiary Compania Dominicana de Telefonos C. por A. operates other end. Similar IT&T commercial “scatter” systems provide telephone service between Sardinia & Minorca and telephone-TV service between Florida & Cuba (Vol. 13:42).

Talos staged comeback Nov. 5 at White Sands Proving Grounds, N. M., where external rocket of guided missile fizzled after successful initial firing last month (Vol. 13:42). Second & third tests, involving Talos missiles designed for both explosive & nuclear warheads, were “complete success,” according to Navy Capt. J. C. Parham Jr., commander of test facility.

Muirhead & Co., British-Canadian manufacturer of electronic measuring instruments & fire-control apparatus, will build 17,500-sq. ft. plant at Huntington, L. I., planning to employ 150 technicians on completion in 2 years. Firm now employs 1250 workers at Beckenham, England, 50 at Stratford, Ont.

Silicon price cuts announced by Texas Instruments, due to increased use in semiconductors: standard grade, \$320 to \$240 per lb.; premium grade, \$500 to \$400; research grade, \$980 to \$750. Philco cuts silicon transistor prices up to 60%, attributing reductions to manufacturing experience and automation.

Merit Coil & Transformer Corp. adds 12,000 sq. ft. to Hollywood, Fla. plant.

Amphenol Electronics earned \$1,335,154 (\$2.61 per share) on sales of \$23,388,172 in 9 months ended Sept. 30, compared with \$874,891 (\$2.10) on \$18,970,149 in comparable 1956 period. Third quarter net profit was \$390,899 (71¢) vs. \$248,445 (56¢) in similar period year ago. Pres. Arthur J. Schmitt said order backlog represents 3-month current production, adding that “while there has been some curtailment of activity due to cutbacks and realignments in military procurement, many new products will result from the re-evaluation of the missile and other electronic programs.”

Signs of the TV times: “Every division of the company, other than the picture division, is making more money this year than last year,” states Loew’s Inc. (MGM) pres. Joseph R. Vogel in Oct. 30 letter to stockholders informing them usual \$2.50 quarterly dividend for Sept. & Dec. was being “retained in the business and utilized in the production of profit-making films.” He adds: “With the new films which the present management is producing; with the increase in use of the studio for TV, and our success to date in selling these TV subjects, I believe we are building a solid foundation for the future.”

Gates Radio Co., manufacturer of electronic and commercial broadcast equipment, has been sold to Harris-Intertype Corp. in cash deal, figure not disclosed. Gates pres. Parker S. Gates will continue as pres. of Quincy, Ill. firm which will be operated on decentralized basis with present staff. Gates’ sales are running at \$6,000,000 annual rate, net profits at about \$500,000. H-I had sales of \$59,078,826, earnings of \$4,733,045 for year ended June 30, 1957.

Dividends: WJR, The Goodwill Station, 20¢ plus 2% stock, both payable Dec. 6 to stockholders of record Nov. 20; Official Films, 5¢ Dec. 2 to holders Nov. 15; American Bosch Arma, 30¢ Dec. 31 to holders Dec. 5; Tung-Sol, 35¢ Dec. 2 to holders Nov. 18 plus 3% stock Dec. 9 to holders Nov. 18; General Instrument, 15¢ Dec. 16 to holders Nov. 20; General Tire, 17½¢ Nov. 29 to holders Nov. 18.

Tung-Sol reports net profit of \$2,221,359 (\$2.43 on 867,129 shares outstanding) on sales of \$46,512,610 in 39 weeks ended Sept. 28, compared with \$2,060,810 (\$2.88 on 661,462 shares) on sales of \$39,147,270 in comparable period year ago. Report says 1957 period includes \$200,000 net and \$3,500,000 sales of Chatham Electronics div., acquired May 20.

Arvin Industries earned \$1,099,741 (\$1.22 per share) on sales of \$17,941,299 for quarter ended Sept. 30, compared with \$854,894 (95¢) on \$14,279,153 in corresponding 1956 quarter. For 9 months ended Sept. 30, earnings were \$3,084,533 (\$3.43) on sales of \$53,387,457 compared with \$2,356,827 (\$2.63) on \$44,106,856 last year.

I-T-E Circuit Breaker reports net profit of \$4,752,000 (\$3.85 per share) for 9 months ended Sept. 30 vs. \$3,693,000 (\$3.27) last year. Results for 1956 don’t include Kelman Electric & Mfg. Co., Walker Electrical Co., Chase-Shawmut Co.

Jerrold Electronics reports loss of \$77,798 on net sales and revenues of \$2,638,920 for 6 months ended Aug. 31 in report filed with SEC, compared with loss of \$47,372 on sales of \$2,140,326 in corresponding 1956 period.

Decca Records earned \$3,123,014 (\$1.95 per share) in 9 months ended Sept. 30, compared with \$2,917,379 (\$1.82) in corresponding 1956 period.

Globe-Union Inc. earned \$1,113,431 (\$1.35 per share) in first 9 months of 1957, compared with \$863,750 (\$1.05) in comparable 1956 period.

Network Television Billings

September 1957 and January-September 1957

(For Aug. report see *Television Digest*, Vol. 13:40)

ADVANCING STEADILY AGAIN, TV network billings climbed 4.6% in Sept. over year earlier, following 9.5% slide in Aug. from Aug. 1956—month when political convention sponsorships brought abnormally high level of business (Vol. 13:40), according to Publishers Information Bureau. Sept. billings this year totaled \$40,810,081 vs. \$39,006,077 in Sept. 1956, CBS (up 8%) leading with \$19,870,151. For 9 months of 1957, cumulative total increased 4.3% to \$369,076,607 from \$353,860,492 in first 3 quarters of 1956. The complete PIB report for Sept.:

NETWORK TELEVISION

	Sept. 1957	Sept. 1956	% Change	Jan.-Sept. 1957	Jan.-Sept. 1956	% Change
ABC	\$ 5,704,888	\$ 5,673,910	+0.5	\$ 58,282,982	\$ 56,529,387	+3.1
CBS	19,870,151	18,399,872	+8.0	173,410,530	162,811,764	+6.5
NBC	15,235,042	14,932,295	+2.0	137,383,095	134,519,341	+2.1
Total	\$40,810,081	\$39,006,077	+4.6	\$369,076,607	\$353,860,492	+4.3

1957 NETWORK TELEVISION BY MONTHS

	ABC	CBS	NBC	Total
Jan.	\$ 6,715,581	\$ 20,231,474	\$ 16,554,941	\$ 43,501,996
Feb.	6,175,488	18,309,088	14,900,631	39,385,207
March	6,848,848	20,172,173	16,631,974	43,652,995
April	6,682,786	19,385,098	15,154,388	41,222,272
May	7,258,807	20,307,762	15,811,033	43,377,602
June	6,413,708	18,356,892	14,746,537	39,517,137
July	6,348,496	18,537,069	13,874,872	38,760,437
Aug.	6,134,380	18,240,823	14,473,677*	38,848,880*
Sept.	5,704,888	19,870,151	15,235,042	40,810,081
Total	\$58,282,982	\$173,410,530	\$137,383,095	\$369,076,607

*Revised as of Nov. 7, 1957

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.

PIB may discontinue its monthly reports on TV network billings which since 1949 have been accepted generally by industry as standard index. PIB secy. W. H. Mullen said that Magazine Publishers Assn., which owns service, was considering dropping TV reports at end of year, although no decision had been made—for reason that fees paid for PIB service by networks & other clients don't justify expense of research borne by MPA.

New color kinescope recorder so bright that "viewing with the naked eye is difficult" is now available from Telechrome Mfg. Co. on 30-60 day delivery schedule. Developed for Walter Reed Army Medical Center in Washington, which has RCA closed-circuit color TV system, new 3-tube system is said to have brightness capabilities of 750 ft.-lamberts, resolution of 500 lines. It can be used with commercially available color film with AFA speed rating of 12.

Argument on RCA-NBC motion to dismiss govt. anti-trust case arising out of NBC's swap of its Cleveland TV-radio stations for Westinghouse's Philadelphia outlets, originally scheduled for Nov. 8, was postponed indefinitely by Philadelphia Federal Court due to illness of RCA-NBC attorney Bernard G. Segal.

Strike against NBC-TV: Walkout from NBC-TV was started Nov. 8 by Radio & TV Directors Guild in hassle stemming from long-smoldering jurisdictional dispute between Guild and National Assn. of Broadcast Employees & Technicians. RTDG pickets began appearing Nov. 8 in front of NBC-TV studios in Hollywood, Burbank & N. Y., threatening serious disruption of programs on network. Immediate cause of picketing was claim by RTDG that NBC locked out directors Bill Helion & Howard Davis from Dave Garway's *Today* show in N. Y., replacing them with "unauthorized" supervisors. But real issue, which put NBC in middle of jurisdictional fight, was question of who was to give direct orders to TV crewmen—program directors who belong to RTDG or technical directors who belong to NABET? Last year RTDG won NBC contract clause eliminating middleman procedure, but it was not invoked by Guild until last week. Seeing jobs of technical directors in jeopardy, NABET fought back by observing new procedure so strictly that only explicit orders from directors were obeyed. Results: cameras out of focus, lights misdirected, mikes displaced. Truce was called pending settlement of dispute in negotiations this week with NABET & NBC, Guild setting Nov. 7 midnight deadline. Negotiations, which included question of arbitrating inter-union contest, were continuing late Nov. 8, however.

Paintings, Pilots, Cows: Closed-circuit TV was used at Nov. 7 auction of art collection of late Georges Lury, bidders in 2 siderooms viewing proceedings in main salesroom over Teleprompter system, including 6x8-ft. screens. Similar closed-circuit auction was conducted in London in July (Vol. 13:28). Other closed-circuit developments: (1) United Air Lines announced pilots will be trained by TV to fly new jet transports. Camera will project scale-model airport for fliers manipulating make-believe controls for simulated landings. (2) Paul Klemtner & Co., Newark, estimated that 200,000 visitors to Eastern States Exposition at Springfield, Mass. crowded into special studio to watch TV show (including artificial respiration for cow) it planned & produced in cooperation with Mass. Veterinary Assn. (3) Nov. 8 *Printers' Ink* said closed-circuit for business & industry will hit \$5,000,000 sales this year—and double volume in 1958.

Two applications for TV stations and one for a translator were filed with FCC this week, bringing total to 119 (34 uhf) for stations, 35 for translators. Station applications: for Waycross, Ga., Ch. 8 by John H. Phipps, owner of WCTV, Thomasville, Ga. (Ch. 6) and WPTV, Palm Beach (Ch. 5); for Moline, Ill., Ch. 8 by local group headed by Oscar W. Ellis. Translator application was for Ch. 70, San Jon. N. M. [For details, see *TV Addenda 25-0* herewith.]

TV character merchandising dept. has been set up by AB-PT under Walter R. McCurdy; ABC-TV's publicity, adv. & art staffs will assist in all licensing promotions. First project: *Maverick*.

Broker Allen Kander & Co. opens new office at 1700 Broadway, Denver, headed by Tim O'Connor from Chicago office. Jack Hoag joins Chicago staff.



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SUMMARY-INDEX OF THE WEEK'S NEWS—November 16, 1957

HOW TO BE A GIANT: Upstart NTA shows way, with acquisition of AAP, 20th Century tie-up, film network, station ownership, features & series (p. 2).

BROADCAST vs. WIRE pay-TV battle joined by RKO Teleradio, which blasts closed-circuit systems; to apply for toll-TV tests in N. Y. & Los Angeles (p. 3).

CLARKSBURG, W. VA. gets first local station as WBOY-TV begins operation, bringing U. S. on-air total to 518. Reports of new-station plans (p. 5).

VHF BOOSTER COMPROMISE probable as FCC seeks way out of hot political issue. Ch. 5 CP granted in Mitchell S. D.; more allocation moves (p. 6).

RCA TAKING ORDERS for prototype color tape recorders at "more than \$100,000" each; first 6 go to NBC-TV, 7th to Charlotte's WBTV (p. 7).

SPECIAL AD TAXES adopted in Baltimore in face of TV-radio-newspaper protests that they are invalid; Council approves compromise 6% levy (p. 8).

SUBLIMINAL ADVERTISING barred by NARTB code board pending consideration of "hidden sell" methods; CBC-TV bans use of method (p. 9).

CBS EARNS \$13,898,171 on sales of \$275,276,269 in 9 months, seems headed for new records (p. 14).

Manufacturing-Distribution

COLOR SET UPSWING for Christmas seen by persevering RCA, which reports sales now at "satisfactory plateau;" set & tube output increased (p. 1).

REALLY SLIM CABINET—only 10-in. deep, picture tube projecting 4-in. from front—features startling new Sylvania \$400 top-end set (p. 10).

DECLINING MARGINS threaten investment capital flow to appliance stocks, says Westinghouse's Cresap. Industry share of dollar keeps slipping (p. 12).

FINANCIAL REPORTS: Packard-Bell TV profits down; Admiral's quarter earnings up, 9-month figure down; Stromberg-Carlson "progress" reported (p. 13).

RCA REVIEWS COLOR TV PROGRESS: Still carrying the color torch virtually alone, RCA appears not to have slackened one whit in its drive. At Cherry Hill, N. J. TV receiver headquarters this week, we were brought up to date by Wm. E. Boss, color TV coordinator who reports directly to pres. John L. Burns.

"Major problem in color is exposure," according to Boss, who puts prime emphasis on surveys showing that 75% of public hasn't seen color (Vol. 13:26). Color does well, he says, where local stations have good schedule—backed by strong distributor promotion. "Color sales hit a peak in the week before the World Series," he said, "then leveled off at a satisfactory plateau."

What constitutes "satisfactory" isn't elaborated—for RCA continues to hold statistics close to chest. Last year, RCA Chairman Sarnoff reported, 102,000 color sets were sold. Boss reports that another color production line has been added at Bloomington, Ind. plant, and new machinery is stepping up color tube production at Lancaster, Pa.; that factory is back-ordered on certain models—mainly average priced consoles. Some non-RCA sources guess Lancaster is turning out 5000 color tubes weekly.

Income level of color purchasers is quite variable, Boss says; average selling price is \$650-\$695, with consoles lion's share of volume—most purchasers being sold up from \$495-\$550 table models.

Exposure program, according to Boss, follows same pattern as early black-&-white, is aimed at getting sets into public places such as airports, hotels, beauty parlors, bars, etc. These are usually handled on rental basis by distributors and dealers—generally with arrangement for purchase at end of 6 months. Example of mass exposure, said Boss, was "very successful" Four Roses promotion (Vol. 13:35).

Color techniques learned in Milwaukee (Vol. 13:23) are being used in 27 major and 25 smaller markets, with promotion building up through Christmas. Boss expects Christmas will see color sets gift items, upswing holding over into Jan. (For RCA Christmas advertising program, see p. 12.)

RCA has had some geographical problems. West coast delayed colorcasts recorded on lenticular film brought complaints about quality—but Boss says that in Sept. improvements in lenticular process made picture "quite acceptable, quite good compared with live." Complaints have ceased, he says, and sales have held up well. Now, of course, RCA looks forward eagerly to start of color tape recording on coast—greatly improving quality (Vol. 13:43).

Inadequate cable facilities to southwest and southeast have also impaired picture quality. However, Boss says new circuits have improved southwest situation.

NEW CELLULOID GIANTS IN THE MAKING: A new breed of TV industry titans is growing up around film production and distribution—and audacious National Telefilm Associates is pushing on half-dozen fronts to be the leader of the herd.

This little giant, barely in existence 5 years ago, embarked this week on biggest TV film merger-acquisition deal of year—giving more substance to oft-heard predictions that TV film production-distribution-syndication will simmer down from today's scores of significant companies to 3 or 4 large combines.

NTA this week concluded deal which eventually will cost it more than \$15,000,000 in cash and stock—and will almost double its product catalog. Complicated pact involves buyout of more than half of Associated Artists Productions' 1,639,000 shares of common stock, and was coupled with announcement that NTA is prepared to buy up the remainder. The immediate acquisition is the stock controlled by Canadian financier Louis Chesler and his associates, with NTA paying \$437.50 cash, \$440 in 7% seven-year debentures and 10 shares of NTA common stock for each 100 shares of AAP. Similar offer will be made to other stockholders of AAP, which is listed on N.Y. Stock Exchange.

When purchase is completed, NTA will have obtained all rights to Warner Brothers' pre-1948 feature film library, plus popular Paramount Popeye cartoons, Warner's Looney Tunes (Bugs Bunny, etc.) and several TV film syndication properties. Warner features were purchased by AAP (then PRM Inc.) early last year for \$21,000,000 (Vol. 12:9); since then, AAP has grossed about \$30,000,000.

AAP sellout was understood to have resulted from dispute between pres. Eliot Hyman and Chesler group about dividend policy, latter wanting more immediate profits and TV film veteran Hyman urging reinvestment of most proceeds into major expansion.



NTA, which became a power in TV via feature film route, will have some 1500 features in catalog including Warner Bros. series, plus about 2500 usable movie shorts. It has first call on all 20th Century backlog releases, now is distributing about 150 of them, also has Selznick, Rank, Korda and Stanley Kramer catalogs.

Never content with status quo, NTA is understood to be one of hottest contenders for big feature backlog of Paramount, last TV holdout among movie majors.

NTA is guided by youthful triumvirate with backgrounds of Madison Ave., Hollywood and theatre exhibition: Chairman Ely Landau, 37, onetime TV-radio director of Emil Mogul Co. and later an independent TV film producer; pres. Oliver Unger, 43, Hollywood film production veteran; exec. v.p. Harold Goldman of N.Y. theatre-owning family. Under trio's leadership, company's gross annual sales have risen in 5 years from \$350,000 to \$18,000,000. Before AAP acquisition, NTA's assets are more than \$33,000,000.

Though founded on feature film, company's policy has been to diversify into all possible phases of TV. Last year, in 50-50 partnership with 20th Century-Fox, it founded "NTA Film Network," which has 90-min. evening feature film show weekly (nationally sponsored) running in virtually all TV markets—and recently crashed rating barrier with its week-end Shirley Temple "Holiday Special" oldies, now running in all major markets and completely sold out. Network drops "Film" from its name next year, plans to dip its feet into live program syndication.

Realizing its weakness in produced-for-TV series, NTA has signed co-production deals with 20th Century-Fox and Desilu for group of series, now has 5 in active stages of production or distribution, 6-7 more in planning stages.

Among boldest recent moves was NTA's acquisition of 2 TV stations, still awaiting FCC approval—metropolitan New York's WATV with radio WAAT, and Minneapolis' KMGM-TV (still 25%-owned by Loew's). NTA has been negotiating for other broadcast properties. Its by-product enterprises include NTA Pictures, which distributes old features from company's library to movie theatres, a film shipping service and recently established foreign branches.

NTA may not be biggest potato in TV film field; in the the TV series market, it can hardly be mentioned in same breath as such producer-distributors as Ziv, Screen Gems and others. But in this field, and in all TV fields, nobody can say it's not trying. When the chips are down and the oft-forecast attrition weeds men from boys, there's every indication upstart NTA will be counted among the giants.

PAY-TV BATTLE—BROADCAST VS. WIRE: Just when it looked as if nobody of influence except Zenith Radio Corp. was willing to speak up in favor of airborne toll TV—as opposed to the wire-borne variety—along comes RKO Teleradio with announcement it intends to apply for on-air pay-TV tests, coupled with blast at closed-circuit approach to fee TV.

RKO isn't ready to file its application yet. Real purpose of announcement, according to RKO sources, was to stem tide to wired systems, give heart to broadcasters and others who want to be part of pay-TV trials but who haven't spoken out. "Somebody had to get on record," RKO spokesman said.

Noteworthy in the weeks since FCC stamped its okay on fee-TV tests has been complete pre-occupation of proponents Skiatron and Telemeter with plans for wired subscription TV, leaving Zenith only active well-heeled backer of broadcast subscription TV—until RKO's Tom O'Neil spoke up.

That RKO plans to file for fee-TV tests isn't at all surprising. But O'Neil's strong statement was intended to supply food for thought to those broadcasters who have been encouraging wired systems in effort to keep the air free of tollcasts. O'Neil claimed pay TV as natural birthright of broadcasters. If they waste time claiming it, he stated, they will "serve to divert its rich flow to other communications streams, such as closed circuit." Leaving toll TV to wired systems, he said, will soon give closed-circuit operators "control of all of the program elements of telecasting, whether it be free or toll."

RKO spokesman said company would like to tollcast on all 4 of its stations, but only its New York and Los Angeles outlets come within FCC specifications for tests (area must have 4 Grade A commercial signals). RKO insists it hasn't decided yet which decoding system to use, but some observers take O'Neil's blast at wired TV to be aimed at Telemeter and Skiatron, and predict alliance with Zenith.

It's good bet that RKO already has plans to use its movie studios and knowhow to make special movies aimed primarily at pay-TV audience. Having left theatrical feature business, it doesn't face problem of soothing ruffled exhibitors when it puts movies on the pay-TV screen.



NARTB pres. Hal Fellows, in Los Angeles, predicted this week that Congress would head off on-air tests of toll TV, and reiterated his opinion that FCC had exceeded its authority in approving idea of a trial. He said motion picture interests were most active groups backing fee TV—but was careful to explain that his comments related only to broadcast pay TV, wired systems being outside of NARTB's area.

Meanwhile, there were these other developments on various pay-TV fronts this week:

(1) San Francisco battle over closed-circuit subscription TV was fanned to white heat as Cal. theatre owners mobilized to block Skiatron franchise, which currently is stalled in city's finance committee. Skiatron counterattacked with press conference in which v.p. Alan Lane revealed that his company had virtually abandoned its open-wire system, and now plans to use conventional coaxial cable for wiring city.

Even using cable, he said, it will only cost \$2,250,000-\$3,000,000 to wire entire city, not the \$30-\$60,000,000 opponents have claimed. Again he pledged that Skiatron system would get going with

opening of 1958 baseball season if city council acts in time. He said his company had paid Giants ball club \$1,000,000, would pay \$300,000 more by next April.

(2) Popular opposition caused one applicant to drop franchise request in Fresno, Cal. After unanimous vote of representatives of 22 local women's organizations, Lippert Theatres withdrew application, pres. Robert L. Lippert saying: "I realize now they don't want pay TV in any form, and it's dead as far as I'm concerned."

(3) FCC found itself deluged with about 3000 printed postcards—some addressed to FCC "c/o The White House," others to President Eisenhower—all carrying same message urging it to reject pay TV. Most cards were from Michigan, with some from Tennessee. They were printed in Detroit, as indicated by Detroit printers' local identification on union label.

(4) N.Y. Herald-Tribune Syndicate's influential John Crosby came out with flat endorsement of pay TV and predictions that medium will be so successful that "you'll have to beat [viewers] away from the coin box with clubs." Herald Tribune has long been editorial advocate of subscription-TV tests.

(5) Convinced that "toll TV may well develop into a multi-billion-dollar industry," staff of Senate Govt. Operations Committee authored report last week urging that Govt. get in on some of the cash. It recommended that Congress consider instituting system of FCC license fees for broadcasters early next session so that services performed by Commission "in connection with proposed toll TV shall be performed [at] rate commensurate with the benefits accruing to licensees." Senate Commerce Committee has opposed the idea of FCC fees in past and best guess is that it will ignore this latest plea.

Personal Notes: Donn B. Tatum elected TV marketing v.p. of Walt Disney Productions, Luther R. Marr secy. . . . Charles Manno promoted to asst. program director of ABN . . . Charles Fagan promoted to asst. to John Hundley, CBS-TV program services mgr. . . . Wally Gould, ex-Guild Films & TPA, forms Walter I. Gould Productions Inc., 15 E. 48th St., N. Y. . . . Stanley Florsheim, ex-gen. sales mgr. of Ziv's Economee TV div., named gen. sales mgr. of NTA's Famous Films div. (reruns) . . . Tony Rizzo named midwestern sales representative of Guild Films, headquartering in Kansas City . . . Alfred E. F. Stern, ex-RKO Radio, joins NTA as west coast public relations director . . . James Richards resigns as v.p. & eastern sales mgr. of Don Lee network to rejoin radio rep John Blair & Co., N. Y. . . . Joe Ryan promoted to business & trade publicity mgr. of NBC . . . Frank Young, ex-NTA, joins Benton & Bowles subsidiary General Public Relations Inc. as TV show publicity dept. mgr. . . . Jack Bertell & John Greenhut, who headed own talent agencies, form TV Artists Corp., 527 Madison Ave., N. Y. . . . Harold C. Lund, Pittsburgh area v.p. of Westinghouse Bestg. Co. (KDKA-TV & KDKA), elected chief barker of Variety Club there . . . Sam W. Steele Jr. named southeast sales head of Official Films . . . Wm. D. Pabst, ex-v.p. & gen. mgr. of radio KFRC, San Francisco, named gen. mgr. of upcoming KTVU, Oakland-San Francisco (Ch. 2), due next spring . . . J. B. Fuqua, pres. & gen. mgr. of WJBF, Augusta, Ga., elected to Ga. House of Representatives . . . Charles F. Grisham promoted from sales mgr. to gen. mgr. of WABT, Birmingham . . . Richard Sassenberg resigns as traffic mgr. of RKO TV div. of RKO Teleradio Pictures to become pres. of Piclear Inc., maker of TV film projection device he invented . . . W. P. Baker, ex-KLFY-TV, Lafayette, La. named program director of upcoming WMBD-TV, Peoria (Ch. 31), due in Jan. . . . John F. Box Jr., ex-Bartell Stations & NBC, joins H. & E. Balaban Corp. as exec. v.p. for its radio stations . . . John L. McGuire named Denver mgr. of rep Clarke Brown, succeeding Ken Palmer, who devotes full time to Intermountain Network . . . James A. Yergin promoted to adv. mgr. of

WOR-TV & WOR, N. Y. . . . Shaun Murphy promoted to national sales mgr. of KTVI, St. Louis; James W. Svehla Jr. succeeds him as sales service director . . . Robert Nelson advanced to promotion director of KHJ-TV, Los Angeles, succeeding Robert M. Light, resigned . . . Robert M. Petranoff, ex-program mgr. of WTTV, Bloomington-Indianapolis, joins Indiana U radio-TV dept. as producer-writer . . . J. Reginald (Reg) Miller promoted to national sales mgr. of KOMO-TV, Seattle . . . Bill Sunday, ex-San Diego County TB & Health Assn., named promotion director of KFSD-TV, San Diego.

Jack D. Wrather is "no one's idea of a Texas millionaire," Nov. 10 N. Y. Times says in personality sketch of pres. of Wrather-Alvarez Bestg. Inc. (KFMB-TV & KFMB, San Diego; KERO-TV, Bakersfield). "For all his 150 oil wells and a hint of a drawl, he looks more like Madison Ave. than Commerce St. in Ft. Worth," story says. It details recent purchase of Muzak (Vol. 13:38) and other Wrather ventures.

John E. Pearson rep firm moves office from Minneapolis to Des Moines, with Frank Frost, from Chicago radio branch, as mgr., headquartering in Des Moines Bldg.; Ralph Widman, ex-WFAA-TV, Ft. Worth, named mgr. of Dallas office.

ADVERTISING AGENCIES: Milton H. Biow, Biow-Biern-Toigo chairman, is public member of govt. evaluation team touring Far East to inspect USIA facilities there . . . Arthur E. Duram, TV-radio v.p. of Fuller & Smith & Ross, appointed senior v.p. . . . Forrest Owen Jr. promoted to exec. v.p. & mgr. of Wade Adv., Hollywood . . . Scott Keck, asst. TV-radio director of Needham, Louis & Brorby, elected a v.p. . . . John Peace named chairman of operating committee of Wm. Esty . . . Harold H. Black resigns as senior v.p. of Reach, McClinton . . . Richard H. Depew, ex-ABC, joins Cunningham & Walsh as TV-radio account exec. . . . Doty Abbott, ex-radio WHER, Memphis, joins Frances, Morris & Evans to head TV-radio operations. . . . Bob Kroll resigns as TV copy director of Warwick & Legler to join Donahue & Coe in TV dept. supervisory post.

New and Upcoming Stations: WBOY-TV, Clarksburg, W. Va. (Ch. 12), opening new market in rich coal and gas area, began operation Nov. 15 with NBC-TV & ABC-TV. It's 36th starter for year, brings on-air total to 518 (91 uhf). It has 10-kw transmitter with 25-kw RCA amplifier and 380-ft. Ideco tower with 6-bay superturnstile antenna on Pinnickinnick Mt. It's part of Friendly Group (Jack N. Berkman, pres.; John J. Laux, exec. v.p.), which also operates radio WBOY; WSTV-TV, Steubenville, O. (Ch. 9) & WSTV; KODE-TV, Joplin, Mo. (Ch. 12) & KODE; radio WPIT, Pittsburgh and WPAR, Parkersburg, W. Va.—and is buying KMLB, Monroe, La. George Clinton, also managing WPAR, is gen. & sales mgr.; Rex King, from WSTV-TV Pittsburgh sales office, regional sales mgr.; Peter Lyman, production mgr.; Vilah G. Brooks, WPAR, chief engineer. Base hour is \$250. Rep is Avery-Knodel.

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

KRSD-TV, Rapid City, S.D. (Ch. 7) is wiring 5-kw DuMont transmitter, plans test patterns by end of Nov., programming shortly after, although network affiliation hasn't been signed, reports partner & gen. mgr. Eli Daniels, who with John & Harry Daniels also holds CP for KDSJ-TV, Deadwood, S. D. (Ch. 5). It will be Rapid City's second outlet, KOTA-TV (Ch. 3) having started in May 1955. RCA 6-bay antenna has been installed on 370-ft. Ideco tower. Base hourly rate hasn't been set. Rep not chosen.

KNME-TV, Albuquerque, N.M. (Ch. 5, educational) will get transmitter from KOB-TV (Ch. 4), hopes to be on air early 1958, reports Bernarr Cooper, director of TV-radio for grantee U of New Mexico. It has reconstructed

one-story building to house 2 studios, control room, film room and offices, will use auxiliary tower of KOB-TV on Sandia Crest. Mrs. Harris Hester will be production asst.; Vorce McIntosh, ex-WTTW, Chicago, chief engineer.

KVKM-TV, Monahans, Tex. (Ch. 9) hasn't ordered equipment or begun construction, but has changed target to June 1, 1958, writes pres. J. Ross Rucker.

CHCA-TV, Red Deer, Alta. (Ch. 6) plans mid-Nov. test patterns, Nov. 20 programming reports pres. & mgr. G. A. Bartley. It has studio-transmitter house ready and awaits delivery of 5-kw GE transmitter. It has footings installed for 300-ft. Wind Turbine tower. It will use Andrews standby antenna until arrival of two-slot coaxial antenna next spring. Base hour will be \$100. Rep not chosen.

CKRN-TV, Rouyn, Que. (Ch. 4) has changed target to Christmas from Nov. 15, reports pres. David A. Gourd. It has studio-transmitter building nearly completed for 35-kw GE transmitter due shortly. It will have 670-ft. Wind Turbine tower with 5-bay antenna. Base hour will be \$160. Reps are Weed and Joseph Hardy & Co.

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Katz Agency appoints 3 new v.p.'s in extension program including scheduled N. Y. move next March 1 from 477 Madison Ave. to 50% larger quarters at 666 Fifth Ave., addition of 20 to rep sales staff by March 15. Scott Donahue Jr. is named TV sales v.p., Morris S. Kellner radio sales v.p., Daniel Denenholz research-promotion v.p.

RCA shipped 6-section superturnstile antenna Nov. 12 to upcoming KDUH-TV, Hay Springs, Neb. (Ch. 4), due in Dec. as satellite of KOTA-TV, Rapid City, S.D.

Canadian satellite application for Ch. 75 at Clermont, Que. by Societe Video de Clermont has been added to agenda of Dec. 6 meeting of CBC Board of Governors.

New reps: KPTV, Portland, Ore. to Katz Nov. 15 (from Hollingbery); upcoming KTVU, Oakland-San Francisco (Ch. 2), due next spring, names H-R Television.

Radio Sales Approved by FCC: WTRY, Troy, N. Y. by Mowry Lowe, Kenneth M. Cooper, C. George Taylor & Robert T. Engles for \$1,400,000 to Victor W. Knauth & Daniel W. Kops (Vol. 13:31) . . . WDLP, Panama City and WCOA, Pensacola, Fla. by Perry Enterprises Inc. for \$400,000 (\$150,000 for WDLP, \$250,000 for WCOA) to Dixie Radio Inc. (Denver T. Brannen) . . . KRIZ, Phoenix, by Howard Loeb for \$215,000 to ex-Sen. Burton K. Wheeler and sons (Vol. 13:39) . . . WKIX, Raleigh, N. C. by WNAO-TV for \$168,000 to Ted Oberfelder & Lou Randell (Vol. 13:27) . . . WMOU, Berlin and WJWG, Conway, both N. H., by John W. Guider for \$165,000 to Richard P. & Virginia A. McKee, ex-owners of KOWB, Laramie, Wyo. (Vol. 13:40) . . . WTAQ, La Grange, Ill. 50% by Russell G. Salter for \$137,500 to Charles F. Sebastian, who becomes 100% owner (Vol. 13:30) . . . KOWB, Laramie, Wyo. by Richard P. McKee for \$108,000 to Richard K. Power & John Hunter, owners of WAVN, Stillwater, and WCMP, Pine City, both Minn. (Vol. 13:42) . . . KENL, Arcata, Cal. by Vern Emmerson for \$100,000 to Mel Marshall (Vol. 13:40) . . . WLBG, Laurens, S. C. by Laurens-Clinton Bestg. Co. for \$63,000 to Charles W. Dowdy (Vol. 13:42) . . . WIPA, Annapolis, Md. by WASL Bestg. Co. for \$49,200 to Robert J. Kent, USIA employe (Vol. 13:39).

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Special ABN show demonstrating network's "all-new 3-dimensional live radio" (Vol. 13:42) will be staged Nov. 26 at Hotel Plaza, N. Y., for affiliates, advertisers, agency executives, NARTB pres. Harold E. Fellows opening show.

Report of Radio Station Sales: KITO, San Bernardino, Cal. by Frank Oxarart, Albert Zugsmith and John D. Feldmann for \$200,000 to owners of KWKW, Pasadena, headed by Marshall S. Neal . . . WROB, Daytona Beach, Fla. by Jim McDonough & John Murphy for \$145,000 to Radio of Daytona Inc., headed by Morton Bassett of rep John Blair & Co. McDonough will own 20% of new corporation (brokers Allen Kander & Co. and Chapman & Co.) . . . WGKV, Charleston, W. Va. by Jacob & Walter Evans for \$77,500 to Joseph L. Brechner, who recently sold interest in WGAY, Silver Spring, Md. (Chapman & Co.) . . . KASI, Ames, Ia. by Wm. Rupe, publisher of *Ames Tribune*, Hollis Nordyke, *Tribune* business mgr. & Arthur Skinner, KASI gen. mgr. for \$57,000 to Bill Evans, ex-WIND announcer (Allen Kander & Co.) . . . KUSN, St. Joseph, Mo. by J. D. Spears for \$50,000 to W. N. Schnepf (mgr. of KWMT, Ft. Dodge, Ia.) and associates (Blackburn & Co.) . . . WMGE, Madison, Ga. by W. C. Woodall Jr. and associates for \$30,000 to Howard C. Gilreath and F. K. Graham (Chapman & Co.) . . . KRCT, Pasadena, Tex., 93% by W. D. Christmas for \$175,000 to v.p.-gen. mgr. John H. Touchstone (present 7% stockholder) and Leroy J. Gloyer, who will each own 50%.

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Baby bonus consisting of one-year university scholarship has been awarded by radio KFAB, Omaha, to daughter of Mr. & Mrs. Valere Thaden who was born at 11:10, station's frequency, on Nov. 10. Thaden is engineer for competitive WOW-TV.

Compromise on Illegal Boosters? One of nagging problems FCC has to face up to is unlicensed vhf boosters. Factors under consideration: (1) Real desire of isolated westerners to continue service now obtained without Commission's blessing. (2) Pressure by western congressmen to legitimize boosters. (3) Danger to other services, such as air navigation "Z markers", produced by uncontrolled re-radiation. (4) Opposition from community antenna operators who visualize boosters cutting them out. (5) Concern of telecasters that boosters will produce more harm than good. (6) Court of Appeals decision distinctly sympathetic toward booster operators. (7) Comr. Craven's suggestion boosters be considered part of receivers, thus exempt from licensing.

Commission had assumed its uhf translators were answer to booster operators' needs, but latter didn't agree—because of costs. FCC then came up with vhf booster rule-making—this likewise considered too costly, in fact, more expensive than translators. Deadline for comments on rule-making is Dec. 15—and everyone is marshaling forces. Political forces on side of boosters are so great that eventual upshot is expected to be compromise allowing some form of vhf booster.

Station Sales Decreed: Sale of TV-radio properties by *Kansas City Star* is required by terms of anti-trust consent decree filed Nov. 15 by Justice Dept. in U. S. District Court, Kansas City, settling Govt.'s civil case against newspaper and WDAF-TV & WDAF. Decree had been anticipated since rejection by Supreme Court in June of appeal by *Kansas City Star Co.* from conviction on criminal monopoly charges (Vol. 13:25). *Star* not only agreed to dispose of WDAF-TV & WDAF to buyers who have no connection with company but to stay out of commercial broadcasting business in Kansas City area. Newspaper and its officials are barred from acquiring any interest in any area TV or radio station without court approval. Negotiations for sale of WDAF-TV & WDAF started in advance of Supreme Court action and were continuing this week, but no deal was reported imminent. Harold F. Gross interests (WJIM-TV & WJIM, Lansing) were active in bidding for *Star* stations earlier (Vol. 13:21), when \$10-\$12,000,000 asking price was reported. It was understood Gross no longer is in market for properties, however. In addition to selling stations, *Star* agrees in consent order to halt alleged discriminatory practices against advertisers. "Divestiture of the radio & TV stations should increase competition in the dissemination of news & advertising," Asst. Attorney General Victor R. Hansen said after decree was filed.

WDMJ-TV, Marquette, Mich. (Ch. 6), applying for permission to take over CP for WJMS-TV, Ironwood, Mich. (Ch. 12), contingent on grant of private intercity relay so WJMS-TV can be operated as satellite (Vol. 13:29), shows \$16,047 in retained income on June 30 balance sheet. It has \$109,388 current assets, \$438,239 fixed assets; \$95,936 current liabilities, \$401,314 other liabilities (notes & mortgages payable).

MBS is buying Don Lee network radio affiliation & advertising contracts from parent RKO Teleradio Pictures, which sold Mutual itself in Aug. to group headed by Paul Roberts & Armand Hammer (Vol. 13:32).

CPs authorized this week: Mitchell, S. D., Ch. 5, KORN; Ch. 74 translator in Paradise Valley-Golconda, Nev.; Ch. 70 translator in Gallup, N. M.

Initial decision looking toward grant of Ch. 11, Provo, Utah, was issued this week following dropout of competitor Jack A. Burnett, who gets \$3500 for expenses.

Texas Tech CP for Ch. 5, held up by FCC (Vol. 13:43), should be liberated, KCBD-TV told Commission—asserting that its \$30,000 gift to college has no strings attached and stating belief KDUB-TV's donation was given with same understanding.

CPs cancelled for lack of prosecution: WPKN, Pekin, Ill. (Ch. 69); KABL-TV, Helena, Mont. (Ch. 10).

First border TV allocations confab in years starts Nov. 18, as Mexican officials come to Washington to discuss uhf assignments. Mexicans initiated talks, and no complications are expected. Comr. Hyde will represent U. S.; Carlos Nunez, Mexico.

FCC allocations actions: (1) Proposed addition of Ch. 13 to Panama City, Fla. (2) Denied petition for reconsideration of action denying petition of WJHP-TV (Ch. 36) to commercialize Ch. 7 in Jacksonville or remove Ch. 12. (3) Denied petition for reconsideration of action shifting Ch. 7 from St. Cloud to Alexandria, Minn.

Educational WQED, Pittsburgh (Ch. 13) sought shift of Ch. 22 from Clarksburg, W. Va. to Pittsburgh, presumably would apply for Ch. 22 in lieu of the Ch. 47 it now seeks as second educational station in city.

Merger terms for WARM-TV, Scranton, Pa. (Ch. 16) and WILK-TV, Wilkes-Barre (Ch. 34) in transaction whereby Transcontinent TV Corp. acquires 60% control (Vol. 13:42), are revealed by transfer application filed with FCC. WILK-TV goes off air and all properties (except radio WILK, retained by owners) are turned over to new Northeastern Pa. Bestg. Inc., which takes over WARM-TV & WARM, increases stock from 2000 shares at \$50 per share to 14,000 at \$25. Owners of WILK get 2800 shares (20%) of Northeastern, plus \$280,000 in subordinated 10-year notes and 2100 shares of Class B Transcontinent stock. WARM-TV owners get 2800 shares (20%) of Northeastern; in addition, Wm. W. Scranton, WARM stations' principal owner, gets \$260,000 in subordinated 10-year notes. Transcontinent acquires 8400 shares (60%) of Northeastern for \$105,000 cash (to be used as working capital) and 4200 shares of Transcontinent stock. Wm. W. Scranton, who will own 15.8% of Northeastern, has commitment to buy \$100,000 worth of Transcontinent stock and 5% convertible debentures after merger is consummated. WARM stations Aug. 31 balance sheet shows \$123,428 deficit from Jan. 1 to Aug. 31, deficit up to Jan. 1 being \$608,512. They had \$55,412 current assets, \$344,761 fixed assets; \$243,048 current liabilities, \$766,451 long term liabilities.

Control of KFYR-TV, Bismarck (Ch. 5) & KFYR, KUMV-TV, Williston (Ch. 8) and CP for KMOT, Minot (Ch. 10)—all N. D.—passes from Etta Hoskins Meyer to daughter Marietta Meyer Ekberg, FCC having approved transfer (Vol. 13:43). Mrs. Ekberg will own 63.83%; husband Wm. A. Ekberg, pres.-gen. mgr., .04%; Marietta Meyer Ekberg trust, 35.38%.

Cancellation of sale of KOVR, Stockton, Cal. (Ch. 13) for approximately \$3,500,000 to Lowell Thomas interests, already approved by FCC (Vol. 13:39), was announced, tight money market cited as major reason. Plans for either selling or retaining station by H. Leslie Hoffman's Television Diablo not yet indicated.

Color Tape Order: First TV station to own RCA color video tape recorder will be WBTV, Charlotte, N. C. (Ch. 3), which has ordered one of the custom-built prototypes RCA is making in advance of production. Company plans to start delivery of production models late next year (Vol. 13:43, 45).

WBTV exec. v.p.-gen. mgr. Charles H. Crutchfield announced his station's order for the color recorder—which will actually be 7th machine to be built, since NBC will install first 6 in its west coast "Tape Central" for Daylight Time and west coast program repeats. Since RCA plans to complete its 6th machine before start of Daylight Time in April, it's good guess that WBTV's recorder will be delivered next spring.

Crutchfield revealed his station is paying "in excess of \$100,000" for the prototype recorder. No cost has been announced for either the pre-production or production models (although RCA said production recorders would be less than \$100,000). Ampex delivered 13 pre-production prototypes of its monochrome recorder at about \$75,000 each, now is making production models to sell at \$45,000. Crutchfield described RCA color recorder as being 7 ft. high and 13 ft. wide.

RCA hasn't revealed how many prototypes it will build and sell—but announcement of its color tape recorder plans are expected next week.

In another move designed for greater color TV flexibility, RCA this week announced new image orthicon tube designed for color cameras (RCA-7037) with "more than twice the average sensitivity of any previous color image orthicon," longer life and better spectrum response. It's interchangeable with present types and because of its sensitivity will make possible reductions in cost of studio lighting and air conditioning as well as permitting greater freedom in staging and lighting techniques.

International TV may draw nations of world closer together, FCC chairman John C. Doerfer told New Orleans Chamber of Commerce Members Council Nov. 14, and "may overcome eventually not only language difficulties, but slanted or even false interpretations by wilful or irresponsible individuals." "I am sure," he said, "that if the people of Russia knew how the people of America really live, think and feel towards them and others there would be little difficulty in reaching disarmament agreements . . ."

Close regulation of boosters, satellites, translators and similar radiating devices to avoid interference with TV reception was urged in resolution unanimously adopted by NARTB Engineering Advisory Committee in Nov. 14 Washington meeting. In other actions, Committee (1) Named subcommittee to prepare questionnaire for radio stations on program line service. (2) Agreed to consider establishment of industry-govt. committee to prevent overhead power line interference to radio reception.

All 4 Australian commercial TV stations have announced 20% rate boost in attempt to cut losses. Govt. has announced it will accept applications for commercial outlets in Brisbane and Adelaide, but experience of the stations in Melbourne and Sydney has made entrepreneurs wary, and no rush of applications is anticipated.

Conelrad Status: Cooperation of state and local civil defense authorities with TV-radio stations in emergency planning isn't what it should be, Comr. Lee, FCC's defense commissioner, implied in Nov. 14 address to National Assn. of Civil Defense Directors in Washington. Commission has found that "approximately one-half of the 1237 voluntarily participating broadcast stations in the Emergency Broadcasting System either have not been contacted by Civil Defense or have no programming plans at the local level, although these facilities have been available since early 1951," he said. "We find it increasingly difficult to explain to a very cooperative industry that they must continue to be adequately prepared in the event of a national emergency, although many of the individual broadcasters have no Civil Defense programming or guide lines." Other points made by Comr. Lee: (1) FCC & Defense Dept. have been studying possibility of permitting all stations to use special Conelrad "alert attention signal" preceding dissemination of such emergency weather warnings as hurricane and tornado alerts. Such action, he said, may provide "incentive to manufacturers to produce and distribute automatic Conelrad alert receivers at a reasonable price for use by the general public." (2) Conelrad system provides "good understandable signal" to more than 70% of continental U. S. population, as compared with about 90% of population receiving same quality signal from normal standard broadcast service.

Backstage union hassle which disrupted some NBC-TV programs and brought picketing of network's studios last week end (Vol. 13:45) was submitted Nov. 12 to binding arbitration by AFL-CIO pres. George Meany. Radio & TV Directors Guild and National Assn. of Broadcast Employes & Technicians, fighting over issue of who should give direct instructions to cameramen and other crewmen, agreed after 3-hour huddle with Meany in N. Y. to return to status quo pending his ruling. Trouble started when RTDG invoked contract clause permitting program directors to bypass NABET technical directors in giving cues to crews. AFL-CIO chief promised prompt decision on jurisdictional question.

WKRG-TV, Mobile, Ala. (Ch. 5) & WKRG are being transferred from WKRG-TV Inc. to new Giddens Television Inc., in which pres. & 20% owner Kenneth R. Giddens will hold 50%, *Mobile Register* and *Press* 50%—latter to dispose of radio WABB. Newspaper is paying \$1,050,000 for its 50%. Giddens is turning his 20% of stock over to new corporation as well as option to purchase 80% of WKRG-TV Inc. Giddens Television Inc. is to borrow \$130,000, to be used with monies from newspaper to compensate other WKRG-TV Inc. stockholders. Giddens will remain pres., also become gen. mgr. Ralph B. Chandler is pres. & publisher of *Register* and *Press*.

Add CC-TV uses: (1) Roulette over closed circuit TV will be feature at Riviera Hotel opening in Havana next month. Two-way hook up from casino to rooms will permit guests to watch the wheel and call bets. (2) TV cameras instead of guards now installed to watch cell blocks in Dallas. (3) Tennessee Coal & Iron div. of U. S. Steel has used TV to check dump operations at the 1030-ft level of its Winonah No. 11 mine since first of year.

Loew's Inc. (MGM) has let option expire on purchase of 25% of KTVR, Denver (Ch. 2); Loew's holdings consist of 25% of KTTV, Los Angeles (Ch. 11) and KMGM-TV, Minneapolis (Ch. 9).

Add cable movie applications: Televents Inc. seeks franchises (Vol. 13:41, 43, 45) in Salt Lake City, Ogden, Provo, Utah. Firm is headed by Bill Daniels, Casper, Wyo. CATV operator and former NCTA pres.

TV-Radio Taxes Voted: Special municipal taxes on TV-radio-newspaper advertising (Vol. 13:45) were approved this week by Baltimore City Council despite barrage of protests fired from all sides at hearing on ordinances to raise extra money for budget.

Council backed down part way Nov. 15 by agreeing 14-6 to cut 3½% from proposed 7½% tax on all advertising sales within city, making it 4%, but insisted on retaining equally-criticized plan for 2% levy on gross receipts of stations & dailies. Court challenge of 6% assessments seemed certain.

Even chairman Joseph Sherbow of Mayor Thomas D'Alesandro's own Special Tax Commission denounced projected ordinances as "invalid & unconstitutional." He told Council's budget & finance committee that it had no legal precedent for 7½% sales tax on time & space bought from newspapers & stations—plus 2% tax on advertising receipts of media.

Already denounced by TvB pres. Norman E.

Jail sentence of 10 days for contempt of court was imposed Nov. 12 on *N. Y. Herald Tribune* TV-radio columnist Marie Torre by N. Y. Federal Judge Sylvester J. Ryan for continuing refusal to identify CBS source of item she wrote (Vol. 13:42-45). She was immediately released in own recognizance pending appeal to U. S. Court of Appeals. Judge Ryan said Miss Torre "has no legal support" for withholding information in District Court proceeding from actress Judy Garland in \$1,393,333 libel suit against CBS. He noted at same time that columnist intended "no personal affront of the dignity of the court" in protecting her news source.

"Blue sky claims of TV" for advertising effectiveness can be answered by newspapers which use *Chicago Tribune* yardstick showing dailies out-perform TV at lower cost per 1000, Nov. 9 *Editor & Publisher* says. Explained in detail by *Tribune* adv. director Walter C. Kurz, newspaper-TV measurement method involves 3 levels of audience & readers: "coverage or circulation," "attention," "advertising message." Tables based on Nielsen & Hooper TV surveys and Starch studies of *Tribune* readership are represented as proving, e. g., that "advertising message" in 30-min. TV crime show costs \$13.99 per 1000, whereas ½-page newspaper ad achieves same results for \$4.10. *Tribune* owns WGN-TV.

Don't weep for movies, producer Jerry Wald told American Society of Cinematographers in Hollywood Nov. 11, asserting that despite TV they're still "the leading entertainment medium throughout the world." There are "too many pallbearers eager to reach for a coffin that, fortunately, hasn't been built yet," Wald said, adding that "with a maximum of considered opinion and a minimum of snap judgment, we can make our 'healthy invalid' even healthier."

Radio rep business is booming so fast that bigger firms "are bigger than some, if not most, of the radio networks," Nov. 11 *Advertising Age* says, estimating spot sales this year at \$200,000,000 vs. record volume of \$149,921,000 in 1956. Lengthy roundup by magazine lists John Blair & Co., Peters, Griffin, Woodward, Katz Agency, Henry L. Christal Co., Edward Petry & Co. among top radio reps, estimates that they account for about 32% of market.

Cash as "revolutionary," tax scheme by D'Alesandro's administration to raise \$4,200,000 to balance \$232,000,000 budget next year also was scored by 20 other witnesses at hearing.

Wm. D. McMillan of Baltimore Sunpapers (WMAR-TV) predicted special taxes, if enacted, would be upset in any court challenge. He cited 1936 Supreme Court decision which killed advertising tax imposed on certain La. newspapers by Gov. Huey Long.

Spokesmen for AFL-CIO joined in attack, calling proposed levies "hidden tax" which consumers would end up paying, urging instead that property tax rate be raised if extra city revenue was needed.

Chief defender of scheme was City Council pres. Leon Abramson, who denied proposals were advanced "out of anger" because *Baltimore Sun* had criticized Council's budget-cutting efforts. Hugo A. Ricculi, city's deputy solicitor, said news accounts of Council's tax proposals had been distorted.

Spot Expenditures Up: Third quarter spot TV expenditures totaled \$93,094,000 for 325 stations reporting in TvB-Rorabaugh quarterly report, up nearly \$10,000,000 over same quarter and indicating increase for first 9 months of more than \$39,000,000. Additions to top 100 spot advertisers were Atlantic Refining (\$241,800), Ex-Lax (\$199,500), General Cigar (\$215,200), Harrison Labs (\$210,000), Kroger (\$193,400), National Brewing (\$282,000), Regal Pale Brewing (\$215,900), George Wiedman Brewing (\$251,000), J. B. Williams (\$343,500). Major product classifications showing biggest third quarter increase over 1956: Household cleaners, cleansers, polishes & waxes, from \$592,000 to \$1,099,000; household laundry products, \$3,284,000 to \$5,321,000; cosmetics & toiletries, \$8,950,000 to \$13,367,000; automotive, \$1,827,000 to \$2,501,000; gas & oil, \$3,908,000 to \$5,070,000; beer & wine, \$8,463,000 to \$10,211,000. Top spot TV advertisers in third quarter were Procter & Gamble (\$7,306,600), Brown & Williamson Tobacco (\$2,982,500), Continental Baking (\$2,439,600).

Single program effect on consumer, based on Oct. 13 Crosby-Sinatra program (Edsel), is described by TvB as significant research instrument, giving advertisers "technique for measuring basic effectiveness of their advertising." Study by Qualitative Research Inc. reported "public's favorable attitude toward the Edsel doubled as the result of their single TV program," jumping from 17.3% before show to 35.6% after. Complete copy of report may be obtained from TvB, 444 Madison Ave., N. Y.

"Dangerous stagnation" exists in advertising business, ABN pres. Robert E. Eastman told Philadelphia Advertising Club Nov. 13 in Hotel Barclay. "There is too much follow-the-leader, like sheep, with clients & agencies," he said, urging industry to "break out of the bonds of sameness," find better selling methods.

Network TV advertising was up 4.5% in first 8 months of 1957 vs. 1956, according to Nov. 8 *Tide* index of national volume. Business papers were up 9.6%, general magazines 4.5%, outdoor 2.6%. Newspapers were down .2%, farm publications 1.4%.

Warner Bros. opens new N. Y. headquarters at 666 Fifth Ave. Dec. 2 after move from own W. 44th St. building it has occupied since 1928.

No Hitting Below the Limen: NARTB TV code review board, meeting in Beverly Hills this week, added its voice to the furor over subliminal advertising (Vol. 13:45) by adopting statement that "experimentation or use of the process should not be permitted on the TV broadcast medium pending . . . review and consideration." It requested code subscribers to refer to it immediately "any proposals to use the TV medium in the process."

FCC's study of subliminal advertising and its possible applications—initiated at request of congressmen—continued this week, and it was expected that report would be issued in week or 2. There were indications that investigation had been dragged out longer than expected because of Commission's difficulty in obtaining cooperation of promoters of subliminal advertising.

In Canada, CBC board chairman Davidson Dunton announced that such hidden advertising would "not be permitted on CBC stations," though board may possibly review situation later.

Withdrawal of identification with anti-war program Nov. 10 on WCBS-TV, N. Y., was ordered by N. Y. Public Library because it wanted to avoid involvement in "sensitive area." Veterans Day show, "Faces of War," had carried notation in script that it was "prepared for the N. Y. Library" which helped gather quotations from Euripedes, Homer, Shakespeare, Stephen Crane, Mark Twain, Walt Whitman. But Library pres. Morris Hadley objected, explaining: "In any sensitive area we try to make the material available, but then we say, 'The product is yours, not ours.'" Show produced by Metropolitan Educational TV Assn. featured biographer Mark Van Doren, *Saturday Review* editor Norman Cousins, anthropologist Dr. Margaret Mead, author James Jones.

NBC's answer to old movies—Jack Parr *Tonight* show—Nov. 8 reaped "largest amount of business ever recorded by NBC-TV's partic. programs in a single day." More than \$4,000,000 in gross billings in single day were headed by Block Drug order for 234 partics. in 52-week period, with Bristol-Myers (208 partics.), Norelco (115), Harrison Labs (42), Polaroid (40), Tintair (26) and Webcor (21) signing up same day.

TV "blessings" are underplayed by industry, senior v. p. & TV-radio director Nicholas E. Keeseley of Lennen & Newell said in speech read to N. Y. chapter of Academy of TV Arts & Sciences this week. Stating that TV belongs to viewers, not critics who attack programming trends, he said that public has shown that it likes westerns and other shows it's getting, urged industry to join in campaign to "talk up" excellence of entertainment.

Flood of "horror" films to TV prompted NARTB TV code review board to call its subscribers' attention to section of code admonishing against "use of horror for its own sake" in TV production.

Filmed report on closed-circuit educational TV project in Hagerstown, Md. schools was carried Nov. 15 on NBC-TV's *Today*, reporter Joe Michaels covering story of success in teaching 4th grade arithmetic class.

TV career guide—*How to Get into Television* (189 pp., \$3.75, Sheridan House, N.Y.) by Robert Spencer Solotaire—includes case histories of TV successes, lists requirements & opportunities for writing, acting, directing.

Catholics "Guard" TV-Radio: Moral guard over TV-radio must be maintained in U. S. by Catholic Church, American bishops said in 2400-word joint statement issued Nov. 16 following 3-day meetings at Catholic U, Washington. Implementing encyclical on censorship propounded Sept. 11 by Pope Pius XII (Vol. 13:37), 14 bishops speaking for 136 dioceses & archdioceses set up no new agency to review & evaluate programs. But they said already-established National Legion of Decency (for movies) and National Office for Decent Literature (for books & periodicals) must "be watchful over the fields of radio & TV," that agencies "must be prepared to meet a continuing evil with an unremitting effort." No type of TV or radio broadcast was mentioned by bishops as objectionable, most of statement being development of thesis on Catholic authority: "Morally, the Church can & does exercise what is called censorship. This right is hers from her office as teacher of morals and guardian of divine truth." However, statement excoriated "vicious & evil publications," deplored producers of movies offensive to Catholics. In Rome meanwhile, Sacred Congregation of Rites was considering proposal to establish St. Clare of Assisi as patron saint of TV. If approved, designation would be based on 13th century incident in which witnesses declared that St. Clare, after prayer from her sickbed, was able to hear & see midnight mass in Basilica of St. Francis 1½-mi. away.

Crash landing of RCA plane Nov. 8 resulted in superficial cuts and bruises for pilot and copilot, no injuries to pres. John L. Burns, T. A. Smith, exec. v.p., industrial electronic products, 2 acquaintances of Burns. Plane was returning from Detroit, had almost touched down at Westchester (N. Y.) County Airport when struck by strong gust of wind, causing one wing to hit ground. Plane finally landed on nearby highway.

Canadian microwave network is being extended Nov. 24 to CHCT-TV, Calgary; CFRN-TV, Edmonton; CJLH-TV, Lethbridge; CHAT-TV, Medicine Hat (for one month); Dec. 1, CFCY-TV, Charlottetown. CBC-TV and Trans-Canada Telephone said microwave link between Quebec & St. John, N. B., is scheduled for Feb. 2 completion, extending live TV from Edmonton to Charlottetown.

Piracy suit for \$2,500,000 against NBC was filed Nov. 12 in U. S. District Court, Pittsburgh, by Pittsburgh TV producer Barry Farnol, who claimed NBC-TV's *What's It For?* (Sat. 10-10:30 p. m.) stole his ideas. He said new Hal March quiz show is "intentional duplication" of copyrighted program with same name which he "conceived, developed & produced" Aug. 19, 1952 but failed to sell.

NARTB reverts to original NAB, the National Assn. of Broadcasters, Jan. 1 as result of mail ballot which found 1227 members favoring switch, 35 opposed. NARTB board approved change last June, subject to referendum.

DuMont's ITV distribution is extended to 84 markets with appointment of 3 outlets: Alltronic Supply Inc., Amarillo; Flagler Radio Co., Miami; Torrence Sound Equipment Co., Toledo.

Broadcast Pioneers is new name of 14-year-old Radio Pioneers, as result of membership referendum. Group plans to start new-member drive, set up local chapters. Broadcasters with at least 20 years in industry are eligible.

NTA sets up London subsidiary, NTA (U.K.) Ltd., to supply TV & theatrical film, engage in production. British TV pioneer Vernon Burns, who formerly headed Television Programmes (Distributor) Ltd., will head office.

Eiffel Tower is now topped by new TV transmitting antenna—increasing height by 30 ft. to 957 ft. (compared with Empire State Bldg.'s 1472 ft.).

PROBING FOR ULTIMATE IN SET SLIMNESS: With real design ingenuity, Sylvania has taken unique step in the slimness trend in coming out with its much-heralded new 21-in. 110-degree-tube "Sylouette" receiver, shown in N.Y. this week.

Illusion of much slenderer look is unquestionably quite effective, and Sylvania maintains that its pre-testing indicates warm consumer reaction. Good index of whether Sylvania's experiment is paying off will come if competitors bring out similar designs in drop-in and new-line models early next year.

Though Sylvania doesn't say so, Sylouette looks as if it might well be result of motivation research findings that American public, obsessed with obesity and dieting, wants to surround itself with slim-looking objects. Just a guess.

Here are the Sylouette vital statistics: cabinet 10-in. deep (vs. 13½-17 in. for most other 110-degree sets), tube projects 4-in. in front of cabinet, "boxed" in by picture frame-like arrangement, about 3-in. tube cup in back. It's 36½-in. high, 34-in. wide, uses standard 110-degree tube.

Set is top of the Sylvania line. No recommended list is given, but we're told it will sell for about \$400, will be in retailers hands in a week. It includes such features as larger "Halolight," wood cabinets, 3 speakers, sliding top concealing controls, "Magic Touch" station selector, brass legs with shelf for plants, etc. -- available in mahogany, limed oak, walnut.

Sylvania executives seem genuinely excited about the set. Says Marion E. Pettegrew, TV-radio div. v.p.-gen. mgr.: "This will present an opportunity to determine the public's reaction to an ultra-modern set." Original production order has been increased sixfold, according to gen. sales mgr. Robert L. Shaw, who asserted distributors gave it "overwhelming acceptance" at confidential showings. Shaw said set will provide satisfactory profits all down the line.

Spokesman said that survey of 3000 vacationers at a resort last summer showed 7 of every 10 persons preferred Sylouette over 2 other 21-in. 1958 consoles, one of which was a Sylvania.

Turning to other Sylvania and industry trends, Shaw stated: (1) Sylvania will double share of TV market this year, double it again in 1958. (2) Nothing in economic picture appears likely to disturb TV market. (3) Color is relatively static, won't move until price is down to about \$350. (4) Picture-on-the-wall is still some time off, with engineers working on problems of scanning speed & "hold." (5) "In January, we'll show something else we have up our sleeves."

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Also in the "diet" field this week was word of work on a very short 90-degree tube. Leading proponent is National Video, whose pres. Asher Cole reports he's been working to shorten 90-degree ever since emergence of the 110-degree.

New 90-degree bulb is 16½-in. long, compared with 14½-in. 110-degree, 18-in. for previous short 90-degree. Reduction is accomplished by cutting neck length. New tube's neck is 4-in., vs. 5½-in. for previous short 90-degree, 7½-in. for original 90-degree. Reportedly, 110-degree can be shortened similarly.

Price of new 90-degree tube, Cole says, will continue at \$1.50 below 110-degree -- will also permit set makers to "save quite a bit of money in sweeping it and in circuitry." Cole declined to disclose names of set manufacturers with whom he's been working on tube. Motorola consumer products exec. v.p. Ed Taylor says he's interested in tube "only as a possibility;" that 110-degree is also being explored -- company still determining next move. Currently, Motorola uses 110s only in one portable. Zenith is also said to be interested in new 90-degree unit.

RCA asserts it's happy with the 110, D. Y. Smith, v.p.-gen. mgr. of tube div. stating: "RCA feels that the 110-degree short tube has many distinct advantages, for example, a lighter weight bulb, efficiency of deflection power due to the narrow neck design, and excellent resolution, and small area contrast. Apparently the major claim to fame of the stub stub 90-degree tube is only in its attempt to match the reduction in overall length accomplished by the 110-degree tube."

Sylvania spokesman said: "We have developed some experimental models of the so-called 'very-short neck 90-degree picture tube.' We do not, however, see any great demand for this type of tube."

Tight Money Loosened: In surprise reversal of form, Federal Reserve System cut from 3.5% to 3% the discount rate often viewed by trade as primary thorn in side of business. Federal Reserve banks in N. Y., Richmond, Atlanta, St. Louis put cuts in effect Nov. 15; remaining 8 expected to follow. Rate has been upped 6 times as inflation curb since 1955, latest and biggest hitting last Aug. Commercial banks can now get money at lower rate, ease credit to both business & consumer, brighten prospect for availability of retail dollars in 1958.

Retail Sales Revision: Preliminary estimates of retail TV sales for Oct. indicate total somewhat under 600,000, including export, compared with about 700,000 sold in Oct. 1956. This brings year's 10-month total to about 5,100,000 vs. 5,400,000 same time year ago. Drop of 300,000 led industry statisticians this week to cut estimates of total 1957 sales to 6,500,000 from the 6,750,000 projected last month (Vol. 13:42). Total 1956 sales were 6,804,000. Inventories at end of Oct. stood at 2,600,000 vs. 2,700,000 same time last year.

Production: TV output was 138,831 for week ended Nov. 8 vs. 152,306 the preceding week and 176,626 in 1956 week. At end of 45th week, TV production totaled about 5,536,000 vs. 6,420,050 last year. Radio production was 390,435 (120,234 auto) for week ended Nov. 8 vs. 399,196 (131,327 auto) the preceding week and 335,630 (145,761 auto) in the 1956 week. By 45th week radio production totaled about 12,742,000 (4,631,834 auto) vs. 11,575,676 (3,912,481 auto) in 1956.

Trade Personals: Wm. J. Kleinknecht, ex-American District Telegraph Co., named asst. director, communications div., Business & Defense Services Administration, Commerce Dept. . . . S. F. Davies named marketing director, Westinghouse general products div.; L. H. Loufek, marketing director, apparatus products; R. M. Wilson, marketing director, defense divs. . . . Clarence D. Tuska named staff consultant, patents, RCA Labs; Olin V. Mitchell succeeds him as director, patent operations . . . Eric Thor appointed TV planning supervisor, electrical products div., Corning Glass, succeeding David A. Sheperd, now coordinator of new products div. . . . Fred J. Voght named production mgr., Hoffman TV-radio . . . Charles H. Strawbridge, ex-Brinkman adv. agency, joins Magnavox as sales promotion mgr., succeeding Dan Cavalier, resigned . . . Arthur C. McCarroll Jr., ex-Chrysler, named director of division & field relations, IT&T (public relations); G. Gayle Warnock, ex-Edsel div. of Ford, named news service director . . . S. Krinsky, ex-Chromatic TV Labs, appointed director new western engineering div., Telechrome Mfg. Corp., with headquarters at 13635 Victory Blvd., Van Nuys, Cal. . . . Marty Sheridan, ex-Admiral, named director for information & publications, New England Council for Economic Development . . . Wm. H. Fowler named exec. staff adviser & chairman of new expansion & diversification committee of Herold Radio & Electronics Corp. . . . Paul A. Severeid, ex-WTCN-TV, Minneapolis-St. Paul, named adv. mgr. of Dahlberg Co., Minneapolis (hearing aids and hospital TV & radio).

DISTRIBUTOR NOTES: RCA Victor Distributing Corp. names A. C. Nerness mgr. radio-phono-hi-fi dept. Los Angeles branch, succeeding Victor A. Croft, transferred to mgr. TV dept. Chicago branch; Michael Sanders mgr. housewares dept. . . . Jos. M. Zamoiski Co. (Zenith) Washington-Baltimore, promotes Harry Schwartz, sales mgr. Zenith div., to v.p. . . . Krich-N. J., Newark, names Norman Skier, ex-DuMont, adv. mgr. . . . GEA names Bernie Meseth district TV-major appliance sales mgr., Burlingame, Cal.; Ralph Mitchell Jr., northern Cal. TV sales mgr.; Walt Archer, Sacramento district TV sales mgr. . . . Hoffman appoints Merchandising Distributors, Inc. (Norge, Vornado, Sonic hi-fi), San Diego, for TV-radio-hi-fi in San Diego & Imperial counties, dropping its San Diego branch; in past 18 months, Hoffman has dropped branches in San Francisco, Sacramento, Fresno . . . Bell Sound Systems appoints Midstates Appliance & Supply, Springfield, Ill., and Carlton-Bates Co., Little Rock, for tape recorders & stereo accessories.

NARDA Institute of Management will be held July 21-26 next year at American U, Washington—faculty again including Dean Nathan A. Baily of School of Business Administration, Dr. Harold B. Wess, Prof. Wm. A. Davidson of Ohio State U.

Dorman D. Israel, Emerson exec. v.p., received first award for outstanding service from IRE professional group on broadcast & TV receivers, at radio fall meeting in Toronto Nov. 12.

Topics & Trends of TV Trade: Home appliances' share of purchase dollar in consumer product field has declined 2% since 1952 while automobiles' share has increased 13%, Mark W. Cresap Jr., Westinghouse exec. v.p., pointed out to NEMA convention in Atlantic City this week. Inflation, which has pushed costs up faster than prices, threatens research and expansion of electrical industry, he said. "Industry's declining margins and rates of return, if continued, may well at some point in future time dampen the enthusiasm of members of the investing community for the stocks of our companies."

Meanwhile, automobile production, viewed as indicator of fourth quarter and 1958 business, was up slightly for the weeks ended Nov. 9 (5,171,883 passenger cars vs. 4,806,824 in 1956 period) as TV & white goods production was down.

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NEMA officers elected at Atlantic City convention: Pres., W. V. O'Brien, GE employe communications v.p. & gen. mgr.; treas., Bret C. Neece, Landers, Frary & Clark pres. V.p.'s—John C. Sharp, Hotpoint pres.; A.D.R. Fraser, Rome Cable pres.; Frank H. Roby, Square D sales v.p.; J. L. Singleton, Allis-Chalmers v.p.; N. J. MacDonald, Thomas & Betts pres. James H. McGraw award for Electric Men was presented to Alvin N. Gray, Western Electric.

Contracts for 206 uhf-vhf sets for Philadelphia schools has been awarded to Raymond Rosen, RCA Philadelphia distributor, following start of WHYY-TV (Ch. 35, educational) in Sept. Some 400 sets are now being used in Philadelphia classrooms and some are being converted to uhf. By end of year, every Philadelphia school is scheduled to have at least one uhf-vhf set.

Record-of-the-Month plan, sponsored by RCA Victor and Book-of-the-Month Club, is scheduled for Jan. 1 start under name of RCA Victor Society of Great Music. Three or more Victor records are to be offered monthly, plus bonus records, following selection by independent panel.

ELECTRONICS PERSONALS: Wladimir A. Reichel, ex-General Precision Equipment, named Norden-Ketay senior v.p. . . . Dr. J. R. Madigan promoted to chief engineer, semiconductor div., Hoffman Electronics Corp. . . . Walter H. Powell elected v.p. of International Resistance Co. . . . Karl K. Kahler elected I-T-E Circuit Breaker v.p. for employe relations . . . David A. Thomas, ex-Babb Co. chairman & pres., joins RCA as mgr., industrial business development, new post in industrial electronic products . . . Charles R. Klinger appointed mgr., commercial administration, western area, RCA electron tube div., headquartering in Los Angeles . . . H. Thomas Maguire, ex-city editor *Lynn (Mass.) Daily Evening Item*, named New England editor, *Electronics* magazine.

P. R. Mallory & Co. acquires plant, facilities & major interest of Milli-Switch Corp., Santa Monica, Cal., maker of electronic switches. Milli-Switch will operate as subsidiary, move production equipment to Frankfort, Ind. plant of Mallory electronics div.

Combined offices of WESCON, Los Angeles section of IRE, and West Coast Electronic Mfrs. Assn. moves to 1435 La Cienega Blvd., Los Angeles, Dec. 1.

Donald S. Parris steps up from acting director to director of Electronics Div. of Commerce Dept.'s Business & Defense Services Adm.

RCA Christmas advertising plans include 2-page color insertion in Nov. 25 *Life* and Dec. 7 *Saturday Evening Post*, single pages in Dec. *Farm Journal*, *Sunset*, *Progressive Farmer*, *TV Guide*, Sunday supplements *This Week* and *Parade*. Color TV ad is scheduled in Nov. 23 *TV Guide*, Nov. 30 *New Yorker*, Dec. 2 *Sports Illustrated*, Dec. *Cosmopolitan* and *Atlantic Monthly*. Full page ad on TV with hi-fi and combination TV-hi-fi phonograph will appear in Dec. 9 *Life*. TV programs to be used include *The Perry Como Show*, the *George Gobel Show*, the *Eddie Fisher Show*, *Tic Tac Dough*, *The Price Is Right*. NBC's week end *Monitor* radio show also will be used.

Smaller and cheaper transistor radios may be heralded by RCA announcement that it has developed experimental pocket-size superheterodyne receiver employing only 5 transistors in reflex circuit. As described by RCA's Roger V. Fournier at Toronto IRE meeting, new circuit has higher sensitivity than standard 5-transistor radio, coupled with good frequency response over whole broadcast band. He said its performance compares well with receivers having more transistors, but offers reduction in size, cost and power requirements.

Reorganization at David Bogen Co. and Presto Recording Corp. follows resignation of Lawrence LeKashman as sales v.p. of both to rejoin Electro-Voice as sales v.p. Firms merge as Bogen-Presto div. of Siegler Corp., Lester Bogen pres. Mortimer Sumberg named distributor sales mgr. Bogen-Presto; Thomas L. Aye, professional product sales mgr.; David Pear adds sales promotion to duties as adv. mgr.; Thomas B. Aldrich resigns as Presto sales mgr.

Color distributor reports: In Philadelphia, Raymond Rosen & Co. ran full page Nov. 11 newspaper ad on color TV, saying 10,000 color sets are in use in area. In New Orleans, Walter Bros. reports 317 of 325 color set owners responding to questionnaire said they were sufficiently satisfied with sets to recommend them to neighbors.

New consumer magazine *Hi-Fi & Music Review*, will be launched Jan. 28 by Ziff-Davis with 100,000 circulation guarantee. Newsstand cost 35¢, editor Oliver P. Ferrell.

NARDA annual convention is set for Jan. 12-14 in Chicago.

First National City Bank's Nov. letter on business & economic conditions notes "widely mixed" results in industrial groupings among the 599 leading manufacturers whose third quarter and 9-month net incomes are tabulated. All 599 showed \$2,201,499,000 aggregate profit for 1957 quarter, up 13% from 1956 period; \$7,288,524,000 for 9 months, up 8%. Category of electrical equipment, radio & TV (29 unnamed firms) led all rest save tobacco products (up 26%) for third quarter, its \$104,513,000 up 23%; for 9 months it was far and away the top, its \$321,151,000 up 32% from 1956. (Complete report available from bank's head office, 55 Wall St., N.Y.)

Frequency requirements for mobile radio will be theme of 8th annual meeting of IRE Professional Group on Vehicular Communications Dec. 4-5 at Washington's Statler Hotel. Highlight of session will be panel discussion moderated by ex-FCC Comr. E. M. Webster and featuring FCC chief engineer Edward W. Allen Jr., Motorola exec. v.p. Daniel E. Noble, consulting engineer C. M. Jansky Jr., radio engineer Francis M. Ryan, Atlantic Refining Co. communications mgr. Mason S. Collett.

Changes at RCA industrial tube marketing activity: Clifford H. Lane named mgr., market planning; Max E. Markell, mgr., industrial sales; Clarence S. Rockwell Jr., mgr., market administration; James T. Wilson, mgr., contract admin.; Gene Rivers continues as govt. sales mgr.

Financial Notes: Officers-&directors stock transactions for Oct. as reported to SEC: Allied Artists—G. Ralph Branton bought 1900, holds 2200 in wife's account, 41,625 personally; Samuel Broidy bought 8000, holds 69,718; George D. Burrows bought 8000, holds 33,386; Sam Wolf bought 8500, holds 14,450. American Electronics—Warren H. Crowell bought 1000, sold 675 through Crowell Weedon & Co., holds 325 in Crowell Weedon, 4995 personally. Arvin Industries—Orphie R. Bridges bought 200, holds 940. Avco—Lloyd P. Smith bought 1000, holds 1500. Bendix Aviation—Raymond P. Lansing exercised option to buy 500, holds 5098; C. C. Tillinghast bought 200, holds 200. C&C TV—Matthew Fox sold 1000 by pledgee, holds 575,200 as collateral against loans. Consolidated Electrodynamics—Franklin H. Donnell sold 500, holds 12,000; A. Charles Schwartz sold 700, holds 200. Consolidated Electronics Industries—John Bentia bought 3000, holds 3000. Crowell-Collier—Armand G. Erpf bought 30,000, holds 35,600. Daystrom—Earl R. Mellen exercised option to buy 1000, holds 1536. General Dynamics—Allen D. Marshall sold 700, holds 7400; Frank Pace Jr. sold 5000, holds 39,780; Kenneth Stiles sold 700, holds 2300. GE—George E. Burens bought 1350, holds 5400; John D. Lockton bought 1500, holds 6519; H. A. MacKinnon exercised option to buy 300, holds 6227; Wm. Allen Mann bought 270, holds 880; Donald L. Millham exercised option to buy 2000, holds 8409. Hoffman Electronics—C. E. Underwood exercised option to buy 1500, holds 5500. P. R. Mallory—Harold C. Buell exercised option to buy 600, holds 1790. Minneapolis-Honeywell—John J. Wilson sold 6500, holds 65,070. Minn. Mining & Mfg.—Cyril P. Pesek exercised option to buy 600, holds 4501. National Theatres—Alan May bought 400, holds 800. RCA—Andrew Meyer bought 100, holds 9100. Republic Pictures—Herbert J. Yates sold 1000, holds 53,060. Sperry Rand—Francis J. McNamara sold 5000, holds 5500. Storer—Harry R. Lipson bought 100, holds 400. Unitronics—Abraham Cooper bought 367, holds 602. Zenith—E. F. McDonald Jr. bought 1100 through Seneca Securities Corp., holds 34,831 in Seneca Securities, 10,462 personally; Hugh Robertson bought 100, holds 1618; Joseph S. Wright bought 200, holds 510.

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Standard Coil reports net profit of \$257,634 (18¢ per share) on \$14,651,158 for quarter ended Sept. 30 vs. net loss of \$358,706 on \$15,392,295 in 1956 quarter. Pres. James O. Burke noted improved operating results were due mainly to extensive program which eliminated losses in tuner div.

Admiral Corp. earned \$461,391 (20¢) in quarter ended Sept. 30 on \$47,320,296 vs. \$43,974 (2¢) on \$48,370,663 last year. For 9 months, earnings were \$572,662 (24¢) on \$126,125,817 vs. \$1,792,029 (76¢) on \$134,204,988 in 1956.

General Precision Equipment earned \$954,725 (59¢ per share) on sales of \$45,327,615 for quarter ended Sept. 30 vs. \$613,901 (41¢) on \$35,579,263. For 9 months, earnings were \$3,616,977 (\$2.70) on \$138,627,292 vs. \$1,768,460 (\$.121) on \$109,703,459 in 1956.

General Transistor earned \$91,922 (30¢ per share), on \$819,569 in quarter ended Sept. 30 vs. \$45,361 (16¢) on \$339,182; for 9 months, earnings were \$221,286 (72¢) on \$2,048,428 vs. \$129,077 (45¢) on \$729,867 last year—all 1957 figures record highs.

Sonotone Corp. earned \$706,881 (65¢ per share), including \$105,376 income tax credit, on \$15,909,000 sales for 9 months ended Sept. 30 vs. \$618,792 (55¢) on \$13,757,000 in 1956.

Report on Stromberg-Carlson div. of giant General Dynamics Corp., which this week revealed consolidated net sales for first 9 months of 1957 reached \$1,133,182,305 vs. \$715,505,688 in 1956 period and net profit of \$32,089,954 (\$3.50 per share) vs. \$23,015,606 (\$2.27)—all figures embracing those of recently-merged Liquid Carbonics Corp.: "Stromberg-Carlson div. has made notable progress in designing new transistorized elements for commercial telecommunication applications. While maintaining a high sales volume in conventional telephone equipment, the Div. is now in quantity production of transistorized components for the independent telephone industry. Other products enjoying high sales level include 'Custom 400' high fidelity consoles and components, sound distribution and paging systems, automobile radios and loudspeakers, and 'Charactron' shaped-beam tubes." Pres. Frank Pace Jr. adds in report to stockholders that quantity production continues at S-C on complete Tacan systems for Navy, test & monitoring equipment for CAA; also "favorable progress" on various electronics & communications equipment for Signal Corps. (Stromberg no longer makes TVs.) General Dynamics' major military programs include development & production of Atlas missile, B58 supersonic bomber, F102A & F106A supersonic jet interceptors, nuclear-powered submarines, which were "not materially affected" by recent Air Force expenditure controls.

Packard-Bell pres. Robert S. Bell says profits on TV set sales in year ended Sept. 30 were less than in preceding year, but operation continues profitable with current earning trend rising. He told Los Angeles Society of Security Analysts that Packard-Bell is getting its highest share of TV market, excluding low-priced portables. Average factory price before excise tax, he said, is \$152.90 vs. \$128.67 for industry. On color TV, Bell said company "had lost money on every single set produced, about \$50 a set, but a cost accountant with a sharp pencil would probably peg it at closer to \$70." He estimated total sales at \$32,000,000 for year with net profits more than \$1 per share.

Dividends: CBS Inc., 25¢ on "A" & "B" payable Dec. 13 to stockholders of record Nov. 29 plus 3% stock Dec. 27 to holders Nov. 29; 20th Century-Fox, 40¢ Dec. 27 to holders Dec. 10; Walt Disney Productions, 10¢ Jan. 1 to holders Dec. 13; Hazeltine, 35¢ plus 2½% stock, both Dec. 16 to holders Nov. 29; General Precision Equipment, 60¢ Dec. 15 to holders Nov. 27; I-T-E Circuit Breaker, 45¢ plus 2% stock, both Dec. 20 to holders Nov. 18; General Tire & Rubber, 17½¢ Nov. 29 to holders Nov. 18; Minneapolis Honeywell, 40¢ plus 15¢ extra, both Dec. 10 to holders Nov. 21; Famous Players Canadian, 37½¢ Dec. 12 to holders Nov. 21.

Largest electronics contract in CAA's history was awarded to IT&T's Federal Telephone & Radio Co., for \$11,361,000 worth of VORTAC ground beacons and test, monitor & control equipment.

Howard W. Sams & Co. reports earnings of \$192,636 (\$1.52 per share) on \$3,964,324 for fiscal year ended June 30 vs. \$174,049 on \$3,707,874 for preceding year.

International Resistance earned \$531,424 (39¢ per share) on sales of \$12,965,896 in 42 weeks ended Oct. 20 vs. \$407,975 (30¢) on \$13,657,158 sales in 1956.

Corning Glass earned \$12,614,733 (\$1.86 per share) on sales of \$120,804,963 in Jan. 2-Oct. 6 period vs. \$13,817,039 (\$2.05) on \$124,562,065 sales in 1956 period.

Beckman Industries for quarter ended Sept. 30 earned \$290,712 (22¢ per share) vs. \$378,439 (29¢) in 1956 period.

CBS Beating Own Records: Looks like CBS Inc. is headed for another record sales & earnings year, Chairman Paley reporting to board of directors meeting Nov. 13 that 39 weeks ended Sept. 28 brought in consolidated net revenues and sales of \$275,276,269, up 7.4% from \$256,379,874 in 1956 period. At half-year mark the figure was \$186,798,814 vs. \$174,274,387 (Vol. 13:33). For whole of 1956, it was \$354,779,843 (Vol. 13:13); for all 1955, \$316,572,766. All-time record revenues were \$373,380,139, achieved in 1954.

Net income for the 9-month period this year climbed to peak \$13,898,171 after all charges (including \$16,250,000 provision for Federal income taxes), amounting to \$1.82 per share. This was up 48% from 1956 period which showed net income of \$9,368,073 (\$1.25) after allowing for expenses and losses attributable to discontinuance of CBS-Columbia TV-radio set manufacturing div. For whole of 1956, net income was \$16,283,462 (\$2.17); for all 1955, \$13,397,427 (\$1.83); for all 1954, \$11,414,645 (\$1.59).

Earnings per share are calculated on average of 7,651,697 & 7,490,438 shares outstanding during the respective 9-month periods of this year and last. Besides declaring 25¢ quarterly dividend, making \$1 for year (vs. 90¢ last year), CBS board also declared 3% stock dividend on Class A & B stock payable in latter Dec.; in 1956, stock dividend was 2%, in 1955 same. [For CBS financial details 1950-56, see our Special Report of last May 4 on Financial Data on Television-Electronics Companies.]

CBS doesn't break down sources of revenues and profits, but largest operating division is TV network which in first 9 months of this year billed more than \$173,000,000 by PIB calculations (Vol. 13:45); this is based, however, on one-time rates and therefore discountable by at least

Govt. purchase of TV time on commercial stations for educational purposes—or exercise of eminent domain to obtain facilities—was suggested Nov. 13 by U of Mich. TV director Garnet R. Garrison as means of advancing nation's schooling. Asserting that "use of a few educational stations is not enough" as aid to development of scientific & intellectual processes, Garrison asked in speech to Ann Arbor Rotary Club: "Why should not the appropriate governmental agencies have power to exercise the right of eminent domain over broadcast time segments, taking over, if purchase is not easily possible, prime spots on commercial stations & networks so as to provide program outlets?"

Two new closed circuit TV system components debuted last week at Walter Reed Army Medical Center Open House in Washington: color TV microscope; color kine recorder. Microscope, really an RCA TK-45 color vidicon camera with light microscope attached, permits pathologist to show, and discuss with remote audience, magnified living micro-organisms as he studies them. Color kine recorder, Telechrome's "Trinescope," shoots live colorcasts of surgical operations on 16mm film, makes unlimited copies for military medical education. Walter Reed's 3-channel, \$750,000 system uses 3 studios, 7 cameras, staff of 60, produces 150 programs a month.

25%. Last CBS Inc. annual report, covering 1956 (Vol. 13:13), stated only that CBS radio continues profitable, with Columbia Records at new peak 50% higher than 1955, CBS-Hytron (tubes & semiconductors) unprofitable, CBS Laboratories expanding into military & industrial projects, CBS International sales volume up 80%. CBS also has had profitable investments in theatrical productions, notably the fabulous *My Fair Lady*.

In 1956, according to recent Barrow network study report (Vol. 13:40 with Special Report), CBS's pre-tax profit from its TV network and 5 TV stations was \$40,733,000, the stations accounting for \$18,362,000 or 45.1%; these and figures for preceding years to 1950 would indicate TV network-station operations far overshadow all other divisions as contributor to net profit total shown in consolidated reports.

Another sidelight: Proxy report for last annual meeting (April 17) revealed Chairman Paley and President Stanton drawing down identical salaries, \$300,000; now retired TV pres. J. L. Van Volkenburg, \$134,961; radio pres. Arthur Hull Hayes, \$65,000; Columbia Records pres. Goddard Lieberman, \$48,000; v.p. Henry C. Bonfig, \$56,346; ex-CBS-Hytron pres. Charles F. Stromeyer, \$60,000; Edward R. Murrow, \$177,233. Salaries of new TV pres. Merle Jones and CBS-Hytron pres. Arthur L. Chapman, also directors then, were not revealed, but each was given option to buy 7500 Class A shares at \$31 and \$30.50, respectively, while Lieberman held option on 7650 at \$22.55. Directors Bonfig and Hayes also held options on 7803 Class A shares each at \$22.55.

Chairman Paley's stockholdings were 164,626 Class A, 798,768 Class B owned beneficially; Stanton's 108,266 A & 31,917 B. Next largest director-stockholdings were Leon Levy's 44,889 & 126,676, Samuel Paley's 20,400 & 33,680.

News pictures in public areas of govt. buildings may now be taken without obtaining prior permission, reports General Services Administration which operates the buildings. TV cameramen are requested to notify GSA in advance so it can provide electricians to help with cables and lights. Federal judges will continue to have authority to bar photographers in areas under their control, such as courtrooms.

Two application for TV stations were filed with FCC this week, bringing total to 117 (33 uhf). Applications: For New Bedford, Mass., Ch. 6, by local group headed by bus line operator Alfred DeMaris; for Eugene, Ore., Ch. 9, by consultants Dawkins Espy and Thomas B. Friedman. No translator applications were filed this week. [For details, see *TV Addenda 25-P* herewith.]

Audiences as large as 250,000 have been attracted to school board telecasts over educational KUHT, Houston (Ch. 8)—some programs holding viewers as late as 1:30 a.m. Acting station mgr. Roy Barthold estimates this year's board meetings on integration were tuned in by 100,000 of city's 400,000 sets—with average of 2.5 viewers per set.

GE's new color TV camera (Vol. 13:39) will be introduced Nov. 20 at special press showing in new TV-radio studios of WRGB & WGY, Schenectady.

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with **ELECTRONICS REPORTS**

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SUMMARY-INDEX OF THE WEEK'S NEWS — November 23, 1957

WHITNEY PARTNER SEES TV commercials as "\$100 Billion Pump-Primer" of economy; Petersmeyer urges fight against detractors (pp. 1 & 16).

SUBLIMINAL AD TECHNIQUE being used on air by at least one station; "hidden sell" promoters defend system, report "fantastic" TV interest (pp. 2 & 5).

OPPOSITION TO PAY TV, by air or wire, voted by Theatre Owners of America, pledging fight to outlaw it, while members continue to explore it (p. 3).

SPECTRUM STUDY action deferred by EIA pending further Washington talks. AMST and FM groups urge FCC to retain TV & FM intact (p. 4).

STORER FEELS PROFIT SQUEEZE from costs of building up independent WVUE; 9-mo. figure up but 1957 operating decline may be 15% (p. 6).

WDAF-TV & WDAF, Kansas City, reported sold, probable buyers headed by pres. Elmer C. Rhoden, National Theatres Inc.; principals mum until next week (p. 7).

RCA COLOR TAPE recorders to cost \$63,000, monochrome \$49,500; delivery of production models to begin in Dec. 1958 (p. 9).

REALIZATION OF TV'S dominance in mass entertainment field urged on exhibitors by Eric Johnston, stressing interdependence of both industries (p. 9).

BORDER UHF ALLOCATIONS negotiations between U.S. & Mexico running smoothly. Station sales in Los Angeles held up by protests (p. 10).

TRANSLATOR GROWTH continues steady, 73 stations now broadcasting; new orders for equipment at 3-4 per month, some from South America (p. 10).

Manufacturing-Distribution

HOME AMUSEMENT DEVICES represent whopping \$21 billion expenditure by public since 1948; factory value of TV sets totals \$8 billion (p. 12).

TV BUSINESS IN '58 seen continuing in 1957 pattern, with small pickup forecast by some set manufacturers; 1957 pre-holiday activity seen slow (p. 12).

DISCOUNTERS TO GROW, conventional retailers lose more ground, Masters predicts (p. 14).

SIEGLER CORP. reports record earnings of \$368,602, sales of \$16,662,835; Olympic employes increased by 300, TV-radio sales 40% over last year (p. 15).

PUMP-PRIMER OF THE NATIONAL ECONOMY: Wrede Petersmeyer, the J. H. Whitney & Co. partner in charge of its Corinthian group of stations (KOTV, Tulsa; KGUL-TV, Galveston; WANE-TV & WANE, Ft. Wayne; WISH-TV & WISH, Indianapolis), has been expounding to his friends an interesting theory of TV as "the secret catalyst" helping account for the increase in total sales of goods to American consumers from \$180.6 billion in 1949 to \$280 billion in 1957.

Nor is it mere coincidence, he contends, that Gross National Product has gone up from \$257 billion to \$437 billion in the same period of TV's great expansion—a period also marked by a more than 20-fold increase in expenditures by business on TV as an advertising medium. Therefore, he argues, why doesn't the business community, particularly at this time of economic storm clouds, join in protest against pay TV which, if successful, might vitiate free TV's strength as a selling force?

We asked Mr. Petersmeyer to "digest" his ideas for our readers, feeling they were especially pertinent coming from an able financial man who is regarded as one of the industry's real comers. Native of California, 1941 graduate of the U of California (Phi Beta Kappa), 1943 graduate of Harvard Business School (cum laude), Petersmeyer was made a Whitney partner in 1951. He started concentrating on station operation in 1954 after having headed the successful operation of a half dozen community antenna systems financed by Whitney. We recommend a close reading of his article on p. 16.

SUBLIMINAL TV ADS TESTED ON AIR: Controversial "invisible" TV advertising techniques are being tested on air in U.S.—and results have been inconclusive so far.

Using simple system developed at own station, pres. Murray Carpenter of WTWO, Bangor, Me. (Ch. 2) has quietly been experimenting with on-air tests of subliminal advertising (Vol. 13:45-46) for at least 2 weeks after nearly 2 months of development and closed-circuit tests. His conclusion, so far: If it is a selling medium at all, it is the softest kind of soft sell.

"I am amazed to discover the trade furor this technique has stirred up and even more amazed that NARTB has issued an official frown," Carpenter told us. He said he has offered to contribute results of tests to FCC's investigators. "I judge from previous news reports that most broadcasters seem tongue-tied on the subject," he added. "We aren't."

His subliminal tests, which have been transmitted during across-the-board film series on alternate days, have been aimed at increasing mail draw. "As yet we are unable to determine if this technique has any effect," he declared. (For details of Carpenter's tests, see p. 5.)



The same puzzlement over excitement generated in press by "hidden-sell" idea was reflected this week by officers of Subliminal Projection Corp. when we visited them in N.Y. Though delighted with attention, they expressed dismay at tendency to imply system is wicked, potentially dangerous, etc.

Subliminal's exec. v.p. Richard E. Forrest invited us to demonstration of invisible advertising projected at speed well within range of TV's capabilities—each message lasting 1/20 of a second (as opposed to 1/3000 in movie theatre test). In small screening room, we viewed about 5 min. of color film footage, straining our eyes to catch any glimpse of a hidden message.

Though we saw nothing but the film, we were informed we had been subjected to message projected every 5 sec. for 1/20 of a second duration. Then film was shown again, this time with mask in front of projector lens, so that left half of screen carried the movie, the right half blank—or was it blank? Dim image of familiar "Coca-Cola" logo could be seen flicking on and off on unoccupied half of screen.

By reducing brightness of subliminal image, said Forrest, it can be projected for longer periods and remain "unseen." Superimposed on a TV program, he said, message can be held for indefinite period, making subconscious impression without actually being visible or interfering with program.

Subliminal's promoters quickly offer an assurance: This type of advertising can't "persuade" or "influence"—it can only "remind." It can use only short messages, with relatively familiar trademarks or wording. Is it "dangerous" or potentially sinister? Forrest claims that if viewer is uninterested in message, or hostile, no impression is made at all—message is subconsciously rejected.

"All we're selling is white space," he said. "It's just a place to put a trade name or a short slogan. It's up to advertisers to determine what use they'll make of it."

Motivation researcher James M. Vicary, Subliminal Projection v.p. who is credited with inventing system, puts it another way: "Subliminal advertising is a way to get to the viewers while they're concentrating." Its only use, he says, is to remind, to supplement other advertising—it can't be used to launch a new product or idea.

What it can do, he says, is make impression on viewer while his undivided attention is focused on TV or movie screen—supplementing conventional commercials which often chase viewers to refrigerator for can of beer, to bathroom, etc.

Does it work? You can't tell by watching a demonstration. If you're conscious of the message, promoters say, it's not subliminal. They cite widely publicized 6-week test of technique in unidentified movie theatre where subliminal ads were credited with boosting popcorn sales 57.7%, Coca-Cola 18.1%.

Who's interested in subliminal advertising? Of more than 1000 people witnessing demonstrations, Forrest ranked them in this order: (1) Agency people, (2) advertisers, (3) theatre owners, (4) TV operators. Interest expressed by TV operators has been "fantastic," he said.

Subliminal Projection Corp. plans to sell and lease projection machines, for which it has patent application pending. Pilot movie theatre projector came off production line of unidentified equipment manufacturer last week. TV gear has been designed, but production plans are being held up because of furor over the idea. "We don't want to fight the TV industry," said Forrest. "We want to marry it."

Though Subliminal has offered to demonstrate technique to FCC investigators, Commission staffers say they have no plans to see it. FCC sources say Subliminal is cooperating, providing information.

Possible use of technique in pay TV was predicted by Forrest, who visualizes it as perfect reminder advertising technique for basically non-commercial medium. Unseen toll-TV "sponsor" might get total of 300 invisible "spots" in 25-min. program.

TOA WANTS NO PART OF SUBSCRIPTION TV: While theatre owners scurried around trying to sew up wired pay-TV franchises in large numbers of cities, their trade association voted unanimously to condemn "all forms of cable and broadcast pay TV" and to push for enactment of federal law against it.

Action taken at this week's Miami Beach convention of Theatre Owners of America allies movie exhibitors' and broadcasters' organizations in fight to ban tollvision, while some individual exhibitors and broadcasters are expressing active interest in fee TV.

TOA resolution said subscription TV "soon would usurp all the popular programs now free . . . [gain] a monopoly of entertainment dollars . . . [cause] closing and elimination of the exhibition branch of the [motion picture] industry."

Earlier in convention, exhibitors listened to panel discussion on cable TV, in which most panelists (mainly representing pay TV or "cable theatre" proponents) agreed consumer will make ultimate decision on success of wired TV and that theatre owners should ally themselves with wired TV.

Interesting interchange from the floor featured 2 past presidents of TOA. Mitchell Wolfson, who heads Florida's Wometco Theatres as well as Miami's WTVJ and has interests in other TV stations, warned that pay TV must have first-run movies to succeed. This, he said, means "death of movie theatres." Then he asked: "What makes you think that the exhibitors can continue to control pay TV?"

Samuel Pinanski, pres. of American Theatre Corp., Boston, replied with opposite view: "My business stinks," he said, "and I've got to face reality" and examine potential of cable theatre system. He said exhibitor can't deny economics and must recognize existence and possibilities of pay TV as a matter of reality. He said he intends to "learn everything possible" about wired TV services.

Somewhat similar, though considerably milder, view was expressed by head of movie producer-distributor trade organization. Pres. Eric Johnston of Motion Picture Assn. of America told TOA convention that industry should look on all types of toll-TV tests as "research projects, out of which might come developments that could affect our way of doing business, the business of us all . . ."

Big producer 20th Century-Fox, already heavily entrenched in programming for free TV, appeared to write off any major role in pay TV when it announced to convention that it was willing to give theatres guarantee of at least a 5-year lag between theatrical and TV showings of any of its pictures.

It was a great week for feeling the public's pulse on pay TV—and 2 big surveys appeared to indicate strong opposition to the medium. TV Guide received 44,888 replies to "ballot" printed in Sept. 21 issue, final returns indicating 96.6% of respondents were against any form of subscription TV. TV Guide commented: "The poll should serve as a signal to the FCC and to Congress that perhaps there are not as many toll-TV enthusiasts as they have been led to believe." Results are in Nov. 30 issue.

Broadcasting Magazine had special survey conducted by Pulse in 10 major cities, found voters 2-1 against pay TV (939 against, 470 for, out of sample of 1409). Results are tabulated in Nov. 18 issue.

CBS v.p. Richard Salant, meanwhile, reiterated in Hollywood this week that his network is strongly opposed to idea of broadcast subscription TV, but "if the FCC approves of pay TV, CBS will go into it." His statement was reminiscent of comment last month by NBC pres. Robert Sarnoff that if fee TV eventually replaces free broadcasting, "we, like the public, will have no choice but to follow the pay tide."

JOSTLING WITHIN THE SPECTRUM: EIA's board deferred final decision on what to do about an all-spectrum study (Vol. 13:44), during quarterly meeting in N.Y. this week—but it supports concept "more enthusiastically than ever," according to spokesman. Reason given for deferment was need for more conferences with top govt. officials.

EIA is hopeful of getting military cooperation, though some veteran allocations negotiators remain skeptical—because of military's long record of meager cooperation. EIA board freed its spectrum study committee, headed by H. L. Hoffman, to act on its own, if necessary, and to recommend study procedures to Govt. before next board meeting in March.

Maintenance of FM band intact was urged by EIA's amplifier & sound equipment section, backed by consumer products committee—and view will be transmitted to FCC in form of comments in investigation covering 25-890-mc band. However, some makers of non-broadcast equipment among EIA membership may elect to recommend that Commission reallocate some FM space to other services.

Newly formed FM Broadcasters, comprising 45 stations, filed strongly worded brief stressing need for maintenance of FM band as is—calling particular attention to current resurgence of FM.

Meanwhile, in defense of TV spectrum space, Assn. of Maximum Service Telecasters is submitting brief in the 25-890-mc inquiry, holding "it is entirely premature for the Commission to consider any reallocation of TV broadcasting either within the portion of the spectrum presently assigned to it or in another portion . . ." It noted that TASO's inquiry into TV propagation is still going on—at Commission's request—and report is not due until next June.

Detailing use and demand for TV channels, AMST noted that 814 stations are operating or authorized—a "frequency loading" of 10 stations per channel. AMST said this growth took only 12 years—compared with 25 years for AM to achieve similar status.

AMST also pointed up public's vital need of TV, the \$20 billion spent on TV equipment, that 99.9% of U. S. families live within service area of at least one TV station, that there is heavy use of 44,500,000 sets now in use with 83,430,000 persons over 12 spending some time watching TV in typical week.

Battle of Baltimore: Court battle lines in fight against Baltimore's new TV-radio-newspaper advertising taxes (Vol. 13:46) began forming this week, Baltimore Sunpapers (WMAR-TV) preparing to fire at ordinances as soon as they become effective Jan. 1. Counsel for Sunpapers will go to court to stop special levies (4% on sales to advertisers, 2% on gross receipts of broadcasters & publishers) on grounds they are unconstitutional because: (1) They abridge freedom-of-press guarantees, setting precedent for hostile municipality to tax newspaper or station out of business. (2) They discriminate against media & advertisers as businesses, thus denying them equal treatment under law. Sunpapers will be reinforced for battle by allied broadcasting, publishing & advertising forces which mobilized for initial attempt to stop City Council from enacting emergency budget measures Nov. 15. Advertising Federation of America, for one, is expected to enter legal fray as friend of court, chairman Robert M. Feemster warning this week that Baltimore taxes could set precedent which "can endanger the economy of the entire nation." He pointed out that "anything that tends to discourage advertising can kill all kinds of jobs in all kinds of fields."

Radio editorials on public issues are planned by KMPC, Los Angeles. Station operated by Golden West Bcstg. Co. (Gene Autry, chairman; Robert O. Reynolds, pres.) will carry 30 & 60-sec. editorials, clearly identified as management expressions of opinion, on such subjects as sewerage conditions, school bus safety. Politics will be avoided and KMPC news dept. will have no part in preparing policy statements, according to v.p. Loyd C. Sigmon.

A TV Legion of Decency? Year-long TV-radio study will be made by Catholic Church in U. S. "to determine the most suitable & acceptable means" of carrying out censorship encyclical by Pope Pius XII (Vol. 13:46). Bishop Wm. A. Scully of Albany, chairman of newly-expanded Episcopal Committee on Motion Pictures, Radio & TV, said group will determine how encyclical is "applicable to radio & TV on the American scene." Study may result in broadening work of Legion of Decency, present communications censorship arm of Catholic bishops, or establishment of separate TV-radio agency to evaluate programs. Other Committee members are Bishops John K. Mussio, Steubenville; James A. McNulty, Paterson; Hubert M. Newell, Cheyenne; Alden J. Bell, Los Angeles. Bishop Scully also reported addition of "A-2" category—"morally unobjectionable for adults & adolescents"—to Legion's movie-evaluation system.

TV doesn't harm health & schoolwork of children, although they spend as much or more time watching it as they did when it was novelty, director Paul Witty of Northwestern U's psycho-educational clinic reports in Nov. *Today's Health*, published by American Medical Assn. Survey of more than 2000 children, started in 1949, shows that in 1950 many parents complained that TV disturbed homework, play & sleep. Now few parents complain. And teachers find that such factors as poor home environment—not TV—are responsible for many emotional difficulties.

How to behave on TV is theme of new guidebook for amateurs—*So You're Going on TV*—prepared by NARTB in cooperation with WRVA-TV, Richmond. Quantity orders are available at cost to NARTB members.

Testing 'Hidden Sell' on TV: "If subliminal advertising is a world-shaking or potentially dangerous medium, we haven't been able to see it here." So said pres. Murray Carpenter of WTWO, Bangor, Me., summing up his station's experience with on-air tests of "invisible" commercials to date (see story, p. 2).

Working independently of the organizations promoting the widely publicized technique, Carpenter and his associates at WTWO began experimenting about 2 months ago, developing own equipment for purpose with aid of professional clinical psychologist. At outset, they decided to concentrate experimentation on film programs because of simplicity in devising equipment.

WTWO's "subliminal projector" was developed from standard film projector. Station technicians made loop of dark leader film 250 frames long, splicing in one frame with message, so that the "subliminal" information would flash on screen once every 11 seconds as loop made its continual revolution in front of film camera. Message was printed in negative form—white letters on black background—and designed so that it would occupy about one-fifth of height of screen. It was tested on closed-circuit system, projector's light level being turned down gradually until none of test viewers could see message. In on-air tests, message was superimposed on regular film program every 11 seconds, by using regular film projector and subliminal projector simultaneously.

First test message—only one used on air to date—was

simple 2-word phrase, "WRITE NOW," chosen because its effects could potentially be easily measured. On alternate days, message was superimposed on regular daily stripped series of film programs in which announcer requested viewers to write their reactions and suggestions about the program series to the station. Carpenter reported no measurable difference in mail response on days when subliminal message was projected compared with days when announcer made verbal pitch only.

After nearly 3 weeks of alternate-day experimentation with the single message, Carpenter says he is convinced technique isn't "world-shaking" or "inherently wicked," as some critics have implied. "It hasn't filled me with enthusiasm in any way."

From TV station's standpoint, he sees one potentially important use "to solve a problem which really perplexes us"—namely, inability of viewers to identify program with a particular station. He suggests that subliminal projection of station's call letters during actual program might increase awareness of station's identification with network program—a decided advantage, particularly during rating week.

Summing up his experience and observations, Carpenter expressed view that subliminal technique may only be able to "get a viewer to do something he already wants to do" and speculated that some people may be far more susceptible than others to subliminal messages. In fact, he adds, "we may be dealing with a narrow slice of the population."

Carpenter defended broadcasters' right to experiment with subliminal and other new techniques. "I'm in the business of influencing people," he said, "and I intend to look into every method of influencing that comes along, whether I decide to use any of them or not."

"Fantastic" impact of TV on retail store trade is reported in Nov. 18 *Billboard* article by Bob Bernstein telling how pres. Howard J. Moll of Stevens Cosmetics has to read TV trade journals & gossip columns to cope with customers' knowledge of programs & products. "If the retailer doesn't become a TV expert via the advertiser's overtures, he soon becomes one through customer comment," said head of firm which operates drug & toiletry concessions in N. Y. area supermarkets & dept. stores. Sometimes customers aren't sure of product's precise name, but "they saw it on TV" and demand it, Moll said, recalling one day's run on Deep Moss, Disappearing Magic, Dimaggio, Dark Victory, Imagine, Dame Nature, Magic Step, Dawn Mist, Strange Deeds, Clean Margarine. Turned out they wanted Toni's new facial cleanser, Deep Magic.

TV loses 77% of audience between programs, Ziv reported this week on basis of June 3-10 survey of 1000 Cincinnati homes by Burke Market Research Inc. Ziv pres. John Sinn said findings showed that break-time commercials "cannot do the same kind of effective selling job that program sponsorship accomplishes." Among those not watching, 28% left room, 25% read, made telephone calls, etc., 10% changed channels, 12% left house, 2% couldn't account for inattention.

"Brain picking party" to discover why big corporate advertisers prefer TV to newspapers was proposed by adv. director John B. Rabiner of *Berkshire Evening Eagle* at Boston meeting of New England Newspaper Advertising Executives Assn. "Is this a rout?" he asked, citing statistics showing big companies spend more money on TV than on dailies. Rabiner urged national meeting of "everybody in the newspaper business to find out what's going on."

TV has 5-way payoff for corporate advertisers, Oliver Treyz, ABC v.p. in charge of TV, told 10th national conference of Public Relations Society of America Nov. 18 in Sheraton Hotel, Philadelphia. Citing case histories, he said TV improves public's image of corporation, public's familiarity with products, trade & industry relations, employe relations, stockholder relations. "Corporate messages on TV often are as timely—and should be as timely—as news can be," Treyz said. Same day, ABN pres. Robert E. Eastman made pitch for radio, telling meeting that TV has "pushed radio into the position of being primarily an adult medium"—one which is enjoying "the most rapid expansion of any medium in the history of mass communications." Eastman said that radio holds "place of distinction in mass communications because it is so universally available."

"Audience participant" interrupted *The \$64,000 Challenge* on CBS-TV Nov. 17 in N. Y. by walking on stage, facing camera and reading "The Russians have gotten a step ahead of you" from paper he held. He got no further. Camera swung away, director Seymour Robbie barked orders through intercom, intruder was grabbed by stage director and hustled into wings. Taken to Bellevue Hospital for observation, he was identified as Richard Fichter, 34, Springfield, Pa. He had been ejected from afternoon rehearsal but obtained ticket for 10-10:30 p.m. show.

NBC-TV won 3 awards presented by National Assn. for Mental Health at annual meeting Nov. 21 in Atlantic City. Cited for "outstanding & continual effort to acquaint the American public with the facts about mental illness & mental health" were programs on *Today* April 30 & May 1, *Tonight* May 2, *Home* Aug. 7.

Profit Squeeze on Storer: High costs of getting WVUE, Wilmington-Philadelphia (Ch. 12) on its feet may depress Storer Broadcasting Co. operating profit for this year as much as 15% below record 1956—despite fact business is up currently at its other 4 TV stations and its 7 AMs; despite fact, also, that 9-mo. net profits are \$5,249,492 (\$2.12 per share) vs. \$3,911,464 (\$1.58) for same 1956 period (Vol. 13:42). The 1957 increase is attributable to net capital gain of \$1,966,477 (79¢ per share) on \$6,350,000 sale last spring of WBRC-TV, Birmingham (Ch. 6) with radio WBRC (Vol. 13:14, 19).

Pres.-founder George B. Storer discusses expected operating decline in letter this week accompanying earnings report, noting that costs of WVUE, group's only non-network outlet, are contributing mainly to squeeze on total profit but expressing belief "we will achieve black figures at Philadelphia within the next 12 months." Gross radio revenues are reported substantially higher while gross TV revenues were down, reflecting not only Philadelphia-Birmingham switch but sale of unprofitable uhf stations (WGBS-TV, Miami; WPTV, Portland, Ore.)

Expenses of WVUE include new transmitter with 1049-ft. tower at Pittman, N. J., 16 mi. from downtown Philadelphia, studios in Philadelphia and newly planned studio-office building in licensed Wilmington location.

Storer bought WVUE (then WPFH) along with radio WIBG from Paul Harron interests (in May) for \$5,626,312 plus assumption of about \$1,000,000 liabilities (Vol. 13:9, 13), being required (under 5-vhf-limit rule) to dispose of profitable Birmingham TV station which was sold to Hulbert Taft interests. Loss of Birmingham revenues for rest of year, along with drains of WVUE, accounted for the adverse showing in third quarter and expected similar showing in fourth.

Third quarter net profit for group actually was \$820,-

Phenomenal growth of KTTV, independent in 7-station Los Angeles, is disclosed in Storer letter (above)—and credit is generally recognized as belonging to its pres.-gen. mgr. Dick Moore. While profit figures are not made public by parent *Los Angeles Times*, these are the gross revenue totals since station started 8 years ago: 1949, \$412,151; 1950, \$1,570,478; 1951, \$2,779,876; 1952, \$3,068,516; 1953, \$4,140,641; 1954, \$5,835,695; 1955, \$7,676,103; 1956, \$8,943,000. Note: *N. Y. Daily News'* independent WPIX, under Fred Thrower, is reputed to be good earner, though its figures have never been revealed. And *Chicago Tribune's* independent WGN-TV, its figures also confidential, after long period of doldrums is known to have made enormous strides in the last year under v.p.-gen. mgr. Ward L. Quaal.

Private TV station on Okinawa, programming in Japanese language, is planned by group headed by Harry M. Engel Jr., pres. of KUAM-TV, Agana, Guam (Ch. 8). Okinawa already has U.S. Armed Forces TV outlet AFTV (Ch. 8), which programs in English. Engel is pres. of Intercontinental Services Ltd., 15 E. 48th St., N.Y., international film and station operating company, which operates Arabic-language station owned by Arabian-American Oil Co. at Dharan, Saudi Arabia.

008 (33¢ per share) vs. \$1,066,019 (43¢) in 1956 quarter (Vol. 13:42); for second quarter, reflecting most of Birmingham gain, profit was \$3,143,038 (\$1.27) vs. \$1,395,202 (56¢) in 1956 period (Vol. 13:32); for first quarter, \$1,286,445 (51.9¢) vs. \$1,450,242 (58.6¢) in 1956 period (Vol. 13:17).

Revenue figures are not reported by quarters, but in record 1956 the Storer group reported operating revenues of \$28,313,383 and net profit of \$5,517,207 (\$2.23 per share) as against \$24,051,726 & \$4,330,428 (\$1.73) in 1955. [For roundup story on 1956 annual report, with figures back to 1950, see Vol. 13:13.]

* * * *

Storer's letter was in form of reply to James H. Sheppard, Grand Rapids, representing clients owning several thousand shares of Storer stock, presumably asking why firm went into independent TV operation in Philadelphia as against retaining profitable Birmingham. He pointed out that studies had first been made of *Los Angeles Times'* independent KTTV, whose annual sales figures climbed from \$412,181 in 1949 to \$8,943,000 in 1956; that WBRC-TV did something less than 25% of the KTTV 1956 volume; that *Chicago Tribune's* independent WGN-TV is known to be well up, too. These studies, he stated, reinforced his company's judgment that WVUE, in a comparable market, could be made to pay off over long run. But he admitted the Philadelphia venture, competitive with the *Bulletin's* WCAU-TV (CBS), RCA's WRCV-TV (NBC) and the *Inquirer's* WFIL-TV (ABC), was "truly a battle of giants."

As for business at the other Storer stations, it suffered a slackening off of demand during third quarter but is now up (TV volume ahead 4.6% in Oct. as against Oct. 1956, radio up 15.5% in same period). "But," he added, "our forward commitments from advertisers are of a short term duration rather than the long term 52-week contracts which we formerly enjoyed. We hope this situation will change, but until we have a restoration of general commercial confidence, I am afraid we will have to be content with this day-to-day existence."

There is no intention, said Storer, to reduce dividend payments (\$1.80 this year, \$1.75 last year), representing 35% of net earnings and about 25% of cash earnings.

ABC-TV goal is to lead CBS-TV & NBC-TV by next April "in nighttime audience in the competitive markets throughout the country where we compete directly," Oliver Treyz, ABC v.p. in charge of TV, stated at meeting of primary affiliates Nov. 20 in Hotel Blackstone, Chicago. He told 80 station mgrs. at session that he's confident objective can be reached, reporting that ABC-TV already reaches 2,000,000 more homes in average evening hour—audience increase of 45%—than it did year ago. Biggest rating gains by network, Treyz said, have come in direct contests with CBS & NBC.

New rate policy, extending usual 6-mo. protection against increases to 12 months for advertisers who maintain uninterrupted schedules, was announced this week by Storer's WJBK-TV, Detroit. In letter to agencies, managing director Bill Michaels said old policy was "unwieldy" and "serious deterrent to getting basic TV budgets approved."

New closed-circuit system, Port Jervis (N. Y.) TV Co., started Nov. 13 on Ch. 6 which it has leased from Port Jervis community antenna operator Tel-Co TV Sales & Services. New system has about 700 subscribers. Some news reports gave impression operation is on-air station.

Kansas City Stations to Rhoden? Deal for sale of Kansas City Star's WDAF-TV (Ch. 4) and radio WDAF, in compliance with govt. anti-trust consent decree (Vol. 13:25, 46), was due to be concluded after meeting of newspaper's board Nov. 22—with revelation of purchaser indicated for next week. Newspaper & station executives were absolutely mum at week's end, declining to accept inquiry calls, but there was good basis for betting buyer will be disclosed as group headed by Elmer C. Rhoden, of Kansas City, who succeeded late Charles P. Skouras in 1954 as pres. of National Theatres Inc., big California movie chain spun off 20th Century-Fox under old govt. consent decree requiring divestiture of theatre ownership by producing companies. Rhoden also was head of 45-theatre Fox Midwest Theatres Inc., Kansas City, where he still makes his home and is prominent in local affairs, and has been active in Theatre Owners of America.

Intermediary is Fred Moseley, Kansas City

CP for KTES, Nacogdoches, Tex. (Ch. 19) is being taken over by Lee Scarborough, operator of KELS-FM there, paying out-of-pocket expenses of other 25% owners Joe D. Prince, T. Gillette Tilford & James G. Taylor, according to application filed with FCC. Construction is to be financed by issue of 100,000 shares of class A stock with \$1 par value, to be offered public by Gene Gassaway & Co., Lufkin. Also to be issued are 150,000 shares of class B stock with 10¢ par, for officers and directors. Scarborough gets 12,600 shares of class B for his services, land and buildings. Application also states that it has 1-kw GPL transmitter on hand, which station may obtain for \$5000.

KOVR, Stockton, Cal. (Ch. 13) has been sold to Gannett Co., Rochester, in deal involving \$3,100,000, following cancellation of sale to Lowell Thomas-Frank Smith interests for approximately \$3,500,000 (Vol. 13:46). Gannett is paying \$1,100,000 cash for capital stock of licensee Television Diablo Inc. (H. Leslie Hoffman, majority owner), which has \$2,000,000 outstanding indebtedness. Terry H. Lee, Television Diablo pres.-gen. mgr., has agreed to remain as gen. mgr. until next July. Gannett is newspaper chain owner and operates TV-radio stations in Rochester, Binghamton, N. Y. and Danville, Ill.

Mitchell Wolfson's WTVJ Inc. will own 40% of WLOS-TV, Asheville, N. C. (Ch. 13) & WLOS, when it has exercised option on additional 605 shares, paying \$60 per share to 6 minority stockholders. WTVJ, seeking control of stations, has been buying out small stockholders following last June's \$122,580 purchase of 17% from 35 stockholders under option it took over from *Asheville Citizen and Times* (WWNC). In Oct., it purchased 4260 shares for \$118,080, brought holdings to 35%. Several stockholders are contesting original purchase, claiming that option to newspaper was illegal.

Mel Wheeler's purchase of 96% of WJDM, Panama City, Fla. (Ch. 7) for \$60,000 from builder J. D. Manly (Vol. 13:43) was approved this week by FCC. Wheeler will own 98%, wife 2%. Other Wheeler interests: 25% of WEAR-TV, Pensacola (Ch. 3) & WEAR; CPs for radio WSCM, Panama City, and WTYT, Titusville, Fla.

KSHO-TV, Las Vegas (Ch. 13) sale to Mervyn Adelson and father Nathan, Las Vegas supermarket operators, has been approved by FCC, sellers Frank Oxarart-Albert Zugsmith interests getting \$70,000 (Vol. 13:42).

business broker, and price is said to be "more than \$7,500,000." Reported first asking price was \$10-12,000,000, but Harold Gross offer of \$9,300,000 last summer (Vol. 13:21) was supposed to have been acceptable, then withdrawn when money market got tight. Reliable sources disclose the TV-radio stations grossed approximately \$2,700,000 and showed earnings before taxes of \$1,550,000 in 1952; \$3,000,000 & \$1,680,000 in 1953; \$2,600,000 & \$1,300,000 in 1954; \$2,550,000 & \$1,200,000 in 1955; \$2,470,000 & \$1,050,000 in 1956. Net earnings aren't known, but it's a fair guess they ran around 45% of net before taxes.

Identity of buyer was hot "guessing game" all this week, with such major group interests as Storer, Whitney, Triangle, RKO Teleradio admitting they have considered deals broached by brokers but were definitely not in the running. Also mentioned as possibilities but not checked up to press time were Wrather, Alvarez, Cowles and Hobby interests.

NTA's purchase of 75% of KMGM-TV, Minneapolis (Ch. 9) for \$650,000 from United Television Inc. (Vol. 13:37) was approved by FCC this week, with Comr. Bartley dissenting. Loew's Inc. retains 25% acquired in 1956 for about \$750,000 (Vol. 12:44). NTA is also seeking FCC permission to take over WATV, Newark-N. Y. (Ch. 13) with WAAT & WAAT-FM for \$4,500,000 (Vol. 13:44). In his dissent, Bartley said Commission should get more information before attempting to decide whether transfer is in public interest. He pointed out NTA "has made no claim (that) TV stations are needed for the operation of its business," that it is defendant in Justice Dept.'s "TV block-booking" suit.

Radio Sales Approved by FCC: WRMA, Montgomery, Ala. by Ralph M. Allgood & Grover Wise for \$165,000 to owners of WAOK, Atlanta (Vol. 13:44) . . . WHAR, Clarksburg, W. Va. by George F. Wilson Sr. & Jr. for \$155,000 to Mr. & Mrs. Mason C. Deaver (Vol. 13:43) . . . KAIR, Tucson, Ariz. by Wm. J. Hyland III, Dawkins Espy & Harold Lampel for \$135,000 to Josh Higgins Radio Enterprises (Vol. 13:40) . . . KWG, Stockton, Cal. by Douglas D. Kahle for \$85,000 to KWG Bestg. Co. (Vol. 13:39) . . . WDEB, Gulfport, Miss. by Denver T. Brannen for \$80,000 to Electronics Research Inc. (Vol. 13:40) . . . Concert Network Inc (FM stations WXON, Providence; WYCN, N. Y.; WHCN, Hartford & WBCN, Boston) by John W. Guider for \$45,000 to T. Mitchell Hastings Jr. . . . WHFI (FM), Newark, N. J. by Fidelity Radio Corp. for \$40,000 to DuMont Bestg. Corp. . . . WCLE, Cleveland, Miss. by Voice of the Delta for \$40,000 to Radio Cleveland.

Report of Radio Station Sales: WTAL, Tallahassee, Fla. by John H. Phipps for \$149,571 to Vic Diehm and associates . . . WCOS, Columbia, S. C. by Charles Pittman for \$107,500 to George H. Buck Jr., who with father owns WJNO, W. Palm Beach, Fla. . . . WHUC, Hudson, N. Y. by Robert P. Strakos & John F. Kearney for \$82,500 to Colgreene Bestg. Co., owned by Orin Lehman, publisher of *Saugerties* (N. Y.) *Daily Post* . . . WHOO, Orlando, Fla. by Ed Lamb, also owner of WICU-TV, Erie, Pa. (Ch. 12) & WICU, for \$250,000 to Ted Estabrook (Blackburn & Co.) . . . KMOR, Oroville, Cal. by Oroville Bestg. Inc. (Raymond Vargas, pres.) for \$30,000 to Jack Breece (Hamilton, Stubblefield, Twining & Assoc.).

Personal Notes: Ted Cott named NTA v.p. in charge of o-&o stations, headquartering in N. Y. . . . Joseph J. Weed, pres. of rep Weed TV, and John Blair, chairman of Blair-TV, elected directors of TvB . . . Robert W. Sarnoff, NBC pres., and Wm. R. Baker Jr., Benton & Bowles chairman, to be honor guests at annual dinner of Federation of Jewish Philanthropies Dec. 10 in Plaza Hotel, N. Y. . . . Jules Herbeveaux, NBC v.p. and gen. mgr. of WNBQ & WMAQ, Chicago, elected a vice chairman of Chicago Better Business Bureau . . . Kenneth Curto, ex-radio WPRO, Providence, joins Triangle Publications as sales mgr. of WFIL-TV, Philadelphia, succeeding Sherman D. Gregory, who shifts to Triangle national sales div. . . . Richard D. Cross, ex-pres. of Vision Films, New Orleans, named program mgr. of WDSU-TV, succeeding Tom Hicks, resigned . . . James Schiavone promoted to station mgr. of WWJ-TV, Detroit . . . Thomas B. Shull appointed director of film operations for Storer stations, headquartering in N. Y. and reporting to TV operations v.p. George B. Storer Jr.; he's ex-NBC and MCA film div. account executive, formerly headed now-discontinued uhf WTOM-TV, Lansing, Mich. . . . Theodore Weber, ex-sales mgr., WGN-TV, Chicago, now with Storer's WVUE, Wilmington-Philadelphia, as administrative asst. to v.p.-managing director J. Robert Kerns . . . Tom M. Percer promoted to sales mgr. of WABT, Birmingham . . . Gordon F. Max, ex-WREC-TV, Memphis, named production mgr. of upcoming WMBD-TV, Peoria (Ch. 31) . . . Ted Anthony promoted to sales promotion director, Joseph (Bud) Mertens to audience promotion director, of WJW-TV, Cleveland . . . J. Arthur Stober, ex-Singer-Stober Assoc., Miami Beach, named production mgr. of WNHC-TV, New Haven . . . Jay Lloyd promoted to local sales mgr. of KTVT, Salt Lake City . . . Sterling Zimmerman, ex-KGBT-TV, Harlingen, Tex., named sales mgr. of KLFY-TV, Lafayette, La. . . . Richard Wolfson, legal director of WTVJ, Miami, elected a director of National Conference of Christians & Jews . . . Charles Godwin, ex-ABC & MBS, appointed development director of Air Trails Network (radios WKLO, Louisville; WING, Dayton; WCOL, Columbus; WIZE, Springfield, O.; WVDA, Boston) . . .

ADVERTISING AGENCIES: Bernard Musnik, ex-Ziv, named pres. of Publicis Corp., new U. S. branch of big French Publicis agency headed by Marcel Bleustein-Blanchet, which opens N. Y. office Jan. 1 . . . Clarence E. Eldridge, George Fry & Assoc. v.p., named public relations consultant to AAAA on Frey Report for one year, starting Jan. 1 . . . Gene Schiess, ex-ABC, joins Ogilvy, Benson & Mather as TV-radio program mgr. . . . Stuart Minton Jr. assigned to San Francisco office of Foote, Cone & Belding, in charge of TV-radio production . . . Wm. J. Green, ex-Lewis Edwin Ryan, Washington, joins Robert M. Gamble Jr. there as TV-radio director . . . Philippe Fiset, ex-CBC, Montreal, named French TV-radio director of J. Walter Thompson there . . . Ernest M. Walker, ex-ABC, named package goods accounts supervisor of Hicks & Greist . . . Armond Fields, ex-McCann-Erickson, Chicago, joins MacFarland, Aveyard there as research director.

Sir Kenneth Clark, ex-chairman of Britain's commercial Independent TV Authority, named advisor on public service & cultural programs for commercial program contractor Associated Television; he'll also create series of programs on the arts for showing next year by ATV.

"Fifty Foremost Leadership Medal" awards for 1957 by *Forbes Magazine* include as recipients RCA chairman David Sarnoff, GE pres. Ralph J. Cordiner, AT&T pres. Frederick R. Kappel.

Charles Boasberg, ex-Paramount Pictures, joins Warner Bros. as gen. sales mgr. Jan. 1 . . . Donald N. McClure, International Latex film director, resigns effective Jan. 1 . . . Tom Seehof, from Los Angeles office, named head of Screen Gems mountain area sales office, 212 Beason Bldg., Salt Lake City . . . Karl von Schallern, ex-MCA-TV, joins Gross-Krasne as southern representative, headquartering in New Orleans . . . Donald Richards, ex-NBC, joins rep Branham, N. Y., as head of TV-radio research & promotion . . . Peter F. Yaman, ex-ABC, named eastern sales mgr. of rep Young TV . . . Donald G. Peterson, ex-national sales mgr. of WOI-TV, Ames-Des Moines, named mgr. of Des Moines office for Weed Television Corp. . . . Frank G. Stisser Jr. named pres., W. Bruce McEwen exec. v.p., of C. E. Hooper Inc., James L. Knipe retiring as pres. & chairman . . . Melvin N. Poretz, ex-Ideal Toy Corp., named head of TV-radio operations of S. Jay Reiner Co., Garden City, N. Y. which services giveaway & quiz programs . . . Kenneth Koyen, ex-General Dynamics, appointed British Travel Assn. public relations director, filling post left by Donald Martin, now asst. to NARTB pres. Harold Fellows. . . . Miss Gayle Gary, ex-ABC, named head of new TV-radio div. of Women's National Republican Club, N. Y.

Obituary

Keith Kiggins, 61, v.p. of Storer Bcstg. Co., died Nov. 22 in his Miami Beach office following heart attack. After month's absence, he had returned to office Nov. 18 apparently recovered from flu & bronchial pneumonia which complicated old heart condition. Veteran of broadcasting business, he served as administrative asst. to Storer pres. George B. Storer. His career included 7 years with NBC as station relations mgr., director & sales mgr. of old Blue Network, 8 with ABC, which he left in 1948 to form own TV-radio consulting firm. He joined Storer in 1954. Surviving is his widow.

W. J. Convery Egan, 44, Radio Free Europe director, died Nov. 16 following heart attack in Greenwich, Conn. home. Onetime AP and *Trenton Times* reporter, he joined RFE 2 years ago after 13 years in State Dept.

Smith & Hennessey, new law partnership to be formed as of Jan. 1 by separation of George S. Smith & Philip J. Hennessey from old-line Washington communications law firm of Segal, Smith & Hennessey (Vol. 13:45) has purchased own building at 1240 19th St. NW, to be occupied Jan. 1 (phone Executive 3-7242). Paul M. Segal continues under own name in present building he owns at 816 Connecticut Ave., with Robert Marmet remaining on his staff, Seymour M. Chase still undecided. From present firm, Quayle B. Smith, Edwin S. Nail & Warren D. Quenstedt will join Smith & Hennessey.

Tenn. Broadcasters Assn. elects: John Hart, WBIR-TV & WBIR, Knoxville, pres.; Carter Parham, WDEF-TV & WDEF, Chattanooga, v.p.; W. H. Linebaugh, WATE-TV & WATE, Knoxville, secy.-treas.; Henry Slavick, WMCT & WMC, Memphis, and F. C. Sowell, radio WLAC, Nashville, directors.

Arthur M. Loew resigns as pres. of Loew's International effective Jan. 1, explaining he's "tired of the responsibilities of work" in foreign branch of Loew's Inc., founded by late father Marcus Loew. He will be succeeded as pres. by Morton A. Spring, 1st v.p. since 1945.

CBS 20-Year Club inducted 31 new members Nov. 18, bringing total to 425.

MBS ad account goes to Weiss & Geller N. Y. Inc. for campaign on trade & consumer levels.

RCA TV Tape Plans: Deliveries of production-model RCA color TV tape recorders will begin in Dec. 1958, broadcast & TV equipment mgr. E. C. Tracy announced, and they will cost \$63,000—somewhat lower than had been indicated by company's earlier estimate that it hopes to price them "under \$100,000."

Also announced this week, on eve of first production-model deliveries of Ampex monochrome Videotape recorders (at \$45,000), was black-&-white RCA model, also to be available in Dec. 1958, listing at \$49,500. RCA didn't disclose whether it had any orders yet for production models, but confirmed that 7 pre-production color models (at around \$100,000 each) were on order—6 by NBC and one by WBTW, Charlotte, N. C. (Vol. 13:46), latter for delivery in Sept. 1958.

Ampex v.p. Ross Snyder this week told AAAA eastern conference in N. Y. that "color conversion kits for Ampex monochrome Videotape

recorders positively will be made available," presumably also by latter 1958. He said simple editing and splicing of Ampex tape is now practical. First delivery of production model machine is scheduled next week to KING-TV, Seattle.

CBS-TV lost no time in informing its affiliates that, like NBC-TV (Vol. 13:45), it intends to solve the Daylight Time problem in the summer of 1958—as well as west coast time differentials—by means of elaborate N. Y. & Hollywood tape centers. CBS will spend more than \$3,000,000 on its recording centers—14 recorders in N. Y., 9 in Hollywood. Presumably some of these machines will be equipped for color recording and playback—which means that CBS intends to order pre-production RCA color recorders, pre-production Ampex color converters, or to color-convert Ampex recorders itself. It's known that CBS engineers have been working with Ampex on color conversion problems.

Telecasting Notes: "We can only plan wisely and boldly for our future if we realize that we cannot eliminate TV—and if we realize just as confidently that TV cannot possibly eliminate us." So said Motion Picture Assn. pres. Eric Johnston in address to this week's Miami Beach convention of Theatre Owners of America (see also p. 3). Urging exhibitors to face facts on TV, Johnston asserted: "Commercial TV has supplanted our 19,000 theatres as the chief purveyor of mass entertainment in the U. S. Its audience is almost 5 times bigger than ours. TV competes directly with us for the leisure time" of the population . . . Revenue-wise, Johnston made these comparisons: "This year, TV's total advertising revenue will come to \$1.3 billion—more than the total annual receipts from all the theatres in the U.S. It is estimated that in 5 years TV's income will reach \$2 billion. This is almost as much as American pictures take in annually at the boxoffice in all the theatres in the world" . . . Who watches late night & early morning TV? Nov. 23 *Sponsor* quotes NBC tally of survey which shows *Tonight* audience is 60% women, 36% men, and 4% children (!). Same issue notes that some 120,000 viewers tune in on WCBS-TV's NYU educational *Sunrise Semester* at 6 a.m., with 75% of mail coming from suburbs, 69% of it from women; 200 viewers have paid fees to NYU to receive college credit for program . . . Commercials using animated techniques developed by French for theatre commercials were given "sneak preview" on NBC-TV *Alcoa Theatre* "with brilliant success," according to Alcoa, which intends to use more commercials made by Arco in Paris on assignment by Ketchum, MacLeod & Grove . . . Major salvage job being attempted by ABC-TV on its expensive, but low-rated *Frank Sinatra Show*: Starting Jan. 3, weekly Fri. 9-9:30 p.m. show switches from film to live, concentrating on musical variety format—despite Sinatra's earlier insistence he'd never do a live TV series . . . American Bar Assn. has urged all members to cooperate in supplying material for Theodore Granik's *Attorney at Law* film series, to be produced by CBS Film Sales; ABA will review all episodes before filming . . . Specs across the sea: Kine of last week end's GM spectacular has been purchased by British commercial programmer ABC for showing on ITA network Dec. 7; British ABC hopes to buy more "specials" from U.S. networks and to sell its own spectaculars on U.S. market . . . First live variety show to be telecast from Cuba to U.S. will be Jan. 19 *Steve Allen Show* on NBC-TV.

British Commercial Success: After 2 years of commercial TV in Britain, advertisers are spending at rate of \$84,000,000 annually on TV advertising, or 8% of total national advertising expenditures (vs. about 12% in U. S.). So said ITA director general Sir Robert Fraser in commercial TV system's annual report. He said entire system is now firmly in black, with more than 4,000,000 homes able to receive commercial programs as of Sept. 1957, up from 1,700,000 in year. He expressed opinion that advertising could support second commercial network, but opposed establishment of more than 3 program services for nation (non-commercial BBC has already expressed interest in a second non-advertising channel). Pointing to U. S. difficulties, he said color TV is still far off and that issue of 405 vs. 625-line standard would have to be settled before it could be introduced.

TV-radio court coverage of safebreaking trial by WHAS-TV & WHAS, Louisville, handled with cameras & recorders with approval of Jefferson County Judge L. R. Curtis and opposing counsel, won commendations for stations from all parties in case. WHAS-TV took sound & silent shots of testimony highlights, and WHAS recorded proceedings from impaneling of jury to its verdict of guilty. Prosecutor A. Scott Hamilton suggested after trial that American Bar Assn.'s Canon 35, banning such news coverage, should be shelved.

Correction: Radio news operation of WHAS, Louisville, won "outstanding" award in that category instead of KCMO, Kansas City, in annual Radio-TV News Directors Assn. competition at 12th annual convention in Miami Beach (Vol. 13:45). KCMO won "outstanding news story broadcast" award in radio category.

Report of serious accident sent newscaster Al Rowe of radio WSOY, Decatur, Ill., to hospital Nov. 15. He was broadcasting details from emergency room when he learned daughter Donna, 17, was among 6 teen-age girls injured in car crash which killed 2 men. She died a few hours later.

Memorable TV news stories of 1948-57, including election of President Truman and launching of Russian satellite, are listed by CBS Inc. v.p. Sig Mickelson, in charge of news & public affairs, in fall issue of NARTB's *Television Quarterly*.

Convention facilities issue of *Sales Meetings* has been published by Bill Bros., 1212 Chestnut St., Philadelphia, as supplement to Nov. 15 *Sales Management*.

Uhf Diplomacy is Easy: Amicability of the U. S.-Mexican talks on uhf border allocations, conducted in Washington this week, was refreshing change from the customary tenseness of AM negotiations—according to participants (Vol. 13:46).

Hope is for draft of agreement early next week. With plenty of unsought uhf channels available, primary question is division of lowest channels. Minor changes in U. S. are expected, a few higher channels replacing a few lower.

In U. S. vhf allocations, meanwhile, FCC proposed 2 shifts—moving WTAE's Ch. 4 from Irwin, Pa. to Pittsburgh, WMBV-TV's Ch. 11 from Marinette, Wis. to Green Bay.

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Commission continues quite enmeshed in competitive battles. This week, for example, it said it needs more information before it can approve purchase by Bing Crosby group of KCOP, Los Angeles (Ch. 13). Commission rejected petition of NAFBRAT that station's license be revoked because of questionable programming—but it decided it wanted more specific word on Crosby group programming plans. Purchaser had said it intended no substantial change in operation.

Commission also held up effectiveness of sale of KREM-TV, Spokane (Ch. 2) by Louis Wasmer to group headed by Mrs. A. Scott Bullitt, northwest telecaster—pending hearing on protest by TV Spokane Inc. (Vol. 13:34, 39).

CP granted: Ch. 8, Elk City, Okla., to KASA. Translators authorized: Ch. 78, Leadville, Colo.; Ch. 80, La Grande, Ore.; Ch. 81, Benton City & W. Richland, Wash.; Ch. 78, La Barge & Big Piney, Wyo.; Ch. 71, 75 & 79, Evanston, Wyo.

Notes on Upcoming Stations: Continued growth of translators—a steady pace at rate higher than expected—sees 73 stations currently operating, 48 more CPs, 27 applications. Large number of stations and applications is particularly surprising in view of pendency of FCC rule-making to establish vhf booster service, which in effect gives the 200-plus currently unlicensed boosters the hope of legitimacy. Pres. Ben Adler of Adler Electronics—sole manufacturer of equipment—told us at EIA quarterly meeting in N. Y. that “business remains steady, about 3-4 orders a month.” He said he is also getting some orders from South America.

Nearly all operating translators are non-profit projects. Some are owned by municipal governments, others by civic groups such as Lions Club, or by cooperatives especially established to buy and operate them. Quite a number are licensed to employers in remote locations—such as lumber camps, power projects, etc.—to bolster worker morale and keep employes. Latest translator starter, K72AK, Yosemite National Park, falls within this category, licensed to Yosemite Park & Curry Co., concessionaire under contract to U. S. Govt. It began operation Nov. 17.

Some TV station operators are closely following experiences of WWLP, Springfield, Mass. (Ch. 22), first station to use translators as well as uhf satellites to supplement its coverage (Vol. 13:25). FCC Chairman Doerfer

FCC's antenna farm proposal—which would require that all future TV towers in a community be located in same area except in special cases (Vol. 12:13, 17)—was reopened this week for further comments, final deadline being set at Dec. 30. Commission said it took action in order to incorporate recommendations of Joint Industry-Govt. Tall Structures Committee (JIGTSC) in rule-making and because some comments indicate there may be “misunderstanding” of original proposal. New rule-making notice, including JIGTSC criteria on aeronautical study involving tall towers, is available from Commission as FCC Notice 57-1284 (Doc. 11665).

FCC licensing fees to help recover cost of govt. services are again suggested by Budget Bureau in new bulletin sent to all executive agencies. Bulletin calls for “preparation of legislative proposals for the development of an equitable & uniform” policy on charges by agencies. It notes “charges range from zero to 100% of the costs,” pointedly cites FCC as agency which makes no charge for issuing licenses. Similar fee proposals in past have been resisted by Commission.

Three applications for TV stations and one for a translator were filed with FCC this week, bringing total to 119 (33 uhf) for stations, 27 for translators. Station applications: for Mankato, Minn., Ch. 12, by group including publisher of *New Ulm Journal* and *Fairmont Sentinel*; for New Orleans, Ch. 12, by partnership of 9 local businessmen; for Tampa, Ch. 10 by owners of WKRQ-TV, Mobile, Ala. (Ch. 5). Translator application was for Ch. 72, Jackson, Wyo. [For details, see *TV Addenda 25-Q*.]

Stripteaser Lili St. Cyr's interview on ABC-TV *Mike Wallace Show* last month so disturbed FCC Comr. Robert E. Lee that he requested kine, which was scanned by commissioners and staff. Lee makes no secret of fact he considered dancer's ideas on marriage and children “personally offensive.”

and Comrs. Hyde & Mack, along with Commission staffers, this week visited WWLP's satellite-translator chain at invitation of uhf-dominated Committee for Competitive TV.

No new TV stations went on air this week, leaving operating total at 518 (91 uhf).

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

WMBD-TV, Peoria, Ill. (Ch. 31), installing 25-kw RCA transmitter, has moved test pattern target up to first week in Dec., plans Jan. 12 start with CBS-TV, reports v.p. & TV director Robert O. Runnerstrom. Ideco 500-ft. tower with 24-gain antenna is scheduled to be ready Nov. 27 and studio-transmitter microwave is to be completed by Dec. 1. Base hour will be \$500. Rep will be Peters, Griffin, Woodward Inc.

KHUM-TV, Eureka, Cal. (Ch. 13) has ordered 5-kw RCA transmitter, plans March 1 programming, reports mgr. & 50% owner Carroll Hauser. Foundations for studio-transmitter building on Humbolt Hill Rd. are ready. Station will have 3-bay antenna on 200-ft. self-supporting tower. Base hour will be \$150. Rep will be Hollingbery.

KXLJ-TV, Helena, Mont. (Ch. 12) now has 500-watt RCA transmitter, expects to start soon as satellite of parent KXLF-TV, Butte (Ch. 4), reports pres.-gen. mgr. Ed Craney. Studio-transmitter building has been completed and 2-bay antenna installed on 80-ft. Fisher tower. KXLF-TV has \$200 base hour. Rep is Walker.

Facility changes: WDSM-TV, Duluth, began using new 800-ft. tower Nov. 18; WHBF-TV, Rock Island, plans change to 1000-ft. tower in mid-Dec.

New GE Color Camera: Slated for production in "immediate future," new compact live color studio camera (Vol. 12:39) was unveiled by GE this week at opening of new WRGB-WGY TV-radio center in Schenectady. Features of camera, as described and demonstrated by GE broadcasting gen. mgr. J. Milton Lang: (1) Weight is 215 lb., 75 lb. less than "current models;" dimensions are 34x18x22-in., 10-in. shorter, 3-in. narrower, 1-in. lower. It utilizes transistors and printed circuits to save space. (2) New optical system eliminates need for many glass surfaces, is said to improve color quality. (3) For greater mobility, only one camera cable is used, compared with 3 on some current models. (4) It will be priced "competitively" with current \$50,000 live color cameras.

Color progress: Color signals from Chicago's WGN-TV are so crisp and clear, and brilliant, according to an enthusiastic correspondent, that he characterizes veteran chief engineer Carl Meyers as "the David Sarnoff of Chicago color." From Cincinnati, Crosley's WLWT reports it's now broadcasting average of 28 hours of color weekly; besides carrying NBC network color it originates 2 daily shows of own 7 days a week which it pipes to other 4 Crosley stations.

Mobile closed-circuit color system by Marconi has been ordered by Smith Kline & French Labs (American pharmaceutical firm) to be placed at free disposal of medical meetings throughout Britain. Following success of tour with American equipment earlier this year, firm decided to offer service permanently—using British 405-line system with Anglicized NTSC standards.

New reps: KOSA-TV, Odessa, Tex. to Colling Nov. 1 (from Pearson); upcoming KIRO-TV, Seattle (Ch. 7), due in Feb., names Peters, Griffin, Woodward Inc.

Electronics Reports: IRE named 75 engineers & scientists as Fellows of the Institute at board meeting Nov. 10 in N. Y. Fellow awards, denoting highest membership grade offered by IRE, will be presented by IRE sections. Recognition of awards will be made March 26, 1958 at IRE annual banquet in Waldorf-Astoria, N. Y. Recipients:

Milton L. Almquist, Bell Labs; Isaac L. Auerbach, Auerbach Electronic Corp.; Alfred C. Beck, Bell Labs; Alexander B. Bereskin, U of Cincinnati; Charles J. Bretwieser, LearCal Div., Lear Inc.; Frederick E. Brooks Jr., Collins Radio; Helmut L. Brueckmann, Signal Corps Engineering Labs; Ralph L. Clark, research administrator, U.S. Govt.; Ralph I. Cole, Melpar; Helio Costa, Brazilian Govt.; Cullen M. Crain, U of Texas; Wilbur B. Davenport Jr., Lincoln Lab; Harold E. Dinger, Naval Research Lab; Michael J. DiToro, Polytechnic Research & Development Co.; Joseph B. Epperson, Scripps-Howard TV.

Gilbert H. Fett, U of Ill.; Raymond L. Garman, GPL; Irvin H. Gerks, Collins Radio; Lawrence J. Giacchetto, Ford Motor Co.; Anthony B. Giordano, Polytechnic Institute of Brooklyn; Patrick E. Haggerty, Texas Instrument; Albert C. Hall, Bendix Aviation; Jack W. Herbstreit, National Bureau of Standards; Conrad H. Hoepfner, Radiation Inc.; Pierre M. Honnell, Wash. U; Rear Adm. Charles F. Horne (ret.), Convair; Henry Jasik, Jasik Labs; Armand F. Knoblaugh, U of Cincinnati; Walter H. Kohl, Stanford U.

Harold Lyons, Hughes Aircraft; Nathan Marcuvitz, Polytechnic Institute of Brooklyn; Warren A. Marrison, Bell Labs; Stewart E. Miller, Bell Labs; Jacob Millman, Columbia U; Harry R. Mimno, Harvard; John R. Moore, North American Aviation; Harrell V. Noble, Wright Air Development Center; Wen Y. Pan, RCA; Rolf W. Peter, RCA Lab; Arnold P. G. Peterson, General Radio; Louis A. Pipes, U of Cal.; Robert A. Ramey Jr., Westinghouse; Richard C. Raymond, GE.

John L. Reinartz, Eitel-McCullough; Henry J. Riblet, Microwave Development Labs; Nathaniel Rochester, IBM; John B. Russell, GE; Marvel W. Scheldorf, Andrew Corp.; Elmer H. Schulz, Armour Research Foundation; J. Carl Seddon, Naval Research Lab; Harner Selvidge, Bendix Aviation; Robert J. Shank, Hughes Aircraft; William M. Sharpless, Bell Labs; J. A. Smale, Cable & Wireless Co. (England); Rodolfo M. Sorla, Amphenol; Richard R. Stoddart, Stoddart Aircraft Radio; Peter G. Sulzer, National Bureau of Standards; David E. Sunstein, General Atronics; Robert H. Tanner, Northern Electric (Canada); Emerick Toth, Naval Research Lab.

Orrin W. Towner, WHAS, Louisville; Benjamin F. Tyson, Sylva; George L. Van Deusen, consultant; Donald L. Waidelich, U of Mo.; Dean A. Watkins, Stanford U; Richard C. Webb, Colorado Research Corp.; Joseph Weber, U of Md.; Vernon I. Welhe, Air Transport Assn. & Melpar; Homer W. Welch Jr., Motorola; Frank H. Wells, Atomic Research Establishment (England); David F. Winter, Moloney Electric; Jay W. Wright, Radio Service Corp. of Utah; Lotfi A. Zadeh, Columbia U.

Court battle of the prompters has been joined with Q-TV Inc. suit for \$1,100,000 damages filed in N. Y. Supreme Court against Curtis Publishing Co., Teleprompter Corp. and its pres. Irving Kahn. Suit is based on *Saturday Evening Post* article "Sure Cure for Stage Fright," claiming it contains "false and defamatory matter" about Q-TV." Teleprompter's rebuttal from Kahn: "*Saturday Evening Post* has been around a lot longer than the plaintiff and has a distinguished reputation for accuracy. The writer of this story is one of the nation's finest reporters. That's all I have to say on the matter at this time."

Importance of TV residuals to movie actors was underscored at annual Screen Actors Guild meeting in Hollywood, where TV administrator Kenneth Thompson reported that payments for film reruns totaled \$2,576,491 in year ended Oct. 31. He said 39,601 checks distributed during year represented more money than was paid in 3 previous years. Guild has collected residuals on 5600 episodes in 169 series, payments since Dec. 1953 totaling \$4,790,618.

Skiatron's application for San Francisco cable TV franchise was deferred again as finance committee of city's Board of Supervisors indefinitely postponed scheduled Nov. 27 hearing. New postponement was ordered because Skiatron still hasn't submitted statement of its financial backing, according to chairman Harold S. Dobbs of committee which must rule on application before it goes to full board.

Sales of Teleprompter's "Telepro 6000" rear-screen slide projector have exceeded \$100,000 in 3 months since its introduction, according to sales v.p. Herbert W. Hobler who reports device is being used by more than 30 TV stations.

New IRE president for 1958 is Donald G. Fink, Philco research director, succeeding John T. Henderson, principal search officer of National Research Council, Ottawa. Carl-Eric Granqvist, director of Svenska Aktiebolaget Gasaccumulator, Stockholm-Lidingo, Sweden, elected v.p., succeeding Yasujiro Niwa, pres. of Tokyo Electrical Engineering college, Tokyo. Elected directors for 1958-60 term: G. S. Brown, head of MIT electrical engineering dept.; W. H. Doherty, asst. to pres., Bell Labs. Elected regional directors for 1958-59: Region 1, R. L. McFarlan, consultant, Chestnut Hill, Mass.; Region 5, E. H. Schulz, asst. director of Armour Research foundation, Chicago; Region 7, G. A. Fowler, research v.p., Sandia Corp., Albuquerque.

IRE W.R.G. Baker Award for 1958 goes to R. L. Kyhl & H. F. Webster, GE research lab, Schenectady, for paper "Breakup of Hollow Cylindrical Electron Beams." Browder J. Thompson Memorial Prize goes to Arthur Karp, Bell Labs, for paper "Backward-Wave Oscillar Experiments at 100 to 200 kmc."

Stepped-up missile program means higher taxes or cutback in non-defense govt. spending, IT&T pres. Edmond H. Leavey told Nov. 18 annual meeting of National Defense Transportation Assn. in Washington. He said the armed services "must establish better inter-service coordination" in missile development and support fully missile chief Dr. James R. Killian Jr.

Industrial electronics equipment expenditures by major industries totaled \$1.028 billion during 1957, may jump 43% to \$1.46 billion by 1960, according to 200-company survey reported in Nov. 20 *Electronics* magazine.

New Westinghouse microwave research center at 310 N. Aurora St., Ithaca, N.Y. goes into operation in Dec., E. C. Okress in charge.

HOME ELECTRONICS—\$21 BILLION SINCE 1948: Mighty handy table, which we suggest you keep nearby for ready reference, is breakdown of home amusement dollar volume since 1948 -- for which we're indebted to Sylvania's Market Research Dept.

Table below gives factory value for each year for each device, but it gives retail value of each year for combined total of all devices -- and this comes to whopping \$21.724 billion for the 9 years covered. Yet, as large as that figure appears, it's still but a drop in public's budget -- for Commerce Dept. estimates "personal consumption expenditures" for 1948-1956 are \$1.9475 trillion. Herewith the Sylvania table (add 000,000):

Year	Home Radio	Auto Radio	TV Sets		Phonos. (Except Combos.)	Other Amusement Devices	Distri- bution Revenue	Total
			B & W	Color				
1948	\$ 395.6	\$ 132.7	\$ 209.7	\$ -	\$ 15.0	\$ 125.0	\$ 702.4	\$ 1,580.4
1949	180.0	106.9	513.0	-	20.0	102.0	737.5	1,659.4
1950	220.8	121.7	1,110.2	-	30.0	106.0	1,271.0	2,859.7
1951	183.2	127.8	1,014.6	-	60.0	60.0	1,156.5	2,602.1
1952	154.0	92.8	1,049.2	-	63.0	63.0	1,137.6	2,559.6
1953	154.7	129.6	1,088.0	-	63.0	63.0	1,198.6	2,696.9
1954	134.4	102.5	1,058.5	-	60.0	60.0	1,132.3	2,547.7
1955	138.0	172.5	1,013.8	15.4	79.5	70.5	1,191.8	2,681.5
1956	177.8	126.4	864.6	42.0	123.5	75.0	1,127.4	2,536.7
TOTAL	\$1,738.5	\$1,112.9	\$7,921.6	\$57.4	\$514.0	\$ 724.5	\$9,655.1	\$21,724.0

* * * *

Going from past to future, Hotpoint's annual 10-year forecast sees factory shipments of 53,200,000 black-&-white sets, 43,100,000 color; for current year, prediction is for 6,800,000 black-&-white, 200,000 color. (Most current industry estimates expect about 6,200,000 black-&-white shipments this year.)

Hotpoint estimate is for continuing rise in black-&-white factory shipments to 7,700,000 in 1960, plus 1,000,000 color. Then it sees black-&-white declining steadily, color mounting. For 1961, it predicts 7,200,000 & 2,000,000 (compared with its estimate a year ago of 9,200,000 total with 4,000,000 color in 1961). In 1967, forecast is for 2,600,000 black-&-white, 8,500,000 color. No radio estimates given.

'More of the Same' for '58: Set manufacturers looked ahead into 1958 for us this week, and most saw little change or slightly better business next year. RCA's plans, for example, are "on the conservative side, somewhere near this year on black-&-white and up on color," said consumer products exec. v.p. Robert A. Seidel.

Sales are brisk now at all levels, he said, but distributors are "buying in small quantities, probably due to credit restrictions and tightness of money." Dept. store groups have reported to him that TV retail sales started upward after Nov. 11 but he doesn't expect effects of change in Federal Reserve Board discount rate to be felt in terms of better business for at least month or 2.

Federal Reserve action came "too late to be of any help in stimulating business in fourth quarter," Admiral pres. Ross Siragusa said in letter to stockholders. TV-appliance retail business "has been late in reaching peak activity this fall," he said. "We expect the company to continue in the current quarter the progress made in the third quarter." Admiral's total inventories were down 30% Sept. 30 vs. 1956.

Emerson pres. Benjamin Abrams doesn't expect "world-shaking things to happen in TV next year." He said 1957 industry production would be "10% less than last

year and even lower in dollar volume, due to the large number of portables."

About 5% more business in 1958 is predicted by Westinghouse TV-radio gen. sales mgr. Thomas B. Kalbfus, despite fact market is "a little soft now."

Good business in 1958 for quality sets is forecast by DuMont receiver div. sales mgr. Wm. Scales, who sees continuance of steady level of sales established after DuMont stopped competing for mass market. He said fall business was good.

Another specialized manufacturer -- Olympic, which concentrates largely on TV-phono-radio combinations -- says its current quarter is biggest in history. "We can't fill back orders by end of the year," pres. Morris Sobin told us. He expects same pace to continue through first quarter.

Business Pulse: No evidence of predicted fourth quarter business upturn is seen by National Assn. of Purchasing Agents' business survey committee, reporting "production and new order positions are practically unchanged from Oct." NAPA said all materials are in adequate supply for the first time since beginning of World War II. Survey says commodity prices "continue under pressure and manufacturers are finding it difficult to pass along increased costs to their customers." Inventories are termed satisfactory; employment is again lower.

Production: TV output was 137,263 for week ended Nov. 15 vs. 138,831 the preceding week and 174,090 in 1956 week. At end of 46th week, TV production totaled about 5,673,000 vs. 6,590,049 last year. Radio production was 442,416 (152,541 auto) for week ended Nov. 15 vs. 390,435 (120,234 auto) the preceding week and 363,668 (154,718 auto) in the 1956 week. By 46th week radio production totaled about 13,184,000 (4,784,375 auto) vs. 11,921,134 (4,064,766 auto) in 1956.

Trade Personals: Norman J. Sims, ex-Canadian Aviation Corp. consumer products div., returns to his unfilled former post as gen. sales mgr., RCA Victor Ltd., Montreal . . . Thomas P. Clements named national service mgr. of Admiral; Clarence B. Flinn, regional sales mgr., Dallas; E. B. Freeman, regional sales mgr. for Philadelphia, Pittsburgh, Hazleton & Johnstown . . . Rondal L. Miller, ex-Motorola, named southern regional sales mgr., DuMont 2-way mobile radio communications, 3783 Van Ness Lane, Dallas; Howard Larsen, midwest regional sales mgr., 4908 Lincoln Ave., Chicago . . . Joseph P. Kates named patent attorney for technical products & communication products depts., GE industrial electronics div. . . . Allan Easton, sales v.p. of General Transistor Corp., named to new post of marketing div. v.p. . . . Richard J. Elkus & Joseph R. McMicking named Ampex directors . . . D. H. Prentice promoted to new post of gen. sales mgr., Philips Industries Ltd., Toronto . . . Dr. Martin L. Klein, ex-North American Aviation, heads new research div. of Cohu Electronics, with lab at 14743 Lull St., Van Nuys, Cal. . . . Ralph Campagna promoted to v.p. & marketing director of Dahlberg Co., Minneapolis (hearing aids and hospital TV & radio) . . . H. Glynn Wood named works mgr. of Stromberg-Carlson special products div.; Robert B. O'Brien, gen. sales mgr.; Michael Cardone, staff asst. to works mgr.; George R. Vincent, quality control mgr.; Raymond J. McKinnon, Pagemaster sales engineer, telecommunication div. . . . James Hervey named consumer products marketing mgr. of American Electronics . . . Wm. E. Stroud promoted to mgr. of Corning Glass Danville, Ky. plant, replacing A. Russell Arnold, transferred to mgr. of Pressware plant, Corning; John W. Spiegler follows Stroud as chief engineer of electronic components dept., electrical products div.

Obituary

Gerard Swope, 84, ex-pres. of GE and member of original NBC board when network was organized by RCA, GE & Westinghouse, died Nov. 20 at his N. Y. home.

"Usual seasonal decline in black-&-white receiver production" produced layoff of approximately 350 production line workers Nov. 19, reported by Alvin Pollock, mgr. of RCA Bloomington, Ind. plant. He said that "number of employes affected is much smaller than number of employes affected last year at this time; most are women who were added in summer and fall months when new models are introduced and demand is at the highest." Layoff of 350 production employees effective Dec. 6 was announced by Herbert Riegelman, gen. mgr., GE TV receiver dept., at Syracuse. Reason given was 17% decrease in set sales at retail for month of Oct. vs. last year. GE had also laid off 700 workers in Sept.

Admiral ads fail to disclose picture tube sizes adequately and clearly, FTC charged this week, alleging deception of public and unfair competition. Complaint says footnotes explaining "21-inch," "21," etc. are too small and far removed from rest of copy. Admiral said it would have no comment until complaint was studied. It has 30 days to answer; hearing has been scheduled for Jan. 16 in Chicago. FTC also charged Muntz TV with exaggerating size of picture tubes and claiming sets are sold directly from factory. Hearing will be Jan. 21 in Washington.

EIA's 1957-58 *Membership List* and *Trade Directory* now being distributed.

DISTRIBUTOR NOTES: Hoffman appoints Kelvinator's southeastern zone (Atlanta, Knoxville, Jacksonville, Tampa) for TV-radio-hi-fi . . . Southern Wholesalers (RCA) Washington, names Arthur J. McGettrick sales v.p. replacing Frank Levine, resigned . . . DuMont names Chapman-Harkey, Charlotte, for TV-hi-fi in most of N. C. & northwest S. C. . . . DuMont Florida (Miami) names Wm. A. Watkins, branch mgr., succeeding Charles H. Coombes . . . Granco names Frank Millman, Newark, and Conklin-Tamberg, San Francisco . . . Capehart names Jack Scott Assoc. rep for hi-fi in Ohio except Cleveland and northwest sector.

Discounters' Share Growing: Manufacturers must realize that low cost, low margin, high volume discount retailing will continue to increase its share of consumer dollar, discounter Stephen Masters, Masters Inc., told apparel group in N. Y. this week. "You must realize that less and less of your goods will be sold through traditional outlets," he said. Department stores, preoccupied with holding the margin line, he added, "have shown less growth than any other mass retailer in 25 years [and] have been blind to importance of high productivity in retail distribution" exemplified by mail order, variety, drug supermarket chains, discount houses. These operations thrive on pre-sold, nationally advertised, top quality, guaranteed brands. Manufacturers must move in on these new outlets and new forces in retail distribution or their brands will be lost to the public mind, he warned. "You can do a phenomenal business with the super-discount houses if you have what we want."

Corroborating Masters' remarks, U. S. Chamber of Commerce pres. Philip M. Talbott acknowledged "The era of high markup is gone." Speaking in Washington this week, Talbott, who is also a senior v.p. of Woodward & Lothrop department store, warned that in this day of warehouse selling and supermarket techniques distributors must do more than keep up with economic revolutions; they must "be keenly interested in govt. expenditures, govt. competition, and govt. policies which influence consumer buying power and the general economic condition."

One UHF Set Problem Licked: GE reports tests of newly redesigned uhf oscillator tube indicate life of 3 years under home TV operating conditions, as compared with average of about 3 months using older types. Redesigned tube is 6AF4, which GE engineers say continues to oscillate satisfactorily past 6500 hours vs. breakdown at 500 hours in median older type 6AF4. Long life is obtained, through "a combination of new materials usage with new manufacturing and test methods." New design features are being built into other uhf oscillator tubes.

TV tube racket probe by Bronx, N.Y. grand jury brought 4 local trade principals and 2 corporations to pleas of guilty to grand larceny, petit larceny and conspiracy. Sid Pressler, former Bruno-N. Y. parts div. sales mgr.; Sid Dorosin and Dorosin Distributing Corp., N.Y.; Murray Frankel, Robert Mintz and their TV Maintenance Corp. admitted roles in 4-year scheme in which 10,000 faulty tubes a month were fraudulently misbranded and returned to RCA for full credit. Sentencing is set for Jan. 21, could produce one year in prison and \$500 on each count.

Stop-order against "Color V" advertising was issued Nov. 20 by FTC in adopting initial decision by examiner Loren H. Laughlin that Harry G. Kriegel, trading as Superior Products, 673 Broadway, N. Y., falsely represented that plastic device he sold simulates color TV (Vol. 13:41). Kriegel had denied owning firm, said sale of "Color V" was discontinued June 1, 1956.

Prominent identification of color sets, using word "Color" in raised gold-color letters just below picture tube, has evoked dealer enthusiasm, reports RCA. Color sets had no identification 2 years ago; last year, "V" with color bar was used.

TV-radio-phono sales of department stores were up 6% for Sept. and up 2% for 9 months vs. 1956 periods, according to Federal Reserve Board report last week.

RCA Institutes graduated 138 TV-radio-electronics students Nov. 22 in N. Y.

Service Apologia: In rebuttal to *Time Magazine's* scathing treatment of service industry in Oct. 14 issue, Frank J. Moch, exec. director of National Alliance of TV & Electronic Service Assns. (NATESA), has written an attack on *Time's* alleged editorial blindspots to faults of TV manufacturers. In long letter to magazine, Moch writes, in part:

"Lay the blame where it should be placed." He blames TV manufacturers for "creating false lack of need of service," for implying "years of trouble free reception. Nothing could be farther from truth." Further, he blames "the construction of many modern TV sets, stripped down to less than bare essentials. Claims are made by set producers for technical advances as reasons for these monstrosities . . . for automation and printed circuitry in cheaper sets. True machine-built sets could cost less to produce, however, the very nature of such construction has greatly complicated service and added many new costly problems . . ."

"Most manufacturers have virtually priced themselves out of business. [They have] depressed the price structure to squeeze out competition and they have stripped sets beyond the point of no return. No margin of profit is left anywhere in the distribution system . . ."

TV-radio-hi-fi gets 1% of total U. S. annual household expenditure, according to new *Life Magazine* survey of 10,243 homes. Major appliances get 2.16%. Study breaks total for all goods & services into 8 categories: food, beverages, & tobacco, 29%; home operation & improvement, 19%; automotive, 14%; clothing & accessories, 12%; home furnishings & equipment, 9%; recreation & equipment, 5%; medical & personal care, 5%; others, 7%. Within recreation category, TV-radio-hi-fi's 20% is biggest piece; within home furnishings, major appliances' 24% is biggest, furniture's 18% is second. *Study of Consumer Expenditures* is available for \$10 from Herbert Breseman, director of research, *Life*, 9 Rockefeller Plaza, N. Y.

Plea for standardization of tube design delivered by Donald W. Gunn, gen. mgr. of Sylvania electronic products sales dept., before Joint Electron Tube Engineering Council in Philadelphia last week, points out that minor variations "dreamed up" by design engineers and customers have "flooded the market and distribution channels with galaxy of tube duplications representing endless loss of time and money." He noted that current tube replacement market now handles 735 different types, of which 95 types do 80% of sales.

Measurement of standards for hi-fi equipment is long awaited project just launched by Institute of Hi-Fi Mfrs., under direction of Pilot Radio's Joseph N. Benjamin. Questionnaires seeking standards recommendations being circulated among component makers by committees headed by: Daniel Von Recklinghausen, H. H. Scott (for tuners); Dick Shottenfield, Pilot (amplifiers); Abe Cohen, University (speakers); George Silber, Rek-O-Kut (turntables); Milton Thalberg, Audiograph (changers).

Looking for a "Day" to build a promotion around? U. S. Chamber of Commerce has released 1958 edition of "Special Days, Weeks, Months," listing 350 legal holidays, religious observances and business promotional events. Single copies available at 50¢ from Chamber's domestic distribution dept., 1615 H St., N.W., Washington. New listings include: National High Fidelity Month (Oct.), Bachelors' Day (Feb. 28); Old Maids' Day (June 4.)

EIA Meeting: TV Week was described as successful campaign—but its effect on sales was hard to ascertain, according to consumer products div. report at this week's EIA quarterly meeting in N. Y. No decision was reached on similar year-round program.

Consumer products group agreed to try again for TV excise tax reduction from 10% to 5% and exemption of all-channel & color sets.

Education committee actions: (1) Voted to continue support of Hagerstown school-TV project for school year. (2) Decided to discontinue preparation of text books & lab manuals since needed books are available, but to continue distributing books already prepared. (3) Suggested another committee look into need for books in military electronics field.

Guided missiles chairman F. R. Lack was authorized to name task force to determine whether EIA can help President's Scientific Advisory Group.

International div. reported 8-mo. commercial electronic parts exports of \$210,500,000 vs. \$223,000,000 in 1956 period; TV-radio parts imports (mostly radio) of \$9,400,000 vs. \$8,600,000 for entire 1956. W. Germany was principal importer, followed by Japan, Britain.

The Siegler Buildup: Siegler Corp., recently merged with Olympic Radio & TV, Bogen-Presto, Hufford Corp., had record earnings and sales for quarter ended Sept. 30, pres. John G. Brooks told Nov. 21 meeting of N. Y. Security Analysts. He listed earnings of \$368,602 (31¢ per share) on sales of \$16,662,835 vs. \$272,559 (37¢) on 1956 period sales of \$6,881,386.

Brooks said current business is broken down thus: 63% electronics, 28% heating equipment, 9% tooling & machinery—with 23% of total in defense sales.

Olympic pres. Morris Sobin told us his div. "has peak employment," has hired 300 more employes this year and expects further increases in both employment and plant. He said Olympic TV-radio consumer sales for quarter ended Sept. 30 were 40% over 1956 quarter; for first 10 months volume of gross sales was up 26.1% over last year. Hi-fi-TV-radio combination sales increased 146% in Oct. compared with preceding Oct., for first 10 months sales were up 250%, Sobin said, adding that Bogen div. expected to improve sales & profit picture over last year.

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Avco, resuming 10¢ quarterly dividend payment Nov. 20 after hiatus since May 1955, this week reported consolidated earnings of \$8,586,374 (92¢ per share) in first 9 months of 1957 vs. operating 1956 period's loss of \$3,499,529, or 41¢ per common share, exclusive of a \$16,000,000 reserve provided for discontinuance of a major part of its appliance operations. Avco's Crosley Bcstg. Corp. operates 5 TV stations and radio WLW, but these are not separately reported. Consolidated sales for 9-mo. period were \$238,983,886 vs. \$246,168,438 in 1956 period which included certain consumer products (notably TVs, radios & refrigerators), since discontinued. Avco claims to be nation's 24th largest producer of defense goods, reports contracts amounting to \$134,968,069 since July, including \$111,308,359 for nose cone for Air Force's intercontinental ballistic missile.

Financial Notes: American Broadcasting - Paramount Theatres earnings in fourth quarter will be lower than in 1956 period (Vol. 13:13) despite increase in ABC-TV income, pres. Leonard H. Goldenson predicted this week. Noting that 9-month earnings this year were 91¢ per share vs. \$1.31 year earlier (Vol. 13:43), Goldenson projected similar results for rest of year on basis of costs incurred in setting up new ABN program structure, decline in theatre business which he blamed on flu epidemic and lack of box-office movies. He said TV earnings weren't enough to offset these factors.

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Columbia Pictures has no intention to spin off its TV subsidiary Screen Gems, v.p. Abe Schneider told stockholders meeting in New York this week. In fact, he said, Screen Gems is "in the black" and grossed \$22,000,000 in fiscal year ended June 29, or 20% of Columbia's sales of \$101,552,897, compared with \$11,000,000 in fiscal 1956. He said Columbia had "poor quarter" in period ending Sept. 30, with income dipping below 10¢ a share, vs. 71¢ in same 1956 period. Screen Gems has been negotiating for Paramount's 700-feature backlog, he confirmed, but hinted that attitude of Justice Dept. would have to be reckoned with in any such deal. He said Columbia had discussions with anti-trust div. concerning Screen Gems' acquisition of Universal Pictures' pre-1948 backlog last Aug.

Crowell-Collier Publishing Co., which owns radio KFWB, Los Angeles, operates record club and produces encyclopedia through subsidiary P. F. Collier & Sons, reports third-quarter consolidated earnings of \$888,774 on sales of \$8,121,800 and 9-month profits of \$2,787,739 on sales of \$22,706,300. Comparable figures for 1956, when Crowell-Collier lost \$4,427,943 following foldings of its magazines (Vol. 13:24), were not available because company reported then only on 6-month and year-end basis. Earnings this year were tabulated after deducting non-recurring charges of \$260,000 applicable to 1956. No provision was made for federal income taxes because of carry-over from losses last year.

National Telefilm Assoc. earned record \$1,094,031 (\$1.60 per share on 682,526 shares outstanding) in fiscal year ended July 31 vs. \$441,877 (68¢ on 650,000) year earlier. Exhibition contracts written by NTA during period totaled \$17,720,134 vs. \$5,793,975 in fiscal 1956. Film rentals aggregated \$10,976,479 vs. \$3,818,627. Total assets as of July 31 were \$32,143,270 vs. \$13,092,934 in 1956, working capital was up to \$11,806,936 from \$2,837,055. Reporting gains, NTA chairman Ely A. Landau said this week that "feeling of optimism seems justifiable" for fiscal 1958.

Dividends: AB-PT, 25¢ payable Dec. 20 to stockholders of record Nov. 29, no action on year-end extra; Storer, 45¢ plus 6¢ on "B," both Dec. 13 to holders Nov. 29; Meredith Publishing, 45¢ Dec. 12 to holders Nov. 29; Time Inc., \$1.50 Dec. 10 to holders Nov. 27; Cornell-Dubilier, 30¢ Dec. 31 to holders Dec. 12; Friden, 25¢ Dec. 10 to holders Nov. 29 plus 2½% stock Dec. 27 to holders Nov. 29; AT&T, \$2.25 Jan. 10 to holders Dec. 10; American Electronics, 12½¢ Dec. 13 to holders Nov. 29; Whirlpool, 35¢ Dec. 31 to holders Dec. 13.

Paramount Pictures reports consolidated earnings of \$1,878,000 (94¢ per share) in quarter ended Sept. 28 vs. \$1,654,000 (83¢) in 1956 period. For 9 months net income was \$4,237,000 (\$2.13) vs. \$3,976,000 (\$1.99) year earlier, when earnings didn't include non-recurring profits of \$2,767,000 (\$1.38).

Television—"The \$100 Billion Pump-Primer"

BY C. WREDE PETERSMEYER

President, Corinthian Broadcasting Corp.

ONLY SOMETHING so successful and so important as television could garner such a preponderance of critical potshots and brickbats as have been hurled at the medium, since its inception, by press critics, certain elected representatives, governmental "study" groups, as well as by high-domed cynics. Negative criticisms of program content, types and numbers of commercials, and the power of the networks have captured far more than their rightful share of headlines. To most of us in the industry, the majority of such blasts seem patently unjust. Moreover the significance of most of these criticisms pales in relation to the enormously important contributions of the medium. Some bravos and bouquets are long past due.

And here I am not referring primarily to the more commonly accepted contributions of TV in the areas of entertainment, education and public service. Rather, may I point deliberately to the enormous importance of the 10-second, 20-second and minute advertising message to the very health of our economy. In truth, the much scorned "commercial" should be hailed as perhaps the single most important contribution of American telecasting.

The living sight-sound-and-motion TV commercial in homes of 41,000,000 American families has set off a chain reaction to buying, production and employment never before dreamed of. The advent of TV has brought about a vastly significant and revolutionary change in the line of mass communication between 130,000,000 Americans and American industry. Virtually overnight it has made possible the "personal" selling of goods and services in the very living rooms of 41,000,000 homes.

TV Key Factor in Consumer Sales

A strong case can be made that TV has been *the* key factor in the increase in Total Sales to Consumers in the past 8 years of more than \$100,000,000,000 annually. Instead of being dubbed "The Billion Dollar Whipping Boy" (quoting our own trade press), TV should rightfully be called "The Hundred Billion Dollar Pump-Primer." It is high time that the voice of the economist be heard above that of the program critic and the congressional investigator. Let's look at the facts:

Between 1949 and 1957 Total Sales to Consumers in the United States rose from \$180.6 billion to \$280 billion. Is it mere coincidence that *during this same period* homes owning TV sets increased from less than 1,000,000 to more than 41,000,000? Between 1949 and 1957 the Index of Industrial Production rose 44%. Is it mere coincidence that *during this same period* advertisers increased their expenditures on the TV medium from \$57,800,000 to \$1,300,000,000 to showcase their goods and services?

In 1949 Gross National Product stood at \$257 billion. In 1957 Gross National Product will total \$437 billion. Is it mere coincidence that *during this same period* the hours the families of America spent watching TV (complete with commercials) increased from 2,915,000 *per day* to a staggering 210,807,000?

How can one conclude other than that this relationship between the health of the economy and the growth of TV is more than coincidental? Have we not found in TV the secret catalyst for speeding the whole economic spiral of increased demand for goods, that leads to increased production, that in turn leads to increased employment and buying power, and on and on ad infinitum?

In many quarters TV is on the defensive. Is it possible that its critics, yea even the industry itself, have not fully assessed the explosive "H-Bomb" effect of TV on industrial activity? We may have failed to realize that the very commercials some are wont to condemn are *absolutely vital* to maintaining the present level of economy. The constant bombardment of 41,000,000 television-owning families (who watch on an average more than 5 hours a day 365 days a year) with the glittering array of products and services of American industry, and with the known persuasiveness of sight-sound-and-motion, is bound to have created demands for goods to an extent never dreamed possible before TV.

Toll TV Threatens Selling Capacity

All of this has a direct bearing on current discussions regarding pay TV. No one familiar with the industry doubts that, if successful, pay TV could well outbid free TV for talent. Audiences will be diverted to juke-box "entertainment-only" TV. Should this happen, the strength of TV as a vital *selling* force will be dissipated. It will no longer be vital in the consumer-manufacturer relationship. Even if advertising should find a place in the toll TV scheme, it would diminish in importance because of restrictions in mass viewing inherent in any fee system.

Do we dare tamper in such a fashion with the secret catalyst so responsible for the vitality of our present economy—particularly at a time when there are indications of economic storm clouds on the horizon? Will our legislators be so cavalier as to permit the removal of TV as *both* an entertainment *and* a sales medium by authorizing pay TV? Will American industry, which has become so dependent on TV for moving its goods, allow such a thing to happen without raising its voice in protest? Can the advertising fraternity which is responsible to American industry for creating the demand for its products afford to remain silent on this issue? Why do they not speak up?

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**THE
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FOR EXECUTIVES OF THE
VISUAL BROADCASTING
AND ASSOCIATED
RADIO & ELECTRONICS
ARTS AND INDUSTRIES

Television Digest

with **ELECTRONICS REPORTS**

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SUMMARY-INDEX OF THE WEEK'S NEWS — November 30, 1957

"WAIT FOR TASO" before probing 25-890 mc, telecasters urge FCC; NAM drops FM band-sharing request. EIA spectrum study marks time (p. 1).

SCHEME FOR TAX ON ADS spreads from Baltimore to St. Louis as TV-radio-press fight on constitutionality opens; AFA calls threat "most dangerous" (p. 3).

KANSAS CITY DEAL points up dangers of tie-in rates, may signal more efforts by theatremen to get into TV (p. 3). Background on National Theatres Inc. (p. 5). List of theatrical ownerships in TV (p. 4).

NEW BOSTON STATION, WHDH-TV, goes on air, giving ABC-TV long-sought full-time access to market; on-air U. S. TV total now 519 (p. 8).

END OF "WRITTEN HEARINGS" seen as major change in streamlining FCC legal procedures. U. S.-Mexican border uhf talks end with few changes (p. 8).

ZENITH "AGREEMENT" with stations planning to apply for pay TV reported by company source; Cal. lawmaker sees wire franchises invalid (p. 9).

SUBLIMINAL ADVERTISING can be controlled under present laws, FCC believes on basis of inquiry to date; sees "no immediate danger" (p. 14).

Manufacturing-Distribution

FIRST WORD OF '59 SETS: trend to contour styling at back of portables, stronger push to hi-fi sound in consoles (p. 10).

SALES UP, PRODUCTION DOWN in preliminary Nov. estimates, compared with last year; factory & distributor inventories increase 200,000 (p. 10).

DR. W. R. G. BAKER, TV-electronics pioneer, retires as GE v.p. on 65th birthday, but remains active as EIA pres., also becoming Syracuse U v.p. (p. 11).

SPECTRUM STUDY—'WAIT FOR TASO': FCC officially began taking its long-range look at radio spectrum between 25 & 890 mc—the part which houses FM & TV bands among many other services—and these trends showed up strongly in the 200 comments filed:

(1) Nearly all industrial radio users asked for far more frequencies, pointing to their needs for expanded service—but, with a couple of exceptions, they shied away from even hinting that they'd like a chunk of the TV or FM bands. Even NAM's Manufacturers Committee on Radio Use—which stirred a furor 2 years ago when it asked to share FM broadcasting frequencies—inferentially dropped the request this week.

(2) Telecasters—nearly 100 of them filed—urged that Commission hold off its long-range study until conclusion of TASO's exhaustive FCC-mandated inquiry into the entire TV allocations situation.

(3) More than a score of FM broadcasters filed in the proceeding, speaking as one man: FM is finally moving ahead; leave it alone; don't mess with the FM band.

Commission currently has no plans to call hearing in the proceeding. Upon digesting comments and consulting crowded calendar, it could decide any way: Hearings soon; hearings later; no hearings at all; "paper" hearings, with all sides presenting their written views on the specific issues. Best guess: No action for some time.



Among filings in proceeding, perhaps biggest surprise was NAM's comments, which implied that FCC's proposals for manufacturers' radio frequencies would satisfy its requirements, made no reference to its still-pending petition for shared use of FM broadcast frequencies. In scanning comments, we could find only one large organization which specifically mentioned possibility of turning broadcast frequencies

to other uses. It was Assn. of American Railroads, which listed the "very sparsely occupied" FM broadcast band as one of 3 "examples" of frequencies which might be utilized by other radio users.

While many industrial radio users undoubtedly have their eye on FM & TV frequencies, most of them apparently decided that now is not the time to mention it.

Many comments by TV stations were merely "foot-in-door" filings, reserving right to appear at any hearings. Among points made by TV-radio interests:

NARTB urged that FCC's review of spectrum be delayed until TASO study is completed, asked preservation of present FM band & standards and "adequate frequencies" for TV remote pickup.

CBS, NBC & ABC had similar comments with respect to TASO study, CBS adding request that FCC consider authorizing operation of wireless microphones for TV on any or all frequencies from 25-50 mc on non-interference basis.

Dage TV div., Thompson Products, raised possibility of special industrial TV frequencies when it urged that "expanded private frequency usage be permitted with a full recognition of TV as a basic and integral use for which full provision should be made in the adoption of applicable eligibility and engineering standards not only in the broadcast field but in the many other fields which have a need for this type of communication." It raised question whether TV & FM will ever adequately use all frequencies assigned to them, urged quick completion of TASO inquiry, since "broadcast problems present the principal major obstacle to a basic and comprehensive review [with] a view to reallocation."

Indicative of increasing competition for frequency space in vicinity of TV allocations was filing by American Rocket Society (which has 105 corporate members), requesting FCC bear in mind that more frequencies will be required in future for satellites, space ships, etc.

One TV station—WTVR, Richmond—enclosed as appendix comments by Washington pioneer broadcast engineer James C. McNary advocating study of possibility of uniform international TV scanning in view of prospects for transoceanic TV transmission "in the near future."

■ ■ ■

Electronic Industries Assn. took longer-range view than most groups in the filing by its TV broadcast equipment section (Ben Adler, chairman), when it stated:

"There is a real need in the TV broadcasting industry for a contiguous portion of the spectrum somewhere in the vhf and/or uhf frequencies providing approximately the same number of TV channels as are now available in the allocations plan but which are at present spread over a wide range of frequencies with many gaps and spaces in between."

EIA maintained only way to accomplish rearrangement is to investigate all spectrum requirements—not only of private services, but of Govt. as well—and promptly stated it is already investigating possibilities of this all-allocation study.

EIA's spectrum investigation seemed to be marking time this week, however—waiting for govt. agencies (FCC, Defense Dept., ODM) to set meeting dates (Vol. 13:47). Following earlier preliminary meetings, EIA's spectrum study committee—at request of govt. agencies—put its investigation ideas in letter, first part covering background, second part suggesting possible means of implementing study.

Govt. & EIA representatives almost got together last week, with Nov. 14 meeting scheduled at Hotel Roosevelt, N. Y.—but snafu occurred when govt. representatives thought meeting was to be held at Hotel Roosevelt in Washington, prompting some trade papers to report that Govt. had backed out of study. Meeting will be rescheduled.

As to procedure for spectrum study, it's understood at least 3 methods have been discussed by the EIA committee: (1) Study by large committee, composed of representatives of all interested spectrum users, from industry and Govt. (2) Investigation by a congressional committee. (3) Appointment of "referee"—man of unquestioned standing, not currently connected with Govt. or frequency-using industry—who would conduct study, consulting with all parties.

BALTIMORE AD TAX INFECTION SPREADS: Another revenue-hungry municipality reached out this week toward broadcasters & newspapers to grab special advertising taxes, following lead of Baltimore (Vol. 13: 45-47) despite opening of all-out court battle there to declare its 6% assessments unconstitutional.

St. Louis sales levy of 4% on all intra-state broadcast commercials—and on advertising in newspapers and most other media—was proposed by Alderman Alfred I. Harris to raise \$1-\$2,000,000 annually for city's treasury. He said he also may add 2% tax on gross advertising receipts of media—such as Baltimore City Council voted to impose Jan. 1—but wanted clarification of it first.

No other municipality was reported ready to adopt Baltimore plan, but threat of spread of scheme to St. Louis was sufficient for Advertising Federation of America to sound alarm throughout country. AFA alerted its 120 affiliated advertising clubs for counter-offensive, started raising \$50,000 war chest from 30,000 members.

"It's the most dangerous threat to advertising in years," AFA pres. C. James Proud said, warning that if advertisers lose Baltimore court battle, tax plan "is going to spread like wildfire across the country."

Circuit Court action in Baltimore to stop 4%-plus-2% levies was started by Sunpapers (WMAR-TV), News-Post and Sunday American (WBAL-TV & WBAL), Westinghouse's WJZ-TV. They sought injunction to prevent tax collections.

Similar briefs filed by plaintiffs contend that special imposts: (1) Violate free speech & press provisions of U. S. Constitution and Md. Declaration of Rights. (2) Exceed taxing power of Baltimore City Council, since state itself exempts newspapers from taxation. (3) Are too "vague & indefinite" to be valid in any event.

Defendants Mayor Thomas D'Alesandro & City Council were given until Dec. 17 by Judge Edward Harlan to show why injunction shouldn't be granted. They had sponsored tax scheme to yield \$2,650,000 for 1958 municipal budget of \$232,000,000.

POSTLUDE ON THE KANSAS CITY STORY: Full confirmation of our disclosure last week that National Theatres Inc., headed by Elmer C. Rhoden, was likely buyer of Kansas City Star's WDAF-TV & WDAF (Vol. 13:47)—price now revealed as \$7,600,000 cash for plant, network & advertising contracts, goodwill, etc., no quick assets—points up several significant developments involving TV-radio broadcasting:

(1) Because the movie business is notoriously inclined to follow-the-leader, National Theatres Inc., avowedly planning to acquire more stations, may very well touch off a movement by more theatre interests to acquire stations—just as successful newspaper operation of radio and TV stations led many more newspapers and even magazines into the field. Newspapers were among main pioneers of TV-radio, but many also got in quite belatedly by way of purchase. So, of course, did some theatre people—but not very many.

There are some real pioneers among the theatre folk, of course (notably Paramount, Kallett, Wometco, Balaban, Martin of Georgia, et al), but you will note that their ownership bulks rather small among the 519 TV stations now on air and even among pending applications as listed in our TV Factbook.

Even discounting the still cloudy pay-TV potential, fact that they're in a business slump blamed in large part on TV keeping people at home (often to see old movies) would naturally lead theatre people to eye the profitable operation of TV and radio stations enviously. No one dreamed only a few years ago that the tail would wag the dog in a changing economy which finds some newspaper TV stations doing vastly better than their newspaper parents. Ownership of stations would be a natural hedge against shrunken boxoffices.

In other words, the National Theatres Inc. purchase epitomizes the old saw, "join 'em if you can't lick 'em," which we so frequently used in the early days of newspaper antagonism toward radio and then of radio station antagonism toward the upstart TV.

For quick reference, we have updated our Factbook listings of TV holdings by theatrical interests (film producers, movie owners, performers, etc.) and publish them on p. 4.

For a report on National Theatres' plans for Kansas City, directed by veteran broadcasting executive Charles L. Glett, its diversification plans and its finances, see p. 5.

(2) The Star, enjoying a local newspaper monopoly, was literally forced to divest itself of its pioneer and highly profitable stations by reason of a govt. consent decree stemming from grand jury proceedings which led to 1953 anti-trust indictment against it and some of its officers, including pres. Roy Roberts, an original Eisenhower backer (Vol. 9:2).

Among accusations was one alleging that "special discounts for advertisers in defendants' newspapers have been offered to those who have advertised on defendants' radio station and that advertisers not using defendants' newspapers have been denied access to the Star's TV station" (Vol. 9:2).

Charges also included refusing or threatening to refuse space to advertisers who used competing media or purchased larger ads in other publications; discriminating on space and location; attempting to coerce advertisers into buying unreasonable amounts of space in the Star; requiring certain advertisers to buy space in both the Star and its morning Times, without giving them any option; refusing to sell subscriptions separately to the Star, Times and Sunday Star (Vol. 11:9, 13:25, 46).

Though the Star fought back bitterly, charging malice and reprisal by Truman Administration, fact that the drastic consent decree came through during Eisenhower Administration speaks for itself. Especially for newspaper-station owners, it points up the dangers implicit in forced media tie-ins and the threat of govt. crackdown when space and/or time buyers cry ouch; in the case of the Star, public apparently was aroused, too, by being required to buy morning, evening and Sunday papers as a package unavailable separately. That newspapers and station owners will lean over backwards henceforth, consult their lawyers when in doubt should go without saying.

TV Station Ownership by Theatrical Interests

(Control or Major Interests by Film Producers, Theatre Owners, Performers, Etc.)

(Radio stations in parentheses)

- American Broadcasting-Paramount Theatres Inc.—Operates ABN and owns WABC-TV, New York (WABC); WBKB, Chicago; WXYZ-TV, Detroit (WXYZ); KABC-TV, Los Angeles (KABC); KGO-TV, San Francisco (KGO). Also owns 40% of radio WLS, Chicago.
- Gene Austry—KOOL-TV, Phoenix (KOOL), 56.38%; KOLD-TV, Tucson (KOLD), 48%; radio KMPC, Los Angeles, 51%; KSFQ, San Francisco, 50%.
- H. & E. Balaban Corp.—WTVO, Rockford, Ill., 50%; WICS, Springfield, Ill., 50%; also 50% of CPs for WMCN, Grand Rapids, Mich. (Ch. 23) and WMBG, Birmingham, Ala. (Ch. 42). WICS holds CP for satellite WCHU, Champaign, Ill. (Ch. 33). Balaban Corp. also owns 50% of radio WRIT, Milwaukee; 1/3 of radios WIL, St. Louis and WWIL, Ft. Lauderdale; 25% of KFBI, Wichita, Kan. Note: Sale of WWIL pends FCC approval.
- Berger Amusement Co. (Minneapolis)—Owner Benjamin Berger owns 40% of KTWO-TV, Casper, Wyo. and CP for satellite KTWX-TV, Sheridan, Wyo.
- Consolidated Amusement Co. Ltd.—KGMB-TV, Honolulu (KGMB), 75.45%; also satellites KHBC-TV, Hilo (KHBC) & KMAU-TV, Wailuku.
- Sherrill Corwin (west coast)—KAKE-TV, Wichita (KAKE), 15%; 100% of CP for KBAY-TV, San Francisco (Ch. 20). Owns 11% of Cal. radios KPPO, Riverside; KREO, Indio; KPPO, Brawley; KYOR, Blythe. Corwin also is applicant for Ch. 34, Los Angeles, and Ch. 21, San Diego.
- Bing Crosby—Owns 25% of firm buying KCOP, Los Angeles; 6.11% of radio KGLC, Miami, Okla.
- Dubinsky Brothers Theatre Corp.—WTVO, Rockford, Ill., 50%.
- Joseph H. Floyd-Edmund R. Rubin—KELO-TV, Sloux Falls, S. D. (KELO); satellites KDLO-TV, Florence and KPLO-TV, Reliance, S. D.; radio WLOL, St. Paul.
- Kenneth R. Giddens and T. J. Rester Jr.—WKRQ-TV, Mobile (WKRQ), 20% & 10%, respectively. Note: Transfer to new corporation in which Giddens has 50% interest pends FCC approval.
- Grand-Carlton Corp. (Jesse D. Fine)—KFEQ-TV, St. Joseph, Mo. (KFEQ).
- Bob Hope—KOA-TV, Denver (KOA), 39%; WREX-TV, Rockford, Ill., 50%.
- Jefferson Amusement Co. (Julius M. Gordon)—KPAC-TV, Port Arthur, Tex. (KPAC), 50%.
- Kallet Theatres—WKTU, Utica, N. Y. (WKAL).
- Lathrop Co. (Midnight Sun Bcstg. Co.)—KENI-TV, Anchorage (KENI); KPAR-TV, Fairbanks (KPAR); also operates Alaska radios KABI, Ketchikan & KJNO, Juneau.
- Martin Theatres of Georgia—WTVM, Columbus, Ga.; WROM-TV, Rome, Ga. (to be rebuilt as Chattanooga area outlet).
- MGM (Loew's Inc.)—KTTV, Los Angeles, 25%; KMGM-TV, Minneapolis, 25%; radio WMGM, New York, 100%.
- Lewis W. Moore—KXGN-TV, Glendale, Mont. (KXGN).
- National Telefilm Associates Inc. (NTA)—KMGM-TV, Minneapolis, 75%; also is buying WATV, Newark-New York (WAAT).
- National Theatres Inc.—Is buying WDAF-TV, Kansas City, Mo. (WDAF).
- Neighborhood Theatres Inc. (Thalheimer)—WRVA-TV, Richmond, Va., 16%.
- Paramount Pictures Corp.—KTLA, Los Angeles. Note: Being sold to Du Mont Bcstg. Co.
- RKO Teleradio Pictures Inc. (General Tire & Rubber subsidiary)—Owns WNAC-TV, Boston (WNAC); KHJ-TV, Los Angeles (KHJ); WOR-TV, New York (WOR); WHBQ-TV, Memphis (WHBQ); radios KFRC, San Francisco and WGMS, Washington. Through Canadian subsidiary owns 1/3 of CKLW-TV, Windsor-Detroit (CKLW). Also operates Yankee Network.
- Stanley Warner Theatres—WTRI, Albany, N. Y.
- Lowell Thomas Group—WCDA, Albany, N. Y. (WROW) & satellites WCDB, Hagaman, N. Y. & WMGT, Adams, Mass.; WTVB, Durham, N. C. (Lowell Thomas owns 16.7% interests in stations.)
- Walter M. Thomas-Margaret E. Garland—WARD-TV, Johnstown, Pa. (WARD).
- Transcontinental Properties Inc. (Herbert Scheffel-Alfred G. Berger-Telenews)—WICS, Springfield, Ill., 50%.
- Turner-Farrar Assn.—WSIL-TV, Harrisburg, Ill.
- Video Independent Theatres Inc. (Henry S. Griffing)—KWTU, Oklahoma City, 12 1/2%. Also holds CP for KVIT, Santa Fe, N. M. (Ch. 2).
- Wometco TV & Theatre Co. (Mitchell Wolfson)—WTVJ, Miami; same interests also own 20% of WFGA-TV, Jacksonville, Fla.; 50% of WMTV, Madison, Wis.; 40% of WLOS-TV, Asheville, N. C. (WLOS).
- Jack Wrather—Owns *Lassie*, *Lone Ranger*, *Sergeant Preston of the Yukon* and 39% of KFMB-TV, San Diego (KFMB); KERO-TV, Bakersfield, Cal., and CP for KYAT, Yuma, Ariz. He also holds CP for WJDW, Boston (Ch. 44).
- Albert Zugsmith interests—Albert Zugsmith and Arthur B. Hogan each owns 25% of KULA-TV, Honolulu (KULA); Zugsmith owns 25%, Hogan 10% of WREX-TV, Rockford, Ill. They also control radio KVSM, San Mateo, Cal. Hogan owns radio KFOX, Long Beach, Cal. Zugsmith controls radio KRKD, Los Angeles. Hogan owns 18%, Zugsmith 9% of radio KBYE, Oklahoma City. Each owns 25% of radio KBMI, Henderson, Nev. Note: KITO, San Bernardino, Cal. controlled by Zugsmith is being sold. Zugsmith is also station broker and is identified with various motion picture production enterprises.

National Theatres Inc.'s Plans: The \$7,600,000 purchase of WDAF-TV & WDAF, Kansas City (p. 3), was quietly engineered by Charles L. Glett, one-time CBS west coast v.p., and ex-Don Lee Network executive who went over to RKO Teleradio as v.p. when it was purchased by that General Tire subsidiary. Last March he joined the big chain theatre organization headed by Elmer C. Rhoden of Kansas City, to work on its new policy of diversification impelled by shrinking boxoffice. He headquarters at 340 N. Camden Dr., Beverly Hills.

Glett is presently pres. of National Film Investments Inc., subsidiary of the chain operating some 320 theatres in 20 states as holding company for the Fox West Coast, Fox Inter-Mountain, Fox Midwest, Fox Wisconsin & Evergreen Amusement groups as well as Fox Theatres in Detroit and Philadelphia. The TV-radio stations presumably will come under still another subsidiary. Present plans are to continue WDAF-TV mgr. Bill Bates and present TV-radio staffs after FCC approval of the deal, managing director H. Dean Fitzer alone withdrawing.

National Theatres' policy of diversification includes: (1) Acquisition of as many TV-radio stations as FCC rules will permit. (2) Exploitation of new "Cinemiracle" process of photography & projection; it has exclusive rights to Smith-Dieterich patents and producer Louis deRochemont is currently completing first production, *Cinemiracle Adventure*, for Feb. release. Also, contract was recently signed to produce Morris Gest's famed spectacular, *The Miracle*. (3) Expansion into standard and TV motion picture production. Elmer Rhoden Jr. heads newly formed Imperial Films Inc., capitalized at \$294,000, for which SEC approval has been secured to sell \$2 par stock privately; pilots for video series *Private Eye*ful and *Johnny Sundown* are due next year, as well as 2 feature films in Eastman color, comedy *Pink Tea Bird* and western *Johnny Sundown*.

Reports of Radio Station Sales: KXOA, Sacramento, Cal. by Lincoln Dellar for \$500,000 to Kalval Inc. (Riley R. Gibson, pres.) (Hamilton, Stubblefield, Twining & Assoc.) . . . KBTM, Jonesboro, Ark. by Helen W. & Harold E. King for \$110,000 to brothers Alan G. Jr. & Matthew C. Patteson . . . KYNG, Coos Bay, Ore. by Harold C. Singleton & Walter N. Nelskog for \$70,000 to KYNG Radio Inc., 50% owned by KYNG mgr. Phillip F. Waters . . . KGA, Spokane, Wash. by Bankers Life & Casualty Co. for \$250,000 to Gran Bestg. Co. (L. F. Gran, pres.).

Radio Sales Approved by FCC: KYME, Boise, Ida. by Roger L. Hagadone for \$120,000 to Keith E. Patterson (Vol. 13:42) . . . KJFJ, Webster City, Ia. by Mr. & Mrs. Charles V. Warren for \$55,000 to Don Treu & Glen Barnett (Vol. 13:40) . . . KORC, Mineral Wells, Tex. by J. Elroy McCaw for \$45,000 to Action Bestg. Corp. (Vol. 13:43) . . . KART, Jerome, Ida. by Herbert E. Everitt & Karl L. Metzberg for \$35,000 to Frederick M. Parry (Vol. 13:43) . . . WBFM (FM) New York by Muzak Corp. to Wrather Corp. (Jack D. Wrather Jr., pres.) in deal where-by Wrather purchased entire Musak organization for \$4,350,000 (Vol. 13:38).

Sale of KVTV, Sioux City, Ia. (Ch. 9) & WNAX, Yankton, S. D. by Cowles Bestg. Co. for \$3,000,000 to Peoples Bestg. Corp. (Vol. 13:41, 44) was approved by FCC this week.

National Theatres Inc. is traded on the N. Y. Stock Exchange. Its 1957 fiscal year ended in Sept., but annual report isn't out yet; however, for 39 weeks to June 25, it grossed \$43,390,043, netting \$2,805,820 before taxes, \$1,440,000 (51¢ per share) after taxes vs. \$42,656,463, \$2,718,974 & \$1,340,000 (51¢) in same 1956 period.

For fiscal year ended Sept. 25, 1956, consolidated gross income was \$59,707,000, before-tax net \$4,387,000, net profit \$2,277,000 (84¢ per share)—plus \$2,371,000 (88¢ per share) net gain on \$6,200,000 sale of Roxy Theatre in N. Y. and from various other theatre and real estate sales. The downtrend in theatre income, characteristic of the motion picture industry in recent years, was pointed up in the comparison with 1955 fiscal year when gross was \$61,692,000, before-tax net \$5,792,000, net \$2,886,000 (\$1.04).

It's second only to American Broadcasting-Paramount Theatres in theatre revenues; theatre income of AB-PT was somewhat more than half of its 1956 gross of \$198,350,068 and net profit of \$8,476,716 (\$1.96 per share)—and, like National Theatres, AB-PT movie income was down from 1955 (to \$100,565,000 from \$110,503,000). ABC div. (TV-radio) grossed \$98,759,306 vs. \$81,116,634 in 1955 (Vol. 13:13).

But National Theatres is in very strong financial position, its earned surplus as of Sept. 25, 1956 amounting to \$21,130,090, well up from the \$17,846,563 at Sept. 24, 1955. At end of 1956 fiscal year, its current assets were \$19,793,717, fixed assets \$34,259,023, other assets \$2,951,112—for total assets of \$57,003,852. Current liabilities were \$10,340,541, long-term debt \$16,572,193, capital stock & surplus account \$27,581,523. Of latter, 2,769,486 out of 3,000,000 shares of common stock at \$1 par were issued, with 70,000 reacquired for \$599,225 and held in treasury at cost.

Note: National Theatres Inc. has never before been identified with TV operation. But F. H. Ricketson Jr., its v.p. for theatre operations and a director, was 13.57% owner of KLZ-TV, Denver (Ch. 7) and radio KLZ when they were sold to Time Inc. for \$5,533,760 in 1954 (Vol. 10:15, 18, 25, 26).

Legal battle royal was shaping up at week's end over NTA's announced agreement to purchase more than 50% of stock of Associated Artists Productions (Vol. 13:46), for which United Artists had also been negotiating in attempt to gain foothold in TV. NTA filed suit this week in N. Y. State Supreme Court charging UA pres. Arthur Krim & chairman Robert Benjamin and AAP pres. Eliot Hyman had sought "by unethical means" to prevent transfer of stock by Dec. 4. Justice Saypol, of same court, this week adjourned until Dec. 3 hearing on action by group of AAP minority stockholders, holding some 10,000 shares, to enjoin sale to NTA on grounds UA made offer much more favorable to stockholders (reportedly \$12 per share of AAP, half in cash and half in debentures of new company, presumably United Artists TV).

Financial statement of WTVW, Evansville, Ind. (Ch. 7) dated Sept. 30, filed with FCC this week accompanying explanation of voting trust, shows Jan. 1, 1957 deficit of \$259,422, additional loss of \$223,742 for 9 months thereafter. It had \$49,789 current assets, \$672,642 fixed assets; \$340,447 current liabilities, \$434,336 long term indebtedness (\$190,000 notes payable to company officers).

Western Radio & TV Conference meets Feb. 13-15 in Bellevue Hotel, San Francisco, for 11th annual session—keynoter to be Westinghouse Bestg. Co. pres. Donald H. McGannon. Program includes panel on pay TV.

Personal Notes: George M. Burbach, retiring founder-gen. mgr. of *St. Louis Post-Dispatch's* KSD-TV & KSD, honored at luncheon by publisher Joseph Pulitzer this week, attended by 80 business associates; presentation of various gifts was handled by Harold Grams, who succeeds him Jan. 1, and by Harry Bannister, NBC v.p. . . . Don Swartz promoted by NTA to gen. mgr. of recently-acquired KMGH-TV, Minneapolis-St. Paul (Vol. 13:47), and slated to become pres. of United TV Inc. . . . Raymond W. Welpott, mgr. of WKY-TV, Oklahoma City, elected v.p. of WKY Television System Inc. . . . John M. Baldwin, who rose from chief engineer to v.p.-business mgr., KDYL & KTVT, Salt Lake City, now owned by Time Inc., transfers to same organization's WTCN-TV & WTCN, Minneapolis, as operations mgr. under v.p.-gen. mgr. Phil Hoffman . . . Bill Swanson promoted to station mgr. of KTUL-TV (formerly KTVX), Tulsa, Bob Norris to asst. station mgr. . . . J. A. Slusser retires Jan. 1 as engineering director of KOA-TV, Denver . . . Jack Brickenden promoted to CBC publicity supervisor, Alex Davis to audience relations supervisor, both Toronto . . . Robert J. McNamara, ex-Peters, Griffin, Woodward, named client services director of H-R Television . . . Ralph L. Hamill promoted to technical operations supervisor of WRC-TV, Washington . . . Jay Royen, ex-NBC Washington, named public relations director of Committee for a National Trade Policy, Washington, formed by top business executives to keep Congress and public informed on world trade issues . . . Edward (Ned) Ryan, ex-Dowd, Redfield & Johnstone, N. Y., joins WBZ-TV, Boston as adv. & sales promotion mgr. . . . Tom Boyd promoted to program supervisor of WTTV, Bloom-

ington-Indianapolis . . . Donald G. Peterson named mgr. of rep Weed TV Des Moines office . . . Charles Harrison, ex-news & public affairs director of WCKT, Miami, named news director of upcoming WMBD-TV, Peoria (Ch. 31), due in Jan. . . . Richard W. Schappa, ex-Sunshine Biscuit & WBKB, Chicago, joins WWTW, Cadillac, as promotion & merchandising mgr. . . . Arthur Gerbel, ex-Fryan Printing Co., Seattle, named public relations mgr. of KOMO-TV & KOMO there . . . Phil Johnson resigns as news director of WCSH-TV & WCSH, Portland, Me., to become asst. to pres. Dr. Roger C. Gay of Nasson College, Springvale, Me.

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ADVERTISING AGENCIES: Wm. Zerweck, ex-Norman, Craig & Kummel, joins Warwick & Legler as a v.p. . . . Edward T. Chase elected a v.p. of Cunningham & Walsh . . . H. H. Dobbertein resigns as v.p. & media director of Bryan Houston . . . David Kempkes named broadcasting equipment account supervisor of Leo Burnett, Chicago.

TvB elects Lawrence H. (Bud) Rogers, WSAZ-TV, Huntington-Charleston, chairman, succeeding W. D. (Dub) Rogers Jr., KDUB-TV, Lubbock, Tex., who was named to 2-year term as a director; George B. Storer Jr., Storer Bestg. Co., elected treas.; Roger W. Clipp, Triangle Publications, continues as secy.

Grant of \$1000 by CBS Foundation Inc. to Barnard College was made this week in recognition of 15-year service to CBS by program statistics mgr. Dorothy Boyle, 1940 Barnard alumnus. Grants are based on length-of-service records of CBS employes who are graduates of independent colleges & universities.

New TV-radio reports on billings, combining data now issued separately, will be started Jan. 1 by Leading National Advertisers Inc. (publisher for PIB) and Broadcast Advertisers Reports (publisher of BAR monitored reports). Combined reports on TV networks will include product classification dollar expenditures, station lineups, dollar figures for brands, summaries of company & brand dollars giving network shares. Service for network radio will include station lineups, monitored reports showing programs, advertisers, brands, commercial minutes. New service does not involve corporate merger; LNA & BAR will continue to publish all other services.

TV saturation point—both “in terms of homes with TV sets and availability of time for sale”—may be reached by 1965, Young & Rubicam co-founder John Orr Young says in Newsprint Information Committee's *Newsprint Facts*, predicting that advertisers will come to rely more on newspapers. Young concedes “it is reasonable to expect” that more TV stations will be available by 1965 but argues that TV “is nevertheless faced with an inescapable limitation,” whereas dailies with adequate newsprint supplies “have the flexibility to increase their content, both advertising & editorial.”

TV's effectiveness as automobile salesman won another testimonial this week from pres. E. C. Quinn of Chrysler Corp.'s Chrysler div., who gave TV added ammunition in running battle started year ago by attack by Ernest Jones of MacManus, John & Adams (Vol. 12:13 et seq.). Quinn told TvB meeting in Chicago that Chrysler has gained 6% of market share in 3 years, largely through TV campaigns. He said it was impossible to measure TV's part in giving Chrysler 20% of 1957 market, but “certainly a real share of the progress” came from TV.

Australian TV will be extended to Brisbane, Adelaide, Perth & Hobart by 1959-60, each capital getting 1 national, 1-2 commercial stations.

“Rather sombre” budget outlook for advertising executives in 1958, with TV feeling “chilly wind blowing through the conference rooms,” is seen by Nov. 22 *Tide*. Magazine sounded out 1100 advertisers, agency men, public relations executives in its Advertising Leadership Panel, found that 58% of companies expect increased advertising budgets next year, but managements “will undoubtedly demand a good deal more in the way of results.” Unchanged budgets—but “more for the same money”—are anticipated by 32%, while 10% of companies will cut budgets. As result, “there'll be a lot more attention paid to media costs.”

TV data in Gallup poll conducted for *N. Y. Herald Tribune*, showing home TV ownership exceeds newspaper readership in metropolitan area, helped prompt intensified news coverage by paper, according to pres. & editor Ogden R. Reid. He told N. Y. chapter of Public Relations Society that survey indicated 83% in area have TV, 94% have radio, 78% read dailies; that 83% want to read news stories after they've heard them first on TV or radio; that detailed instead of condensed reporting by dailies is preferred by 92%.

“Best salesmen we've ever had” are TV's “Bert & Harry” (Vol. 13:45), according to adv. mgr. Stephen J. Schmidt of Piel Bros., quoted in Nov. 25 *Advertising Age*. Magazine set out to find out whether “most entertaining offbeat commercial on TV” actually sold more Piel's beer, got no statistics from brewery which doesn't release sales figures. But Schmidt said that in 1956, first full year of use of animated film characters, Piel's had biggest sales in history, that 1957 should be better.

NARTB names Joseph A. McDonald, NBC, chairman of copyright committee, reappoints Robert D. Swezey, WDSU-TV, New Orleans, chairman of freedom of information committee which meets Dec. 12 at Waldorf-Astoria Hotel, N. Y.

Telecasting Notes: First big batch of post-1948 feature films to go to TV probably will be those of Republic Pictures, which has little to fear from exhibitors or guilds, since it has been out of theatrical movie producing business for 8 months. It's understood Republic has batch of 225-250 features which are now subject of negotiations with 3 distributors, and is discussing both outright sale and lease of the product. Nov. 27 *Variety* reports Republic stands to net \$5-8,000,000 either way . . . Largest TV audience of any show this season is claimed by NBC-TV for Nov. 27 "Annie Get Your Gun," which received 2-hour average Trendex of 35.1 and 57.4% share of audience—translated by NBC to 60,000,000 viewers at 2.9 per set . . . New Flamingo Telefilm Sales has acquired rights to 5 TV film properties from RKO Teleradio, which is leaving syndication business (except for its feature film properties) to concentrate on production and sale of network properties. Deal involving more than \$1,000,000 includes *Screen Directors Playhouse*, *Sailor of Fortune*, *Aggie*, *The Big Idea*, *Animated Fairy Tales* . . . Banks have tripled their use of TV film series in past 2 years, according to Ziv TV research, indicating banking is "fastest growing category of film users." Ziv study shows 182% increase in number of banks sponsoring its programs from Oct. 1955 to Oct. 1957, cites these food & beer increases for comparison: supermarkets up 37%, meat packers 53%, brewers 13% . . . Is current TV season flopping? Despite critics who complain that programming adds up to "more of nothing," Nov. 25 *Advertising Age* thinks not. Magazine says edi-

torially that "mass medium audience" is getting what it has shown it wants on TV—westerns and "nice little musical once in a while" . . . Dissatisfied because he "had nothing to do," one of TV's most brilliant producers of live drama, Fred Coe, leaves NBC-TV Dec. 16, though his contract still has 2 years to run . . . Live vs. filmed TV issue is explored by Rod Serling in Nov. 24 *N. Y. Times Magazine*, prize-winning playwright deploring trek from N. Y. stage to Hollywood movies. He fears TV will "wrap itself around a spool and rest snugly inside of a can because this is the simplest way and the most undemanding." But he clings to hope that TV will "continue its struggle to become an art form rather than a canning factory" . . . "Strong upbeat" in local live shows is reported in *Billboard's* special Nov. 25 live programming section. Survey revealed local live shows account for more than 1/10 of program time on average station, that more than 60% of stations are airing same amount or more local live fare than last year . . . Rave notice on editorial page of Nov. 24 *N. Y. Herald Tribune* was won by NBC-TV's *The Innocent Years* documentary. "Seldom has the medium of TV been used to finer purpose" . . . Another Sputnik first: Nashville's WSM-TV claims first live pickup of Sputnik I's launching rocket 5:12-5:14 p.m. Nov. 25.

"Rating Madness" is analyzed in Nov. 23 *Sponsor*, senior editor Alfred J. Jaffe concluding ratings are generally misunderstood, misused, and "don't tell advertisers enough about what they want to know."

Top 10 TV-Radio Agencies: McCann-Erickson leads ad agencies this year in broadcast billings with \$103,000,000, moving up from No. 3 position in 1956 (Vol. 12:50), according to 6th annual survey of 50 leading agencies by Nov. 25 *Broadcasting*. Its total TV billings are \$91,000,000; total radio, \$12,000,000. Other agencies in top 10: Young & Rubicam, \$100,000,000 (\$85,000,000 TV, \$15,000,000 radio); J. Walter Thompson, \$92,000,000 (\$80,000,000 & \$12,000,000); BBDO, \$85,000,000 (\$71,000,000 & \$14,000,000); Ted Bates, \$76,500,000 (\$69,500,000 & \$7,000,000); Benton & Bowles, \$54,500,000 (\$51,500,000 & \$3,000,000); Leo Burnett, \$49,000,000 (\$43,000,000 & \$6,000,000); Dancer-Fitzgerald-Sample, \$47,000,000 (\$39,500,000 & \$7,500,000); Compton, \$42,000,000 (\$39,900,000 & \$2,100,000); Foote, Cone & Belding, \$40,000,000 (\$33,300,000 & \$6,700,000). Meanwhile, Nov. 27 *Variety* predicts that J. Walter Thompson will move next year to "top of the agency heap" with \$110,000,000 in TV-radio billings. Story by George Rosen credits new "one big umbrella" policy, plus TV program diversification, plus such buys as *The Real McCoys* on ABC-TV, with putting Thompson "back in harness" after couple of "rough" years.

TV announcers are key figures in corporate marketing & public relations but aren't being exploited sufficiently by sponsors, management consultant George F. Foley told N. Y. Sales Executives Club this week. Urging management to cash in on what he said was box-office value of announcers as corporate personifications, he said they should be used under long-term contracts not only for commercials but in other sales and public & employe relations promotion.

Suit for \$50,000 damages against A. C. Nielsen Co., charging that "false & misleading" figures were published in its NCS No. 2 survey, has been filed by radio WLEA, Hornell, N. Y. Also named defendant in action was radio WWHG, Hornell, complaint alleging that it circulated purported Nielsen report indicating that WWHG had listening audience 100% larger than WLEA's.

Community educational TV project in N. Y. was inaugurated Nov. 25 by CCC-TV (Chelsea Closed Circuit), programs linking P. S. 33, neighborhood settlement house, city housing development & health center in experiment intended to raise area's cultural level (Vol. 13:29). TV system on Ch. 6, financed by 3-year grant of \$215,000 from Ford Foundation's Fund for the Advancement of Education, covers 1000 school pupils, more than 2000 parents and other members of West Side community, which has large Negro & Puerto Rican population. First-day shows included science & language lessons, cha-cha band at Hudson Guild Neighborhood House, using 9 cameras at 7 originating points in 4-block community. Sponsors are Guild, Board of Education, Harvard U's Language Research.

TV gets special treatment—but not searching study—in Dec. *Atlantic* and Dec. *Cosmopolitan*. Mass communications section in *Atlantic*, one of "jubilee" issues celebrating magazine's 100th anniversary (Vol. 13:40), includes articles on "Motion Pictures & Pay TV" by Mervyn LeRoy, "The Vanishing Comedian" by Steve Allen, "The Birth of Radio Drama" by Richard Hughes. Section also covers press, book publishing, music, painting, schools, photography. TV section in *Cosmopolitan* includes "The Spectre of Pay TV" by Eugene D. Fleming, "Treasure Chest or Idiot Box?" by Maurice Zolotow, "What You Can't See on TV" by Mel Heimer.

MBS will raise rates first of year, pres. Paul Roberts told press conference Nov. 25 in N. Y., calling present rates "absurdly low." He said amount of increase hadn't been determined. At same time, Roberts reported that 7 a. m.-midnight schedule will be extended to 2 a. m. Jan. 1, indicating change may be forerunner of 24-hour operation. He said new deal with RKO Teleradio in take-over of Don Lec Network (Vol. 13:46) includes assumption by MBS of \$250,000 live costs, plus \$200,000 programming & facilities costs per year.

New and Upcoming Stations: WHDH-TV, Boston (Ch. 5) began operation Nov. 26 as city's fourth vhf and third commercial station, giving ABC-TV its long-sought basic affiliate in that city, and bringing on-air total to 519 (91 uhf). WHDH-TV has two 10-kw RCA transmitters (one standby) and 1082-ft. Ideco tower with 12-section antenna at Newton, Mass. Owner is *Boston Herald-Traveler* (WHDH)—Robert B. Choate, pres.; Wm. B. McGrath, v.p. & managing director; Alexander Tanger, from WHDH, v.p. in charge of sales; David Abbott, ex-regional sales mgr. for Official Films, N. Y. national commercial mgr.; Les Arries Jr., ex-mgr. of WTTG, Washington, director of TV; Joe Levine, from *Herald-Traveler*, news editor; Phillip Baldwin, from WHDH, chief engineer. Base hour is \$2500. Rep is Blair-TV.

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

KDUL-TV, Hay Springs, Neb. (Ch. 4), planned satellite of parent KOTA-TV, Rapid City, S.D. (Ch. 3) 100-mi. away, is installing 6-kw RCA transmitter, has 25-kw Standard Electronics amplifier due shortly, plans Dec. 15 test patterns, Dec. 18 programming, writes KOTA-TV business mgr. Wm. F. Turner. It's also installing 6-bay RCA antenna on 500-ft. Ideco tower. George Jelinek, ex-KHOL-TV, Kearney-Holdrege, Neb. will be chief engineer in charge. KOTA-TV plans to raise base hour to \$200 in Dec. Rep is Headley-Reed.

CFCL-TV-1, Kapuskasing, Ont. (Ch. 3) has 15-watt Canadian GE transmitter, plans to begin programming shortly as satellite of CFCL-TV, Timmins, Ont. (Ch. 6), reports owner J. Conrad Lavigne. It will use 200-ft. tower. Station will operate as repeater, have no studios of own. Lavigne's other satellite, CFCL-TV-2, Elk Lake, Ont. (Ch. 2) has ordered Canadian GE transmitter for mid-April delivery, hopes to begin programming in mid-May, although construction hasn't begun as yet. It will use 400-ft. Wind Turbine tower. CFCL-TV base hour is \$180. Reps are McGillvra, Paul Mulvihill & John N. Hunt.

End of 'Written Hearings'? FCC attorneys and bar groups moved another step this week toward streamlining Commission rules—a project several years a-borning. Major change in prospect: Elimination of requirement of "written direct case," thereafter permitting parties in competitive broadcast hearings to choose own method of presentation. Recommendations should be up for Commission approval within a few weeks. FCC activity is headed by assoc. gen. counsel Edgar W. Holtz, Federal Communications Bar Assn. committee by Benedict P. Cottone, American Bar Assn. committee by Arthur W. Scharfeld.

U. S.-Mexican border uhf negotiations (Vol. 13:47) concluded this week and conferees are now submitting results to respective Govts. Negotiators report "no major changes" were made but that both sides had to take a few higher numbered channels to get desired total of channels in some border cities.

Protest of St. Louis Amusement Co., one-time Ch. 11 applicant, against CBS purchase of KWK-TV, etc. (Vol. 13:44), was dismissed this week, FCC stating protestant

CJFB-TV, Swift Current, Sask. (Ch. 5) has studio-transmitter building ready for 5-kw Canadian GE transmitter due Nov. 30, plans test patterns by Dec. 4, programming about Dec. 7, reports pres.-gen. mgr. & technical director Wm. D. Forst. It has 325-ft. Utility Tower completed, plans to install 3-bay batwing antenna Dec. 2. Walter S. Buffam has been named sales mgr. Base hour will be \$120. Reps are Forjoe and TV Representatives Ltd.

Translator starts: K76AE, La Grande, Ore. began Nov. 21 repeating KXLY-TV, Spokane; K71AF, Cedarville, Cal. Nov. 20 with KOLO-TV, Reno; K71AG, Cottage Grove, Ore. Nov. 20 with KVAL-TV, Eugene, Ore., followed by K74AJ Nov. 21 with KGW-TV, Portland and K77AH Nov. 23 with KOIN-TV, Portland; K71AI, K75AG & K79AC, Evanston, Wyo. Nov. 23 with KUTV, KTVT, & KSL-TV, Salt Lake City.

DuMont's WTTG, Washington (Ch. 5) will take over studios and equipment of NBC's WRC-TV (Ch. 4) at uptown Sheraton Park Hotel after latter moves to new TV-radio center early next year. DuMont notified FCC this week that it is paying \$150,000 for WRC-TV's tower, antenna & transmitting equipment and an additional \$57,500 to RCA for driver & sideband filter, plus expenditure of \$25,000 for conversion from Ch. 4 to 5.

Equipment shipments by RCA this week: 6-kw transmitter to KOB-TV, Albuquerque (Ch. 4); traveling wave antenna to upcoming KHGL-TV, Billings, Mont. (Ch. 8)—both shipments Oct. 29. Sarkes Tarzian Inc. reports delivery of complete studio equipment to upcoming KXLJ-TV, Helena, Mont. (Ch. 2), and vidicon camera equipment to upcoming WBPZ-TV, Lock Haven, Pa. (Ch. 32).

New \$750,000 studios for WMCT & WMC, Memphis, will be built on Union Ave. by Scripps-Howard, with occupancy scheduled for fall 1958. Present studios in Goodwyn Institute Bldg. were designed for radio only.

KFAR-TV, Fairbanks (Ch. 2) went off air Nov. 23 when explosion and fire caused extensive damage, it notified FCC, reporting repairs will take 30 to 60 days.

WCDA, Albany, switches from uhf to vhf Dec. 1—Ch. 41 to Ch. 10—also changing call to WTEN.

Foto-Video Labs is expanding with new 10,000-sq. ft. plant in Cedar Grove, N. J.

had no standing, presented no facts to back up claims.

Ordering further hearing on Texas Tech's CP for Ch. 5, Lubbock, Commission said it wanted to determine whether funds donated by KDUB-TV & KCBT-TV, Lubbock, preclude college from going commercial, and to look into circumstances surrounding dropout of C. L. Trigg from competition with Texas Tech; he received \$25,000 for expenses.

KBAS-TV, Ephrata, Wash. was granted change from Ch. 43 to 16, while sole CP authorized was for Ch. 76 translator in Eureka, Nev. [For details, see *TV Addenda 25-R* herewith.]

Commission turned down extensive uhf channel shifts in New England, sought by WWLP, Springfield, Mass. (Ch. 22) for purpose of building more translators (Vol. 13:41). One petition for rule-making was filed, Continental Telecasting Corp. requesting assignment of Ch. 58 to Los Angeles-Pasadena.

Request of KBEE, Modesto, for permission to identify itself as "K B Double E" was denied by FCC this week on ground it "would tend to create confusion."

Zenith Toll Franchises Soon? While pay-TV proponents Skiatron and Telemeter appear to have deserted broadcast subscription-TV field in their concentration on wired toll systems—at least for time being—Zenith spokesmen hint that franchise agreements with prospective fee-TV broadcasters may be imminent. One Zenith source says company has reached “areas of general agreement with people who will be applicants.”

Zenith attorney G. P. Sletteland told a Cal. legislative investigating committee that RKO Telemeter's KHJ-TV, Los Angeles, and upcoming San Francisco uhf outlet KBAY-TV were among state's stations which want to use Zenith's pay-TV system.

Subject of Cal. legislative inquiry was wired pay-TV franchises. During hearings in San Francisco, committee chairman—Assemblyman Louis Francis—expressed opinion that city and county wired TV franchises were worthless, since telephone company facilities will probably be used for closed-circuit TV, and telephone transmission is subject to state public utility regulation. As authority for his statement, he quoted opinion by state legislative counsel Ralph Kleps.

Pacific Telephone Co. asst. v.p. George Gitchell told inquiry that his company has made no decision about wired pay TV, that it has “made no agreements, made no specific proposals and hasn't discussed charges.” Decision will have to be made by parent AT&T in N. Y., he added. He

Assn. of Maximum Service Telecasters board meets in Tulsa Dec. 6, many members attending dedication of new KVOO-TV (Ch. 2) studios day before at invitation of KVOO-TV pres. Harold C. Stuart, AMST board member. Some will then inspect Bartlesville cable-theatre operation. Technical committee meets Dec. 5 to discuss progress of mobile units—one now in Fresno, other winding up Madison measurements. Report of Baton Rouge studies is due to go to TASO shortly.

One application for TV station and 2 for translators were filed with FCC this week, bringing total to 119 (33 uhf) for stations, 27 for translators. Station application was for McCook, Neb., Ch. 8 satellite by owners of KCKT, Great Bend, Kan. Translator applications were for combined communities of Romeo-La Jara-Manassa, Colo. and Palmerton-Slatedale-Slatingdon, Pa. [For details, see *TV Addenda 25-R* herewith.]

AT&T will provide 2 more microwave circuits to relay delayed video tape feed to Cincinnati-Detroit-Huntington area during Daylight Time, according to Lawrence H. (Bud) Rogers, WSAZ-TV, Huntington, W. Va. and chairman of DST subcommittee of NBC affiliates. He said final details will be cleaned up at Dec. 4 meeting with AT&T, insuring entire NBC network will eliminate DST schedule changes in all Standard Time zones (Vol. 13:45).

Closed-circuit educational TV as means of filling U. S. need for scientists and technicians is urged again by publisher Hugo Gernsback in Dec. *Radio-Electronics* editorial. He suggests Govt. finance and build nationwide closed-circuit network, tying together all schools and colleges.

There were 81,000 jobs in TV-radio broadcasting in 1955, reports Dec. *Changing Times*, *The Kiplinger Magazine*, and these should increase 27% by 1965 and 65% by 1975. Source isn't stated, but this was one of 35 industries listed in article “The Coming Boom in Good Jobs.”

did say his company had persuaded Skiatron to give up its plan to use “open wire” instead of coaxial cable.

Skiatron, which still must prove its financial responsibility to San Francisco finance committee, reportedly is negotiating with Robert Lurie, son of San Francisco financier Louis Lurie, to head up franchise operations in northern Cal. with Lurie organizations to invest heavily (\$10 for each TV set in area to be served). Skiatron Electronics pres. Arthur Levey, meanwhile, notified stockholders he had sold 40,900 shares in company in order to raise money needed by Skiatron TV Corp. (Matty Fox) in prosecuting franchise applications.

Some community antenna operators report having received letter from Bernard L. Goldenberg of Selectivision Inc., another wired pay-TV proponent, offering them “package plan whereby you are required to expend no money and derive extra income through your present facilities” through conversion to toll-TV operation. Selectivision claims to have deals with 2 big theatre chains in N. Y. state. Mgr. Richard Berner of Elmwood Theatre, Elmhurst, Queens, said this week that he has signed for cable theatre operation with Selectivision, and that plans are well under way for the operation, with equipment to be ordered from Hallamore div. of Siegler Corp.

In Washington, new group called American Citizens Television Committee Inc. (ACT) reported itself organized by “a group of executives” for purpose of “preserving and improving our present system of free TV.” Principal organizers of the anti-subscription group (1010 Vermont Ave., NW) include public relations man Warren Adler and attorney Harvey Rosenberg.

Juror was disqualified in D. C. District Court Nov. 26 because she heard part of “Flight” on NBC-TV's *Suspicion* night before, when dramatic show's plot involved abduction of opponent of Latin American dictator. Judge James R. Kirkland excused Mrs. Robert Lyons from jury in trial of ex-FBI agent John J. Frank, accused of failing to register as agent of Dominican Republic, after she admitted she caught snatches of show on WRC-TV, Washington. He had previously warned jurors to avoid any discussion of case outside courtroom. TV drama didn't “bear on the case but had a relation to it,” judge said, replacing Mrs. Lyons with alternate juror.

Scent track for movies, presumably also for TV, appears just around the corner—again. Swiss inventor Hans Laube has obtained U. S. patent for “Scentovision”—its development financed by Stanley Warner theatre chain, exploitation planned by Scentovision Corp. (Len Ruskin, pres.), 15 W. 44th St., N. Y. In system, film track activates spray mechanism, and inventor claims problem of scent persistence has been solved. Also granted was patent to famed inventor Dr. Lee DeForest for automatic phone-dialing device activated by punch cards.

Defiance of TV ban in Miami courthouse by cameramen Ben Silver of WCKT & Robert Brumfield of WTVJ brought contempt-of-court fines of \$25 against each Nov. 22 from Circuit Judge Vincent Giblin. They planned to appeal convictions in test of Giblin's instructions that no pictures of rape defendant should be taken in courtroom or corridors. Judge agreed that “matter should go on for further decision, possibly to the Supreme Court itself.”

NARTB pres. Harold E. Fellows addresses Dec. 10 Federal Communications Bar Assn. luncheon in Washington's Willard Hotel—topic to be selected.

Add cable-theatre applications: Circle Theatre, for New Kensington & Lower Burrell, Pa.; Park Theatre, El Sobrante, Cal.; Rio Theatre, Rodeo, Cal.

WHAT THEY'LL BE FEATURING IN 1959 TV LINES: Though set manufacturers talk more freely about 1969 developments than 1959, first whisperings of selling feature trends in spring lines of portables indicate a push to sculpturing back of cabinet -- following Philco's treatment of current "Seventeen-er." Drive for slimness has one manufacturer contouring rear lines to fit tube neck as closely as component space and air circulation will permit. Straight sides are foreshortened so that a good product-picture-angle gives set illusion of only 6-in. "depth."

Contouring has makers looking harder at heavier plastics, at fiber glass already marketed in Sears Roebuck and Packard-Bell portables -- and in Motorola's current portable phonographs.

Short, short neck 90-degree tubes will be appearing in spring lines to be introduced in March and April next year. Early debuts follow pattern set by portable radio's push for vacation -- second season -- business.

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At June markets, 1959 consoles will be pitching quality of sound -- in hi-fi trappings -- to go with continued furniture styling at the high end. Power output will be increased to approach hi-fi wattages. TV sets will have more speakers, better ones, bigger ones. Jacks and hi-fi type tone controls will permit rigging TV as hi-fi set with added expense of changer only. Advertising and selling-floor console pitches will draw even more heavily on hi-fi jargon than this year.

Looking beyond next year, there's talk of lengthening life of receiving tubes -- cutting shock factor -- by leaving set on all the time at very low wattage. Tuning will mean merely bringing up sound and picture.

Seen by some are 140-degree tubes, though dissenters say further shortening of neck brings imbalance factor -- sets may tip over. Extending view a few more years, there are flat-tube men who see neck not only shortened to stub, but moved to top or bottom edge. One major maker has cut arrival of flat tube to 5 years.

Most radical innovations were seen by recent speaker at EIA quarterly meeting in N.Y. Comdr. George Hoover, Navy researcher already using flat tube in jet flying experiments, showed new developments in miniaturization -- computer components no bigger than vitamin pills. Next step, he said, was substitution of microscopic materials performing same function as components. Applied to TV, he said, brushing cost aside, these -- and their wire circuits now printed on plastic boards -- could be silk-screen printed on backs or edges of flat tube. Flat tube is already here, he said. Its use in home TV is but 3 years away, he feels, disagreeing with most set makers. "It is now only a matter of glass engineering."

DISTRIBUTOR SALES UP, PRODUCTION DOWN: Nov. was a decent month compared with last year, on basis of preliminary figures showing TV production of about 575,000 vs. 580,000 in Nov. 1956, distributor sales of 650,000 vs. 630,000.

Only fly in ointment -- and that a very small one -- was increase in factory and distributor inventory to 1,800,000 compared with 1,600,000 last Nov. However, industry statisticians describe it as a "rather snug situation inventory-wise."

Retail inventories last year forced heavy production curtailment in Nov.-Dec. These rose from 783,000 at end of Aug. to over 1,000,000 at end of Oct., while this year the Aug. figure was about 800,000, rising to 950,000 at end of Oct.

TV Week Evaluated: Set manufacturers generally feel TV Week promotion was well handled, according to reactions we obtained last week at EIA quarterly meeting in N.Y. They stated that distributor-dealer participation was better than ever -- and they applauded the effort -- despite fact sales were soft in Sept. (Vol. 13:36).

"We can't claim National TV Week sold a great number of sets," said one. This was buttressed by statistical report submitted to consumer products div. which showed 50 markets selected for test did not go above national average, based on distributor sales to dealers. However, it's likely EIA will continue to support effort since broadcasters now have thrown full weight behind project.

NARDA exec. director A.W. Bernsohn told us effect of TV Week is in direct proportion to local support. Many markets had successful program, he said, but no national pattern emerged.

NARTB continued enthusiastic, spokesman saying this year's observance "demonstrated great potential industry has for telling TV's contributions to the nation." He gave particular credit to "Reports to the People" -- an on-air "open house" showing how station operates. Much more of the same is planned next year, he said, adding that "cumulative credit can't help but be helpful to the industry."

Production: TV output was 134,179 for week ended Nov. 22 vs. 138,831 the preceding week and 145,234 in 1956 week. At end of 47th week, TV production totaled about 5,813,000 vs. 6,760,045 last year. Radio production was 455,779 (158,655 auto) for week ended Nov. 22 vs. 390,435 (120,234 auto) the preceding week and 320,386 (153,127 auto) the 1956 week. By 47th week, radio production totaled about 13,633,000 (4,924,848 auto) vs. 12,266,591 (4,217,050 auto) in 1956.

Trade Personals: Wm. J. Nagy promoted to gen. sales mgr., Philco accessory div. . . V. M. Stilson, ex-Erie Resistor, appointed Admiral molded products div. v.p. & gen. mgr. . . Richard L. Snyder, ex-radio tube div., promoted to mgr. of Sylvania Woburn, Mass. semiconductor plant . . . Walter Fleck named mfg. mgr., Bath, N. Y. plant of Westinghouse electronic tube div.; Donald Denlinger named production supt. . . Wm. J. Lehner named automation engineering mgr., Sylvania TV-radio div., succeeding Carl Carlzen, resigned . . . James F. White, national sales director of Columbia Records phono dept., resigns . . . John Ridley named to new post as asst. to pres. of Majestic International . . . Wm. Wennerberg named head of new Electro-Voice marketing research div.

High public service: Disclosed by White House this week as members of top-level committee submitting still "highly classified" report on national defense to President Eisenhower were these figures from electronics industries: Robert S. Sprague, Sprague Electric Co.; Dr. Hector R. Skifter, Airborne Instrument Labs (onetime chief engineer of KSTP, St. Paul); Dr. Robert C. Prim, Bell Labs. Heading the 11-man panel was H. Rowan Gaither Jr., ex-chairman of Ford Foundation. Among panel's advisors were Adm. Robert B. Carney, retired chief of naval operations, now with Westinghouse; Dr. Mervin J. Kelly & Dr. James B. Fisk, Bell Labs; Dr. Frank Stanton, CBS.

Electronics scientists are prominent on 17-man committee named this week by President Eisenhower to advise him on scientific matters. It includes: Dr. James R. Killian, President's top advisor on scientific matters; Dr. Lloyd V. Berkner, Associated Universities Inc.; Dr. Wm. O. Baker & Dr. James B. Fisk, Bell Labs; Dr. James B. Wiesner, MIT.

BDSA adds 45 men to Commerce Dept.'s National Defense Executive Reserve, including: Robert H. Merrill & Eubert F. Taggart, GE; Arthur F. Gibson, Stromberg-Carlson; Kenneth H. MacGibbon, Western Union.

Robert W. Galvin, Motorola pres., is chairman of Jan. 20 \$100 plate GOP dinner in Chicago.

John A. Watson, ex-Maytag, appointed to new post of mdse. mgr., Hotpoint Appliance Sales Co., N. Y.

GE's Baker—Retired But Active: Distinguished Dr. W. R. G. Baker, stepping down as GE v.p. on 65th birthday Nov. 30, shows little letup in activity—despite stroke suffered in June—becoming Syracuse U v.p. in charge of contract research program while retaining EIA presidency.

Baker served GE 34 years, became internationally known for administrative and technical contributions to electronics. Probably best known were his organization and direction of 2 National TV System Committees—1941 for black-&-white standards, 1953 for color.

Already recipient of IRE and EIA medals of honor, he's to get IRE Founder's Award in March—only the 4th time it's been given out since IRE started in 1912.

Zenith's smart promotion: All Stockholders of publicity-wise Zenith Radio Corp. this week received packet of 8 brochures and folders, all in color illustrating lines of TVs, radios, hi-fi, hearing aids, even subsidiary Win-charger's power plants—and were urged to patronize products and tell friends. Never missing an opportunity to rub it into the telecasters, with whom Zenith has carried on a running feud that began even before it started plumping for pay TV, covering letter calls special attention to remote TV tuner, calling it a "tranquilizer" and "relaxer" because it enables viewers to "shop what is on the other channels . . . to erase irritating programs and commercials without walking to the set."

Motorola starts series of distributor meetings Dec. 6 in Chicago, 9 others to be held following week in various parts of country. Two teams of Motorola executives, headed by consumer products exec. v.p. Edward R. Taylor and consumer products marketing v.p. S. R. Herkes, will conduct meetings. Main business is introduction of new auto radio line with Motorola label and discussion of alternate promotional plans for TV-radio-phonos in first quarter.

Price index of TV sets is listed in current BLS Consumer Price Index at 90.2 (Dec. 1952 equals 100).

Topics & Trends of TV Trade: "End to profitless scramble" is sought by TV-appliance field, says Henry Brief in long state-of-the-business series in *Home Furnishings Daily* this week. Samples:

On distributors: "Feeling is that the number of distributors will be further pared by a combination of financial insolvency, replacement by branches or direct sales setups . . . It is also anticipated that the immediate future will bring a more intense scramble among manufacturers for the more stable independents . . . The lot of distributors is expected to become settled and profitable enough to attract renewed interest and new blood [but] many of today's distributors may not be around to see that day."

On distribution: "A Cleveland newspaper recently published a study of TV-appliance trends in a 30-county Ohio area [showing] that 9% of the dealers did 55% of the TV volume."

On small dealers: "The industry is pushing inexorably toward exclusive one-line agency stores . . . A full-bloom drive toward [this] is 18 months to 3 years away."

On battle for survival: "In this evolutionary period, some manufacturers are seeking to prosper, other to survive. [The shakeout] is far from over."

* * * *

Color Brightness: RCA is adjusting factory stock of "700 Series" color sets for maximum brightness, also installing dark safety glass aimed particularly to improve dealer demonstrations. Adjustment is being made only on controls under front panel, no circuits changed; RCA is supplying glass free to distributors. Spokesman reports brightness change depends on previous control setting—some sets are now at maximum—and that little difference will be noted under average home conditions. Question of adjusting sets in public's hands is left up to distributor.

Color TV sales in Colo. totaled 875 through Nov. 1 vs. 751 in 1956, Kansas City sales 236 in Oct., bringing cumulative count to 2605—according to local electric assns.

"High Fidelity Facts and Fallacies" titles talk by Frank H. Slaymaker, Stromberg-Carlson electro-acoustics research mgr., before AIEE Del. Bay section, Delaware Hospital, Wilmington, Dec. 2.

Great Britain's TV set licenses totaled 7,398,185 Sept. 30; radio-only, 7,269,256.

ELECTRONICS PERSONALS: Col. Robert L. Salzarulo named director of procurement & production at Dayton Air Force Depot . . . Dr. Robert M. Page appointed director of research, Naval Research Lab . . . Joseph H. Tippets, CAA Office of Air Navigation Facilities director, elected vice-chairman of Radio Technical Commission for Aeronautics . . . Henry H. Scudder elected International Standard Electric pres., replacing Edmond H. Leavey, pres. of parent IT&T, who had held both posts . . . Joseph F. Degen named mfg. v.p. of Weston Electrical Instrument, a Daystrom subsidiary . . . David D. Mason, v.p. & asst. gen. mgr. of Link Aviation (General Precision subsidiary) elected a director of Link . . . Irving E. Shemald, ex-Arms Textile, named mgr. of Raytheon Hooksett, N. H. plant.

IRE convention, expected to attract 55,000, will be held March 24-27 at Waldorf-Astoria Hotel and N. Y. Coliseum.

EIA Set Shipment Report: TV shipments to dealers for first 9 months totaled 4,249,775 according to EIA—while production was 4,589,165 and retail sales were 4,452,081 vs. dealer shipments of 4,578,983, set production of 5,259,271 & retail sales of 4,603,626 in 1956 period. Sept. shipments were 789,675, production 832,631, retail sales 705,247 vs. shipments of 827,873, production 894,211, retail sales 763,908 last year. Following shows cumulative TV shipments to dealers by states for first 9 months (county-by-county table available to EIA members):

State	Total	State	Total
Alabama	61,066	New Jersey	155,420
Arizona	26,446	New Mexico	16,930
Arkansas	36,045	New York	500,353
California	421,641	North Carolina	84,327
Colorado	34,324	North Dakota	14,529
Connecticut	69,346	Ohio	237,195
Delaware	9,899	Oklahoma	46,908
District of Columbia	44,770	Oregon	42,565
Florida	145,657	Pennsylvania	291,539
Georgia	83,476	Rhode Island	22,904
Idaho	13,183	South Carolina	33,905
Illinois	255,795	South Dakota	14,930
Indiana	105,874	Tennessee	70,256
Iowa	47,489	Texas	228,081
Kansas	48,863	Utah	17,931
Kentucky	70,057	Vermont	8,635
Louisiana	77,693	Virginia	68,172
Maine	23,566	Washington	64,229
Maryland	58,315	West Virginia	43,478
Massachusetts	128,059	Wisconsin	73,925
Michigan	162,562	Wyoming	8,393
Minnesota	65,002		
Mississippi	35,741	U. S. TOTAL	4,238,473
Missouri	100,059	Alaska	2,887
Montana	19,673	Hawaii	8,415
Nebraska	31,207		
Nevada	6,747	GRAND TOTAL	4,249,775
New Hampshire	11,313		

Fair Trade Help for Hi-Fi? Hi-fi component makers, seeking hedge against package manufacturer competition, emphasized advantages of fair trade during meeting of Audio Components Distributors Assn. in Los Angeles last week, and those attending registered strong support. Now fair traded in Cal. are Electro-Voice, Harman-Kardon, Altec-Lansing, Fisher, McIntosh & Concertone, to be joined shortly by Jim Lansing—while others study idea. Irving Stern, Electro-Voice rep, warned that competition is such that "without support of fair trade pricing, audio components are quite possibly doomed to steady deterioration. Five years ago [the] gap between sound of a good [component] system and the best package was so wide there was no comparison. Today, however, the package manufacturer is putting good components into his product and the gap is gradually narrowing. [Component dealers] must have full margins to survive."

RCA holds quarterly sales meeting in Chalfonte-Haddon Hall Hotel, Atlantic City, Dec. 2-4 for radio & phono, Dec. 5-7 for TV—for field reps and regional mgrs. No new TV models are being introduced.

Military electronics spending hit record \$3.5 billion in year ended June 30, reports EIA on basis of new formula which extracts military electronics spending from all major defense procurement categories. Total in 1956 was \$2.8 billion. Fourth quarter comparison shows \$1 billion in quarter ended June 30 vs. \$772,000,000 in 1956 period. EIA breakdown: 1957 guided missiles, \$1.108 billion vs. \$628,000,000 in 1956; aircraft, \$1.083 billion vs. \$999,000,000; electronics & communications, \$880,000,000 vs. \$771,000,000; research & development, \$303,000,000 vs. \$267,000,000; ships & harbor craft, \$81,000,000 vs. \$79,000,000; miscellaneous, \$41,000,000 vs. \$48,000,000; combat vehicles, \$7,000,000 vs. \$4,000,000; support vehicles, \$3,000,000 vs. \$6,000,000.

Jefferson Electric Co. buys assets of Electronic Products Corp., Santa Barbara, Cal. for \$579,000, according to Jefferson pres. Edward J. Brennan.

Fund Portfolio Changes: Television-Electronics Fund reports net assets of \$135,100,234 and 13,038,227 shares outstanding in fiscal year ended Oct. 31 vs. \$132,618,446 and 11,083,609 year earlier. During 4th quarter these were changes in its portfolio:

New stocks added: 700 shares Dictaphone, market value \$28,000; 25,700 Statham Instruments, \$250,575. Also added were \$500,000 worth of General Tire & Rubber 6% subordinate debentures, due 1982; \$300,000 Sperry-Rand 5½% sinking fund debentures, due 1982; \$214,000 Thompson Products 4½% convertible debentures, due 1982.

Stocks eliminated: 3900 Aircraft Radio, market value \$81,900; 12,800 Borg-Warner, \$508,800; 12,800 Emerson Radio, \$80,000; 8530 Federal Sign & Signal, \$200,455; 1900 Sangamo Electric, \$71,488; 14,000 Western Union, \$259,000.

Holdings were increased in ACF Industries, Addressograph-Multigraph, Allegheny Ludlum, American Chain & Cable, American Machine & Foundry, Amphenol, Babcock & Wilcox, Barry Controls "B," Burroughs, Carborundum, Carrier, Clark Controlier, Cornell-Dubilier, Curtiss-Wright, Dresser Industries, Emerson Electric, Fansteel Metallurgical, GM, General Precision Equipment, General Tire & Rubber, G. M. Giannini, Harris-Intertype, Hazeltine, Hoffman Electronics, IT&T, Magnavox, P. R. Mallory, Marchant Calculators, Minneapolis-Honeywell, Minn. Mining & Mfg., National Acme, National Cash Register, Otis Elevator, Philco, Robertshaw-Fulton Controls, Royal McBee, Ryan Aeronautical, Servomechanisms, Stewart-Warner, Storer Bcstg., Sylvania, Taylor Instrument, Texas Instruments, Tung-Sol, United-Carr Fastener, United Utilities, Varian Assoc., Walt Disney Productions, Westinghouse Electric, Zenith.

Part of holdings were sold in Allis-Chalmers, Ampex, Beckman Instruments, Bendix Aviation, Boeing Airplane, Cincinnati Milling Machine, CBS "A," Columbia Pictures, Consolidated Electrodynamics, Cutler-Hammer, Eastern Industries, Eastman Kodak, Eaton Mfg., Electronic Assoc., Elgin National Watch, General Dynamics, General Telephone, Goodyear Tire & Rubber, Hammond Organ, Indiana Steel Products, International Nickel, Liquidometer, Litton Industries, Martin Co., W. L. Maxson, Mergenthaler Linotype, Motorola, Neptune Meter, Oak Mfg., Reliance Electric & Engineering, Sperry-Rand, Square D.

Unchanged during quarter were holdings in Admiral, Aerojet-General, American Bosch Arma, AB-PT, AT&T, Bell & Gossett, Bullard, Bulova, Chance Vought, Clevite, Conrac, Consolidated Electronics Industries, Corning Glass, Douglas Aircraft, DuMont Labs "A," du Pont, Eitel-McCullough, Ex-Cell-O, Food Machinery & Chemical, Friden Calculating, Garrett Corp., General Bronze, GE, General Mills, General Railway Signal, Globe-Union, Industrial Electronics, IBM, Johnson Service, Leeds & Northrup, Lockheed Aircraft, Machlett Labs, North American Aviation, Northrop Aircraft, Paramount Pictures, Penn Controls, Pullman, RCA, Sprague Electric, Technicolor, TelAutograph, Telecomputing, TV Assoc., Thompson Products, 20th Century-Fox, United Aircraft, Vitro, Westinghouse Air Brake.

[For status preceding quarter, see Vol. 13:36.]

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Whirlpool Corp. 9-mo. net sales rose to \$323,707,129 from \$285,201,441 in 1956 period, with net income after taxes down to \$10,406,981 (\$1.61 per share) vs. \$10,577,328 (\$1.64). Third quarter sales were \$112,390,003 vs. \$103,036,687; earnings \$4,258,901 (66¢) vs. \$4,051,073 (63¢). Wrote pres. Elisha Gray to stockholders Nov. 20: "As this is written, it appears that the improvement shown in the third quarter will not continue through the fourth quarter. However, in the face of industry conditions which continue to show a unit sales decrease of 15.5% for the year to date, our performance of increasing unit sales by 5.5% is an indication of the continued relative strength of our products in the market place. While some of our sales increase has been due to new products introduced this year, our share of the market for our other products has shown increases."

Zenith proposes 2-for-1 common stock split to be voted at early 1958 special meeting, declares special \$2 dividend payable Jan. 31 to Jan. 15 holders, partly reflecting recent RCA anti-trust settlement (Vol. 13:38), declares usual 75¢ quarterly dividend and extra \$2, both payable Dec. 27 to Dec. 15 holders. At 2-for-1 approval meeting, vote will also be taken on plan to incorporate company in Del. instead of Ill.

Twentieth Century-Fox reports consolidated net income of \$5,623,858 (\$2.13 per share) in 39 weeks ended Sept. 28 vs. \$3,182,099 (\$1.20) year earlier. In 13 weeks ended Sept. 28 earnings were \$1,553,993 (59¢) vs. \$1,024,429 (38¢) in 1956. Gross income in 39 weeks was \$96,556,893, including film rentals of \$89,419,401, vs. \$87,157,860 in 1956, when film rentals were \$77,719,336.

Philco earnings for 1957 are now estimated in excess of \$1 a common share after taxes and preferred dividends (93¾¢), said pres. James M. Skinner Jr. after Nov. 27 board meeting which declared 4% stock dividend on common payable Dec. 27 to holders of record Dec. 9. He added: "Net capital expenditures have been kept within accruing depreciation for the year. These factors, together with substantial reduction in inventories, have enabled the company to retire, as of Oct. 31, 1957, all of its outstanding bank loans for civilian business, which amounted to \$17,500,000 at the beginning of the year. Defense business continues to be financed, as in the past, under its Regulation V Loan." Note: Philco comeback was indicated in 9-mo. report showing net profit of \$3,112,000 (74¢) on sales of \$270,246,000 as against \$1,071,000 (21¢) on \$254,322,000 in 1956 period (Vol. 13:43). Quarterly per-share earnings this year were 11¢, 26¢, 37¢ (Vol. 13:15, 30, 43).

Dividends: Zenith, 75¢ plus \$2 extra, both payable Dec. 27 to stockholders of record Dec. 12, plus \$2 special Jan. 31 to holders Jan. 15; Hoffman Electronics, 25¢ Dec. 31 to holders Dec. 13; Philco, 4% stock Dec. 27 to holders Dec. 9; Amphenol, 30¢ Jan. 31 to holders Jan. 17; Bendix Aviation, 60¢ Dec. 27 to holders Dec. 7; Globe-Union, 30¢ Dec. 12 to holders Dec. 6; Warner Bros., 30¢ Feb. 5 to holders Jan. 17; Audio Devices, 5% stock Dec. 13 to holders Dec. 3; Electronic Assoc., 5% stock Dec. 31 to holders Dec. 9; Gabriel, 15¢ Dec. 16 to holders Dec. 9; GE, 50¢ Jan. 25 to holders Dec. 20; Radio Condenser, 5¢ Dec. 20 to holders Dec. 2; Standard Radio Ltd., 15¢ Jan. 10 to holders Dec. 20.

Westinghouse, with \$49,100,000 9-mo. earnings, rates 29th place on Nov. 30 *Business Week* list of 39 top non-financial companies, bouncing back from 1956 strike-bound \$1,400,000 deficit. GE, with \$183,000,000 9-mo. earnings, is 11th, down from 10th last year. Bell system rates 2nd with \$623,800,000; IBM with \$62,400,000 rates 21st, up from 25th. General Motors, long holder of 1st, dropped to 3rd by Standard Oil (N. J.). Oil put 10 companies on list; steel, 5; auto, 3; chemicals, 3; 2 each for electric power, electrical equipment, nonferrous metals, tobacco, railroads. Chrysler, boomed to 16th from no-listing last year, showing 1551.4% increase in Jan.-Sept. earnings.

American Electronics reports net income of \$487,305 (69¢ per share) for 9 months ended Sept. 30 on sales of \$13,096,152 vs. \$242,425 (47¢) on \$5,946,756 last year. Chairman Phillip W. Zonne said 9-mo. report reflects operations of Atlantic Instrument Corp., Norwood, Mass., acquired April 1, but doesn't reflect Taller & Cooper and Cal-Air Engineering, which were Oct. acquisitions. Zonne said backlog is \$9,500,000, down from \$11,000,000 year ago.

Electro Instruments has asked SEC registration (File 2-13765) of 150,000 shares of \$1 par common to be offered for public sale through underwriting group headed by Bear, Stearns & Co. and Paine, Webber, Jackson & Curtis. Company plans to use \$500,000 of amount raised for San Diego plant now being built and to retire \$163,000 in short term debts. Offering price and underwriting terms are to be announced later.

TPA earned \$894,637 in fiscal year ended July 31, when assets totaled \$12,623,082—no figures given for preceding year. Privately-owned firm had current assets of \$11,006,384, current liabilities of \$5,418,448, working capital of \$5,588,384, according to pres. Milton A. Gordon. He said both domestic & foreign sales represented "major gain" over fiscal 1956.

Varian Assoc. reports earnings of \$736,280 (56¢ per share) for year ended Sept. 30 vs. \$502,578 (42¢) last year.

FCC and Subliminal Ads: Commission believes it has power to control subliminal, or "invisible," commercials on TV, Chairman Doerfer declared in letter to alarmed members of Congress who had urged FCC investigation (Vol. 13:45-47). Also this week, Commission released progress report on its inquiry into the widely publicized advertising technique, stating that "the public interest is not in immediate danger of being affected" and that it is continuing its investigation to determine what steps it must take, if any.

Letter to the lawmakers, excerpts of which were released this week by Sen. Potter (R-Mich.), one of the alarmed Senators, cited 3 sections of Communications Act under which "it seems fair to say that reasonable protections may be available to the public." Sections of the Act specifically mentioned:

Sec. 303, subsections of which give Commission authority to (1) prescribe nature of service to be rendered by each station, (2) regulate apparatus used by stations, (3) study new uses of radio. Sec. 4 (i), which gives FCC "wide authority, to make rules and regulations in carrying out it's functions." Sec. 317, which bars station from broadcasting paid material without identifying "at the time the same is so broadcast," that material has been paid for and who the payer is.

Doerfer's letter explained that while FCC doesn't have censorship power, "at this time it does not appear to be certain that the regulation of this particular technique would necessarily constitute censorship." He added that "matter is in its formative stage" and Commission is still seeking additional facts.

Releasing Doerfer's comments, Potter stated: "I am urging the FCC to stage a demonstration of this amazing device in the near future and they have indicated willingness to do so." Potter said he is disturbed by "ethical questions" raised by subliminal advertising. "The possibilities are certainly unfair to a viewer who isn't even given a chance to exercise sales resistance." Officials of Sub-

liminal Projection Corp., told us last week that if viewer is hostile or indifferent to product advertised, message will be ignored (Vol. 13:47).

FCC's public notice on its subliminal investigation was more non-committal than its letter to the lawmakers. It cited NARTB code board's disapproval of use of the method (Vol. 13:46) as evidence that TV licensees intend to approach problem cautiously. Commission stated that one of the 2 companies promoting the technique (presumably Subliminal Projection Corp.) "has submitted considerable information, has offered to demonstrate the technique on a closed-circuit system and has advised that there has been no demonstration by it on a TV station."

Technique has not been used by networks, Commission stated, adding that it knows of only one station which has experimented with the technique—and "with negative results." Station was presumed to be WTWO, Bangor, Me., which has submitted information on its tests to FCC (Vol. 13:47). FCC said it will continue its study "as expeditiously as possible" and "will take such action as may be warranted."

NARTB has sent 6-page memo on subliminal advertising to its members, outlining research in the field and its implications to broadcasting industry. Does it work? Memo states evidence can't be considered conclusive yet, but "balance would lead in the direction of supporting the view that subliminal perception can take place; i.e., that people respond to and are affected by stimuli so faint that they are not consciously aware of them."

Memo states that further research is necessary to determine whether it works and how well. It notes that use of technique may create serious public relations problem for stations, make necessary new monitoring techniques. It suggests that subliminal commercials might be inserted in film or transcriptions supplied to a station and played on air without station's knowledge.

NARTB memo concludes that "industry should make an effort to anticipate these contingencies and devise a systematic policy to deal with them."

Barrow Report Briefing: Dean Roscoe Barrow of U of Cincinnati Law School will return to Washington in 2 weeks to brief Commissioners and answer their questions about his network study report draft (Vol. 13:40-41). The 3-Commissioner (Doerfer, Hyde, Bartley) Network Study Committee this week held first meeting since staff report was issued and is understood to have decided, in effect, to pass entire report on to full Commission. Full Commission meets on it week of Dec. 16, with Barrow and members of Office of Network Study on hand. In address to Chicago Broadcast Advertising Club this week, Barrow reiterated his view that networks should be made directly responsible to FCC rules. "Power and responsibility go hand in hand," he said, "not weakness and responsibility."

End of CBC's dual role as TV-radio controller and broadcaster was demanded by Canadian Chamber of Commerce representatives in meeting with Cabinet members. They also urged repeal of TV-radio excise tax which supports CBC, asking that Parliament make annual grant to CBC instead.

RTDG Wins NABET Fight: NBC program directors won union jurisdiction hassle with technicians (Vol. 13:45-46) in a binding arbitration decision Nov. 27 by AFL-CIO pres. George Meany, who held Radio & TV Directors Guild members have contract right to give orders directly to members of National Assn. of Broadcast Employees & Technicians. He upheld RTDG's contention that program directors may bypass technical directors on unrehearsed programs and in rehearsals other than dress rehearsals, giving crews production instructions. Decision is effective Jan. 1, permitting 2 unions time to work out details of settlement of issue which had disrupted some NBC-TV shows. Meany said "wholehearted cooperation" is needed for "maintenance of high artistic & technical standards" on TV.

Plea for dismissal of govt. anti-trust suit against RCA-NBC arising from NBC-Westinghouse Cleveland-Philadelphia station swap (Vol. 12:51) was taken under advisement this week by Federal Judge Kirkpatrick after 75-min. hearing in Philadelphia.

Television Digest
with ELECTRONICS REPORTS
WYATT BUILDING, WASHINGTON 5, D. C.

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with **ELECTRONICS REPORTS**

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SUMMARY-INDEX OF THE WEEK'S NEWS — December 7, 1957

NEW YORK REGENTS seek Ch. 13 for metropolitan area educational station, urging FCC reject sale of WATV to NTA for \$3,500,000; legal battle royal looms in new cause celebre (pp. 1 & 6).

STATION-OWNED TV TAPE units now in regular use; Ampex announces color conversion kit at \$29,000, offers recorders on lease basis (p. 2).

STANDARD-TIME REPEATS of network programs via video tape pose monumental problem for AT&T; some areas may be bypassed this summer (p. 3).

10TH VIDEOTOWN SURVEY, intense study of New Brunswick, N. J., shows last year's high viewing plateau maintained with small variations (p. 4).

UHF STATION TOTAL drops by 2 as Albany outlet switches to vhf, discontinues one of 2 satellites. Notes on upcoming stations (p. 7).

VHF CHANNEL SHIFTS sought—to San Antonio by local uhf, to Greensboro, N. C. by Jefferson Standard; Ch. 7 grant in Alexandria, Minn. (p. 7).

NEW WIRED TOLL-TV operation, charging viewers on per-program basis, reported due to start construction in Cal.; other fee-TV notes (p. 8).

SUBLIMINAL AD SHOWING for FCC tentatively planned next month on closed circuit. All 3 networks ban use of "hidden sell" (p. 9).

TV-RADIO AD TAX THREAT beaten back in St. Louis by campaign to halt spread of Baltimore plan, but AFA's Proud warns that danger persists (p. 10).

Manufacturing-Distribution

RADIO SET PRODUCTION in unheralded comeback, with 1957 fourth biggest year in history; phonohi-fi output to hit all-time high (p. 11).

COLOR SERVICE is simple, RCA reports, disclosing it's reaching profitability; spokesman sees color now at 1947 black-&-white level (p. 11).

HOTPOINT REALIGNS all distribution and sales under John F. McDaniel; plans to cut dealers from 14,000 to 9000 (p. 13).

WHY WOO BIGGER DEALERS? Case presented by electronics distributor George Wedemeyer in analysis of cost vs. net in selling smaller accounts (p. 14).

ANOTHER INVESTMENT FUND reports on TV-electronics holdings (p. 15). Interlocking directorships-officerships reported by House committee (p. 14).

DEMAND FOR Ch. 13 MAY BE CAUSE CELEBRE: There's much more than meets the eye in the simple 3-page petition for rule-making filed with the FCC this week by counsel for the Board of Regents of the University of the State of New York, asking that Newark's Ch. 13 be set aside for educational TV—instead of being permitted to go to National Telefilm Associates, the film syndicate, by reason of its proposed \$3,500,000-plus purchase of WATV and radios WAAT & WAAT-FM (Vol. 13:40, 44).

The powerful laymen's group (see p. 6) heading what one regent calls "the greatest educational system in the world" proclaims that "New York City [must] take its proper place in providing the benefits of educational TV to the largest metropolitan area in the country and without serious dislocation in the commercial TV pattern, since there will be 6 competing commercial stations remaining, and without injury to the economic status or intentions of any existing TV operators."

They promise that the present operators of WATV "shall not be the losers by reason of the withdrawal of the channel from commercial use," indicating a willingness to buy the TV if not the radio property. WATV is licensed to New Jersey under the FCC's allocation plan; it has studios in both Newark and New York and transmitter atop Empire State Bldg., along with New York's other 6 stations.

FCC has literally been rubber-stamping station sales in the last few years, many TV and even more radio. Now it's faced with a basic policy decision not only with respect to transfer of ownership

between private interests but state's rights and educational claims involving a change in channeling.

This is the first such attempt to "usurp" an occupied channel—and there's no doubt a battle royal impends before the FCC and perhaps the courts and Congress. Up to now, only 28 non-commercial educational stations have taken to the air, 22 on vhf channels; there are also commercial vhf's operated by Cornell U at Ithaca, N. Y., Iowa State College at Ames, Loyola of New Orleans, U of Missouri at Columbia; Notre Dame has commercial uhf at South Bend.

Plenty of uhf channels are still available, generally unwanted, and some vhf's in certain areas; the New York regents themselves since 1952 have held CPs for 7 uhf's but have done nothing about them because of the failure of uhf set circulation in well-served vhf territory. Their unwillingness to venture will doubtless be cited against them.

Besides the question of New Jersey rights, there's municipally-owned WNYC, holding a uhf Ch. 31 grant—and city's politicians may step in to ask priority on any newly available vhf. There are 5 uhf grantees (one educational) in New Jersey, and they may also be heard from—to say nothing of priority claims that might be put forth by the private owners of defunct uhf's in Atlantic City and Asbury Park who had to quit when they couldn't make the economic grade. For example, indicative of kind of fight that may be in store was this week's filing in Court of Appeals by David E. Mackey, holder of CP for WOCN, Atlantic City (Ch. 52); he challenges FCC refusal to move WRCV-TV's Ch. 3 from Philadelphia to Atlantic City, noting that New Jersey has only one vhf station—i.e., WATV.

If WATV and NTA choose to fight, as expected, this case promises to be a cause celebre about which we'll be hearing a lot more in ensuing months. (More on p. 6.)

VIDEO TAPE BECOMES TV STATION TOOL: As first 2 non-network-owned stations put their video tape recorders to work, Ampex this week began taking orders for color conversion units and announced video tape recorder leasing plan for stations which can't afford or don't want to buy.

First stations with production-model Ampex recorders are Seattle's KING-TV & Portland's KGW-TV, both owned by Mrs. A. Scott Bullitt interests. KING-TV engineers, under James L. Middlebrooks, had new machine in operation within 4 hours after uncrating, successfully used recordings on air.

Compatibility feature of production model recorders will be put to acid test, with KING-TV and KGW-TV (which received its Ampex this week) already working out details of taped program exchange.

Next 4 Ampex video recorders to be delivered this month go to CBS, which already has 5 prototype models and is scheduled to receive an additional 9 production models next month, another 5 later.

Ampex this week announced it is ready to take orders for color conversion kits for its production model black-and-white recorders, and for complete color recorders—deliveries of both to begin in June. Color kit is engineer-made prototype model; Ampex won't make decision on production models (which should be considerably cheaper) until it can gauge demand for color recorders and conversion kits. Though Ampex prototype color kits won't be compatible with RCA prototype or production models, Ampex officials say that any future production models will have interchangeability feature.

With 2 manufacturers now offering both color and monochrome video tape units, here is the picture in machine availability and price:

Monochrome recorder-reproducers: Ampex production models \$45,000 each, now being delivered, close to 100 on order; 13 pre-production prototypes delivered at \$75,000 each. RCA, production model available by Dec. 1958, at \$49,500.

Color recorder-reproducers: RCA production models, for Dec. 1958 delivery, \$63,000; 7 pre-production units, to be delivered April-Sept. 1958, at \$96,000 (6 to NBC, 1 to WBTV, Charlotte, no more scheduled). Ampex monochrome production model recorder with prototype color unit, for delivery by June, \$74,000; prototype color converter for Ampex monochrome recorder, delivery by June, \$29,000.

In addition, Ampex announced this week new recorder leasing plan for stations. Company says it will rent a single recorder or an entire system, black-&-white or color, under the plan. For a single

monochrome recorder, leased on 4-year basis, rental would come to about \$1200 a month, which may be applied toward purchase of machine, if desired. Ampex is now taking orders for rental machines, deliveries to begin in April or May.

■ ■ ■
Problem of editing video recordings is well on way to solution, Ampex and RCA agree. Ampex and others have been working on system by which splices can now be made by experts in 3 minutes. System involves spraying portion of tape to be edited with solution containing minute iron filings, making magnetic impulses visible. Production-model recorders record "editing pulse" on edge of tape, indicating end of frame. This pulse shows up when sprayed, indicating where splice can be made without disturbing sync.

NATIONWIDE STANDARD-TIME TV UNCERTAIN: There's still a large obstacle in the way of the 3 TV networks' plans to eliminate Daylight Time program schedule changes in areas which remain on Standard Time this summer.

The obstacle, as reported in these columns last June (Vol. 13:23-24), is the availability of inter-city microwave-cable circuits to carry the heavy additional network program repeat schedule. AT&T, which has performed some monumental jobs in expanding network service, plans to add 15,000 miles of channels to its video facilities—but not all will be completed by start of Daylight Time next April, and spokesmen say they don't know how much of the networks' demands they'll be able to meet.

Network TV requirements for AT&T lines will be doubled in some parts of country next spring and summer—since each network plans to transmit its programs twice, the first time live, then by video tape repeat one hour later for areas which don't observe Daylight Time. Fortunately for AT&T, each network will originate bulk of its tape repeats from different location—ABC from Chicago, CBS from N. Y., NBC from Hollywood—easing circuit jam somewhat.

Networks and other video circuit users must file their spring-summer requirements with AT&T by Jan. 27, and until these are weighed even AT&T doesn't know just what portion can be met. Important factor in AT&T's considerations is the amount of requests it gets for video circuits by users other than major networks. Under FCC regulations, telephone company must give all applicants for service an even shake.

It's understood that biggest Standard Time repeat problem is expected northwest of Chicago, while southeastern states are virtually assured of Standard "clock-time" service. Ohio Valley is said to be another trouble spot.

Long lines dept. operations director James E. Dingman, in response to our query, said:

"No one can say now, positively, just what the situation will be next summer with respect to availability of channels, as the networks and other customers have until Jan. 27, 1958 to give us their firm requirements. Once we're sure of the needs of all our customers and process and analyze them, we'll know where we stand."

Networks, nevertheless, are reasonably confident that most Standard Time areas will be accessible for repeat telecasts. Said CBS engineering & station relations v.p. Wm. Lodge: "We still hope AT&T will be able to deliver almost all areas we want to serve on a Standard Time delay basis."

■ ■ ■
AT&T, meanwhile, has undertaken study to determine future requirements and needed areas of expansion. As Dingman put it, long lines dept. seeks to find out:

"(1) What the capacity of our facilities would be under the maximum requirements that can be visualized. (2) What can be done about unexpected shortages that may develop."

Without promising everything will be dandy next summer, he added: "In other words, we have been trying to dig out the facility problems in those areas where we anticipate a request for a doubling of channels, and we're shaping plans to overcome problems as early as practicable."

VIDEOTOWN SURVEY—HIGH PLATEAU SUSTAINED: The high plateau reached by TV as a dominant force in people's lives, well documented last year by Cunningham & Walsh's famed "Videotown" survey (Vol. 12:41), has been sustained with minor variations this year.

Ad agency's 10th annual "depth" study of New Brunswick, N. J. (pop. 40,000), released this week, summarizes this year's findings thus: "Watching became a fixed habit with hours of viewing taking a sidewise course rather than the emotional necessity which was so impelling at first." Researchers conclude it would take some major change in programming to change amount of viewing significantly. Here are principal findings:

(1) Viewing habits. Total watching actually increased from 1956, which was first year to show drop—but individual viewing slipped slightly. Increase of people in TV homes outweighed individual viewing curtailment. Evening viewing Mon.-thru-Fri. is up slightly from 1956—11 hours & 27 min. per week vs. 11 hours & 3 min. Morning viewing is less than an hour vs. slightly more than an hour last year. Afternoon watching has dropped slightly but steadily from 1954 peak of 1 hour & 39 min. to 1 hour & 15 min. this year.

(2) Entertaining & visiting. Substantial increase—up from 12% to 20%.

(3) Movie-going. Somewhat more than in 1956, but still less than $\frac{2}{3}$ pre-TV level. "No trend is apparent at this point."

(4) Magazine reading. Still dropping. After initial severe drop in early 1950's, increases were reported in 1953-55. In 1956, it suffered again—and this year sank to early 1950's level, inducing surveyors to state: "It may be partly coincidence that during these last 2 years several magazines, representing millions of circulation, have discontinued publication."

(5) Newspaper reading. Still scarcely affected, level remaining high.

(6) Radio listening. Continued improvement. Pre-TV, 60% of homes reported listening in week-day evenings. In 1951, TV homes showed only 5% listening—then it went to 8% in 1952, 9% in 1953, 10% in 1954 & 1955, 12% in 1956, 16% in 1957. Radios are owned by 94% of families, averaging 2 radios in TV homes, 1.8 in non-TV.

(7) TV set sales. With saturation over 90%, sales "will have to come from replacement of small screen and worn out sets, and from newlyweds." No estimate is given for total 1957 sales. Previous totals: 1596 in 1956, 1477 in 1955, 1793 in 1954, 1555 in 1953, 2777 in 1950 (1951 & 1952 not reported).

Two-set homes total 10% vs. 8.7% in 1956. Of those planning to buy, 23% said they want 2 sets; of these, about half plan on portables. Repairs average \$7.71 yearly.

(8) Color. About 25% of set owners had seen color vs. 23% last year. "Reactions to color TV were mixed, more people commenting unfavorably than expressing favorable opinions." About half of TV owners want color sets, feel price should be about \$320; 10% of those planning to buy TV this year said they'd buy color.

(Copies of study will be available from Cunningham & Walsh, 260 Madison Ave., N. Y.—Gerald W. Tasker, v.p. & director of research.)

It's official: Nielsen reports that westerns are highest rated group among 30-min. TV shows so far this season, averaging 28.1%; quiz & audience participation are No. 2 with 27.1%, up from 23.1% year ago. Over-all rating levels of network shows are up slightly, Nielsen adds, Oct. evening programs averaging out to total audience of 23.3%, up from 21.9% in Oct. 1956; weekday daytime averaged 8.1% (vs. 7.8% year ago); weekend daytime 14.5% (down from 15.7%).

TV relay station nearly 22,000 miles high is planned by Russia, according to Soviet scientist Jevgenyiji Krinov, quoted in a Hungarian newspaper. TV-carrying sputnik "in the next few years" will enable people in China and on the South Pole to watch Soviet TV, he's quoted as saying.

Cops-&-robbers gun battle in Cleveland was filmed on spot by KYW-TV cameraman Ralph Mayher, who always carries equipment with him. Driving through neighborhood where food market holdup had just been staged, he came on scene as police cornered 5 suspects in fusillade of shots. Mayher perched on ledge, caught action for newscast that night.

Experimental TV coverage of murder trial by KDKA-TV, Pittsburgh, permitted by Judge Lloyd Weaver with understanding that camera alone would be used in courtroom, has brought comment by him that filming of proceedings caused no disruption. Consent of defendant also was obtained before trial opened. Judge permitted no other photographers in court.

Personal Notes: Michael J. Minahan promoted to business mgr. of ABN; Sy Cohen, ex-Warner Bros., named stations exploitation executive, new post . . . **Ralph Beaudin**, ex-radio WBNY, Buffalo, joins AB-PT's recently-acquired radio KQV, Pittsburgh, as gen. mgr. . . . **David Scott**, from WNBC, New Britain-Hartford, named to new post of New England div. mgr. of NBC Spot Sales . . . **Lloyd E. Yoder**, NBC v.p. & gen. mgr. of WRCV-TV & WRCV, Philadelphia, appointed to exec. committee of Carnegie Tech board of trustees . . . **Bennet H. Korn**, station mgr. of WABD, N. Y., and v.p. of DuMont Bestg. Corp., named exec. asst. to **Richard D. Buckley**, programming-sales v.p., and assigned additional responsibilities of supervising WTTG, Washington, and DuMont syndicated operations . . . **George Ruppel** promoted to treas. of RKO Teleradio Pictures, Oscar Nittel to controller . . . **Charles M. Reagan** resigns as v.p. & gen. sales mgr. of Loew's Inc.; **John P. Byrne**, asst. gen. sales mgr., promoted to succeed him . . . **James J. Johnston**, ex-KTVH, Hutchinson-Wichita, named operations mgr. of upcoming WMBD-TV, Peoria; **Joseph Franzgrote**, ex-WNDU-TV, South Bend, promotion mgr. . . . **Roland Giguere** promoted to director of CBC TV-radio reporting services, Montreal . . . **Dick Moran**, ex-D'Arcy, St. Louis, recently with *Chicago Tribune*, joins newly-opened Des Moines office of rep **John E. Pearson** . . . **J. Wm. Chapman Jr.**, ex-Stone Mfg. Co., joins brother **Paul H. Chapman's** brokerage firm in Atlanta . . . **Si Lewis** named national sales mgr. of Tele-Broadcasters radio stations . . . **Alan J. Bell**, ex-Army Pictorial Service, named asst. TV-radio promotion & research director of rep **Peters, Griffin, Woodward** . . . **Albert J. Gillen**, ex-WHAS-TV, Louisville, named sales director of WABT, WAPI & WAFM, Birmingham . . . **Bruce Johns** resigns as promotion director of WCHS-TV & WCHS, Charleston, W. Va., joins *TV Guide* as Cincinnati regional promotion director; **Wm. Cooke**, from WTVR, Richmond, Va., returns to WCHS-TV &

ADVERTISING AGENCIES: **Robert L. Foreman**, exec. v.p. of BBDO in charge of TV-radio operations, elected to exec. committee . . . **Harry D. Way** resigns as media director of Warwick & Legler . . . **John Ennis** promoted to v.p. & media director of Bryan Houston, succeeding **H. H. Dobberteen**, resigned; **Robert Boulware**, ex-WLWT, Cincinnati, promoted to v.p. & assoc. media director . . . **Jack Bard** named marketing services v.p. of **Edward H. Weiss & Co.**, in charge of integrated marketing, research & media facilities; **Dr. Gray Steiner** promoted to research director . . . **Henry J. Opperman**, TV-radio director of **Geoffrey Wade**, also named N. Y. office mgr. . . . **Jay Berry**, from **Brooke, Smith, French & Dorrance**, named v.p. & gen. mgr., national div., **Alexander Film Co.**, Colo. Springs.

William S. Cherry Jr., pres. of WPRO-TV & WPRO, Providence, and WDBO-TV & WDBO, Orlando, Fla., is chairman and **Paul A. O'Bryan**, partner of Washington law firm of **Dow, Lohnes & Albertson**, is pres.-treas. of company now operating deluxe **Cherry Plaza Hotel**, Orlando. They joined with **C. J. Mack**, v.p. of Hotel Corp. of America and mgr. of **Mayflower Hotel**, Washington, to acquire property in \$3,000,000 purchase-renovation deal. Fourth member of board is **Earnest Willard**, pres. of Orlando's Florida National Bank.

Wm. H. Watkins, asst. chief of FCC's frequency allocation & treaty div. since 1954, named engineering asst. to **Comr. Craven**. He joined staff in 1946.

NBC's 25-year Club admitted 19 new N. Y. members this week, each receiving watch & certificate after a welcoming speech by NBC pres. **Robert W. Sarnoff**.

WCHS to replace him . . . **Larry Geraghty** promoted to news director of WCSH-TV, Portland, Me. . . . **Frank Lane** continues as gen. mgr. and retains staff of KRMG, Tulsa, newly acquired 5th radio in Meredith group of TV-radio stations in Syracuse, Omaha, Kansas City, Phoenix (for details, see Group Ownership, p. 362, *TV Factbook No. 25*) . . . **Joseph P. Foley**, ex-CBS, named adv. v.p. of new *Young New Yorkers* monthly magazine . . . **James C. McMurray** promoted to station mgr. of WVUE, Wilmington-Philadelphia . . . **Wm. E. Pierson**, WBKB, Chicago, appointed secy.-treas. of Broadcasters' Promotion Assn.; **Ralph Trieger**, WBBM-TV, Chicago, publicity chairman . . . **Ruddick Lawrence**, ex-NBC v.p., now N. Y. Stock Exchange public relations v.p., expected to be released next week from **Lawrence Hospital**, Bronxville, N. Y., where he has been confined with slipped disc.

Obituary

Frank E. Gannett, 81, founder of chain of 22 newspapers and head of 3 TV and 5 radio stations, died Dec. 3 at his home in Rochester, N. Y. He had retired last April as pres. of his company, was succeeded by exec. v.p. **Paul Miller**, onetime head of Washington AP bureau. Survivors are his widow, an adopted son **Dixon**, of Dearborn, Mich., 6 grandchildren. Gannett TV-radio interests comprise WHEC-TV & WHEC, Rochester; WINR-TV & WINR, Binghamton; WDAN-TV & WDAN, Danville, Ill.; radio WENY, Elmira; and pending application (Vol. 13:47) to buy KOVR, Stockton, Cal. (Ch. 13); **Glover DeLaney** is managing director of group. [For newspapers, see *Rochester Democrat & Chronicle* under Newspaper Ownership of TV Stations, *TV Factbook No. 25*.]

G. Ralph Branton, 61, pres. of Interstate TV Corp., film distribution subsidiary of Allied Artists, of which he was a v.p., died Dec. 2 in Cedars of Lebanon Hospital, Hollywood, following heart attack. Surviving are his widow, 2 daughters.

Challenge to broadcasters to arouse "imagination and attention of the child, parent and teacher . . . in America's present quest for more scientific manpower and know-how" was voiced by FCC chairman **John C. Doerfer** at Dec. 2 **Thomas Alva Edison Foundation's** mass media awards dinner for TV, radio & film at **Waldorf-Astoria Hotel**, N. Y. He suggested that "some of our children should be disabused of some of their phobias about science" and some programs should be aimed at youths who have dropped out of high school, citing them as "excellent prospects for highly skilled technicians—if not scientists." Doerfer noted need for foreign language interpreters, suggesting broadcasters look into theory of late professor **L. L. Thurston** that "rote material can be taught during sleep if the student is taking lessons during the day."

Edward Lamb, who besides operating WICU-TV, Erie, Pa. also controls **Air-Way Industries Inc.**, Toledo, has sued **McGraw-Hill Publishing Co.** for \$1,500,000 in Detroit Federal Court, alleging damaging statements in *Business Week* about conduct of the appliance-making concern which recently disposed of its Toledo vacuum cleaner plant.

Telescript-CSP Inc. is new corporation (263 W. 69th St., N. Y. 23; Trafalgar 4-7272) formed to design and sell prompting equipment to TV stations and film studios. Pres. **Bob Swanson** estimates 1958 gross of \$250,000.

Seymour M. Chase, on dissolution of **Segal, Smith & Hennessey** law partnership Jan. 1, when **Smith & Hennessey** start separate Washington firm (Vol. 13:47), will enter practice on his own, offices not yet selected.

Young Television Corp. plans Atlanta branch to be headed by **Hal Parks**, ex-WAGA.

Educators Seek Ch. 13 for N. Y.: New Jersey's sole vhf allocation, WATV's Ch. 13 assigned to Newark and using joint antenna site atop Empire State Bldg. occupied also by New York City area's other 6 stations, has been an object of contention ever since engineering v.p. Frank Bremer founded the station in 1948. Other Jersey communities, forced to uhf only, have complained of discrimination and charged the station was really just another metropolitan N. Y. outlet.

But never have the present owners, headed by Irving R. Rosenhaus and principally including his family, who also control Pharmaceuticals Inc. (Geritol, Serutan, etc.), faced such titans as group now proposing FCC set aside Ch. 13 for education and thereby opposing projected sale of WATV to National Telefilm Associates (p. 1).

"We will fight this thing through if we have to go to Congress and the courts," said Jacob L. Holtzmann, chairman of the special committee on TV for education set up by the powerful Board of Regents of the University of the State of New York. Its Washington counsel is Henry G. Fisher; WATV counsel is Paul M. Segal.

This is no group of long-hairs, nor is there actually a "University of the State of New York." Rather, it's a unique setup of 13 members, all eminent citizens, all elected by the State Legislature, its origin dating back to 1784. It has supervisory jurisdiction over 170-odd institutions of higher learning in state, including Columbia and NYU, and over all other schools from kindergarten to post-graduate; it charters such institutions as the Metropolitan Museum of Art, issues licenses for medical practice, runs "state board" exams, etc. Membership on 13-man board, non-salaried, has been regarded as a high honor ever since it was first created with Alexander Hamilton as Chancellor.

One new regent is elected every 13 years, and the business and professional people chosen serve largely as a labor of love. Mr. Holtzmann, for example, is senior partner of New York law firm of Holtzmann, Wise & Shepard; educational TV is his professed hobby. Fellow members of his TV committee, also regents, are Charles W. Millard Jr.,

Buffalo banker, and Chester H. Lang, retired GE public relations v.p. Only woman regent is Mrs. Frank E. Gannett, widow of the Rochester publisher who died this week. Board's Chancellor, Roger W. Straus, who died recently, was chairman of American Smelting & Refining Co.

Recently named Chancellor is John F. Brosnan, prominent Catholic layman and pres., N. Y. County Lawyers Assn. Vice Chancellor is Edgar W. Couper, Binghamton insurance executive. Other members: Wm. J. Wallin, Yonkers attorney, Chancellor-emeritus; John T. Myers, pres., Plattsburg National Bank; Dr. Dominic Maurillo, Brooklyn physician; Alexander J. Allan Jr., Troy paint manufacturer; Thad L. Collum, Syracuse engineer; George L. Hubbell Jr., N. Y. attorney; Prof. T. Norman Hurd, Cornell U.

Executive officer is James E. Allen Jr., state commissioner of education. This same group in 1952 applied for, and got, uhf channels in Albany, Binghamton, Buffalo, Ithaca, New York City, Rochester, Syracuse, with application still pending for Utica—but has done nothing about these grants for a proposed educational network because, as Holtzmann puts it, "We found the uhf channels aren't worth activating."

Avowedly, this group got particularly het up lately about educational TV by the success of the 6:30-7 a.m. *Sunrise Semester* on WCBS-TV, an NYU full college credit course in comparative literature that is proving a phenomenal success (Vol. 13:38). According to Chairman Holtzmann, it has assurances it can get both state and foundation money; some members, he said, are even willing to finance the project "in trust" in order to get it going quickly. Their ultimate aim is a state network.

As for recompense to the WATV owners, Mr. Holtzmann says "we'll pay what's right." His group doesn't want the radio (WAAT & WAAT-FM) portion of the package being sold to NTA. NTA deal (Vol. 13:40, 44) doesn't break down evaluations on respective properties. but proposes payment of \$2,550,000 for the stock, assumption of \$950,000 obligations, and retention of executives and staff under profit-sharing arrangements that might amount to another \$1,000,000 over an extended period.

Both stations are shown as deficit operations, though it's understood radio has been quite profitable, TV generally a loser. Sept. 30 balance sheet of WATV shows total deficit of \$148,115, current assets \$123,362, fixed assets \$474,939, liabilities \$532,416, estimated replacement cost \$1,235,000.

FCC's most outspoken critic of programming that he considers in poor taste, Comr. Lee, issued another warning this week. In Minneapolis, he told reporters: "I'm not too happy with some of the stuff I see on TV . . . I don't like cheap commercials, but I dislike much TV entertainment even more. I resent the bad clothes, the allusions, the hints, the unspoken—all indicating sex." He said he dislikes private censor and pressure groups "but I prophesy that video will be brought under their control unless it mends its ways immediately."

Mass radio education of illiterate Indians in Mexico has been started by govt. agencies in cooperation with National Committee for Regional Communications. Pilot project centered in Tlaxico, Oaxaca, includes broadcasts to 41 specially-built schools scattered through mountains, where local teachers familiar with Indian dialects as well as Spanish supervise language classes. Program is aimed at estimated 3,000,000 Indians who don't speak Spanish.

Motion pictures and filmstrips are listed in *Catalog of Copyright Entries*, Jan.-June 1957, available for 50¢ from Register of Copyrights, Library of Congress, Washington.

Press opposition to legislative proposals for permanent TV installations for coverage of W. Va. legislative sessions is developing, Charleston papers complaining that plans debated by state legislature's rules committee constitute public subsidy for private profit. Sessions have been covered since Jan. 1956 by WSAZ-TV, which rigged up own temporary facilities with permission of state officials, making them available to other stations.

To block construction of illegal vhf booster in Richland, Utah, by Sevier County commissioners, town's community antenna operator T. Collins Jackson has asked state Supreme Court for writ of prohibition. This is a sort of preliminary step to major challenge of recently passed Utah law permitting local govt. units to use tax money for uhf translators.

New studio equipment for Boston U's public relations & communications school, including 4 cameras, film chain, 2 switcher-faders, 2 synchronizer units, sound projectors, will be installed this month. More than 100 students are enrolled for TV training.

NARTB Conference of State Assn. Presidents will be held in Washington Feb. 18-19.

Albany TV Drops Satellite: Number of uhf outlets on air decreased by 2 this week as Lowell Thomas interests switched their Albany station from Ch. 41 to 10, changing call from WCDA to WTEN, at same time dropping satellite WCDB, Hagaman, N. Y. (Ch. 29), while retaining other satellite WCDC, Adams, Mass. (Ch. 19). Since FCC's grant of Ch. 10 is tentative, station is retaining Hagaman CP, will reactivate satellite if it must switch Albany outlet back to uhf. Switch-over reduces number of uhf stations on air to 90, total TVs to 519. No new outlets were reported on air this week.

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

KIRO-TV, Seattle (Ch. 7) has studio-transmitter building 70% completed, 50-kw GE transmitter installation scheduled for completion Dec. 20, construction on 500-ft. Truscon tower underway and special GE helical antenna is due Dec. 18, according to v.p. Lincoln W. Miller. Test pattern target is now Dec. 25, with CBS-TV programming due Feb. 8. Rep will be Peters, Griffin, Woodward Inc.

KGHL-TV, Billings, Mont. (Ch. 8) had 280 ft. of 417-ft. Ideco tower erected last week, hopes to have tower completed when RCA traveling-wave antenna—first of its kind—arrives Dec. 7, reports gen. mgr. Jeff Kiichli. Wiring of 25-kw RCA transmitter awaits completion of transmitter building, held up by weather. No target date has been set. Rep will be Young Television.

WGTE-TV, Toledo, O. (Ch. 30, educational) is work-

ing on contracts concerning consultant, bids, field tests, etc. and has given up Feb. 1 target, writes program & production director Murray W. Stahl, who has been TV-radio programming director for U of Toledo. GE 100-watt transmitter and helical antenna are on hand. Present studio facilities would permit operation on limited scale.

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New tower proposal in years-long effort by Louisville's WHAS-TV to find site acceptable to aeronautics authorities will be given hearing Dec. 17 by N. Y. airspace subcommittee, subject to review by Washington Airspace Panel. Station now proposes 1856-ft. tower 1.25 mi. north-east of Brownsboro, Ky. Meanwhile, Airspace Panel this week designated site near Orion, Ill. as antenna farm area for Davenport-Moline in approving request by Ch. 8 applicant Televue News Co. for 1043-ft. tower there.

KFAR-TV, Fairbanks, Alaska (Ch. 2), returned to air Nov. 30, just one week after explosion and fire knocked it out (Vol. 13:48). Station had estimated it would take 30-60 days before operation could be resumed, but engineers worked round the clock after 1000 lbs. of replacement equipment was flown in from RCA's Camden plant Nov. 29.

New towers & powers: KCJB-TV, Minot, N. D. (Ch. 13) Dec. 2 to 245-kw ERP from new site 11.5 mi. south of Minot; WICU-TV, Erie, Pa. (Ch. 12) Dec. 15 begins full 316-kw operation from new 492-ft. tower.

CBS adds upcoming CKBI-TV, Prince Albert, Sask. (Ch. 5) as secondary affiliate effective Dec. 15.

WROM-TV, Rome, Ga. (Ch. 9) left air Dec. 4 to move to Chattanooga, plans to resume Jan. 6.

Translator starts: K83AC, Globe, Ariz. began Nov. 12, repeating KVAR, Phoenix.

More VHF Channel Shifts Sought: While educators were seeking vhf station in New York (see p. 1), a hard-pressed uhf operator was pleading with FCC to give it at least part time on unused vhf educational channel. KCOR-TV, San Antonio (Ch. 41) petitioned for part-time or share-time on Ch. 9, for which application is pending from San Antonio Council for Educational TV.

Station reports losses of \$150,000 to date, states that although 75,000 sets were converted to uhf originally, uhf tuners have been maintained on only 20,000. Serving Spanish-speaking population, station says viewers can't afford to repair sets. It requests temporary operation on Ch. 9 pending rule-making. As alternative, it seeks assignment of Ch. 2 to city, substituting Ch. 6 or 7 for Ch. 2 in Piedras Negras, Mex. and cutting co-channel separation with KPRC-TV, Houston, to 183 mi.

Another vhf allocations change was sought this week, Jefferson Standard Bcstg. Co. proposing to build a Ch. 8 station in Greensboro, N. C. It asks that Ch. 13 be substituted for Ch. 8 in Florence, Ch. 8 for educational Ch. 13 in Charleston; this would require shift of Jefferson's WBTW, Florence, to Ch. 13. If Jefferson winds up with Ch. 8 CP in Greensboro, it would have to dispose of its 16½% interest in city's other vhf—WFMY-TV (Ch. 2).

Week produced another move in Texas Tech case (Vol. 13:48), when college urged Commission to reconsider its holdup of Lubbock Ch. 5 CP, asserting that donations from KDUB-TV & KCBD-TV had no strings attached; that grant would be in full accord with FCC rules & policy.

One CP was authorized—Ch. 7, Alexandria, Minn., to Central Minn. TV Co. FCC staff was instructed to draft final grant for Ch. 11, Provo, Utah, to Beehive Telecasting Corp. Initial decision proposed CP for Ch. 6, Greenwood, Miss., to WABG. Commission also announced intention of denying various petitions asking reconsideration of grant of WCKT, Miami (Ch. 7). Rule-making was initiated on request of KGUL-TV, Galveston (Ch. 11) to shift its channel to Houston. [For details of Commission actions, see *TV Addenda 25-S* herewith.]

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Four applications for TV stations were filed with FCC this week, bringing total to 119 (32 uhf). Applications: For St. Petersburg, Fla. (Ch. 10), by WTSP; for Eugene, Ore. (Ch. 9), by local group headed by fruit grower Donald A. McDonald; for Yakima, Wash. (Ch. 23), by owners of KXLY-TV & KXLY, Spokane; for Fajardo, P. R. (Ch. 13), by owners of WHOA, San Juan. No translator applications were filed. [For details, see *TV Addenda 25-S*.]

FCC refused to change its rules which bar fixed radio installations in 72-76-mc band (between Ch. 4 & 5) within 10 mi. of TV stations on Ch. 4 or 5. Request had been made by GE, which asked that such stations be permitted under certain conditions. In rejecting petition, Commission said GE had furnished no new data and that insufficient information was available to determine potential interference or how to correct it.

Sly commentary on toll TV, in Dec. 5 syndicated "Channel Chuckles," which appears on TV pages of daily newspapers, shows lady viewer watching TV set with coinbox attachment, while announcer says: "Will the killer be caught? Will Valda find her husband? Deposit another quarter to find out."

'Per-Program' Cable Theatre: Ground will be broken "early next year" for wired pay-TV system in Oceanside, Cal., pres. Walter J. Dennis of Tele-Movie Development Co. told Arizona Theatre Owners Assn. meeting this week. He said subsidiary Tri-Cities Tele-Movie Corp. hopes to begin Oceanside operation in 1958. Unlike Bartlesville project, he said, it will charge viewers on a per-program basis, plus small monthly fee.

Three channels will be provided, he said, to supply "current motion pictures, sports and other quality entertainment." He didn't state what pay-TV system would be used—whether decoders or meters would be installed. He urged all theatre owners to get into cable theatre business, offering Tele-Movie's services in construction and buying and booking entertainment.

Meanwhile, these were other developments this week on pay-as-you-see front:

(1) San Francisco board of supervisors finance committee, having concluded hearings on wired TV franchise applications by Skiatron & Telemeter, indicated no immediate decision would be forthcoming. Skiatron told committee it would franchise local organization to install and operate equipment. Telemeter stated that it is financed

Baseball-TV Probe Sought: Minor league baseball clubs, which depend on Sunday gates, have asked Congress to save them from network telecasts of big league games Sundays as well as Saturdays. Agreements between CBS-TV & 5 major clubs for Sunday "game-of-the-week" telecasts next season, added to expected renewal by CBS-TV & NBC-TV of Saturday "game-of-the-week" schedule, are in issue. They amount to "greed, greed, greed" on part of majors, pres. Frank Shaughnessy of International League protested at Colorado Springs winter meetings of majors. He promised to "fight, fight, fight" if Sunday plan, invading minors' game territory, isn't dropped. Getting cool reception from National & American Leagues, he sent telegram to Chairman Celler (D-N. Y.) of House Judiciary anti-trust subcommittee, asking reopening of last session's sports investigation (Vol. 13:19 et seq.). Shaughnessy said Sunday telecasts "could cause the end of minor league baseball in America." Baseball Comr. Ford Frick said he sympathized with minors: "I hope those major league officials who are selling out to the networks do not sleep well." But he said any concerted refusal by majors to permit Sunday telecasts would run afoul of anti-trust laws—point which Celler subcommittee will be asked to explore.

Court battle continues over proposed NTA-AAP deal (Vol. 13:46, 48) with these developments: (1) NTA asked N. Y. State Supreme Court to enforce purchase agreement which it says AAP's Louis Chesler and associates are seeking to nullify. (2) Minority stockholder suit hearing in same court was postponed to Dec. 11. (3) Chesler and Maxwell Goldhar wrote NTA that deal "lacks those characteristics necessary to make it a binding and enforceable contract" and that "a more recent offer" (presumably by United Artists) appears to be better.

TV audience will judge pilot film of new interview show, *People*, produced by Jack Webb's Mark VII Ltd., when it's presented on ABC's KABC-TV, Los Angeles, Dec. 15. Viewers will be asked to write their comments. Program will be aired in 6:30-7 p.m. slot usually occupied and sponsored by automobile dealer-actor Ben Alexander, who also is host of the proposed *People* series.

up to \$6,000,000, that it plans no stock offering, that Paramount Pictures owns 88% of its stock.

(2) Two movie exhibitor organizations, Theatre Owners of America & Allied States Assn., called theatre owners to meeting sponsored by Joint Committee on Toll TV in N. Y. Dec. 9 to discuss strategy in lobbying for anti-pay-TV legislation.

(3) Tele-Movies of Fla. Inc. applied for 30-year closed-circuit franchise for Hialeah.

(4) Wired TV operators in Great Britain, who supply about 100,000 subscribers with BBC & ITA programs, met for annual luncheon, discussed possibility of adding closed-circuit subscription-TV channels.

(5) A new and mysterious "compatible" pay-TV system, as reported in Dec. 2 *Electronic News*, can best be described as payless pay TV, since it doesn't appear to cost anybody anything. Quoting San Francisco attorney Arthur M. Schaffer, identified as co-owner of system, *Electronic News* reported: "[It] will require no closed-circuit wiring, no scrambling or unscrambling of the picture, no additional equipment, electronic or otherwise, to be installed either at the broadcasting station or home receiver, and it will in no way interfere with the present system of free-TV broadcast and reception." It will require no additional channels, nor will it black out any present free channels, but "will, in fact, supplement the service given by the free channels[!]" (Exclamation ours).

NLRB has upheld CBS in unfair labor practice charges filed by network against N. Y. IBEW Local 1212 in jurisdictional tiff with IATSE which forced cancellation of telecast of Antoinette Perry "Tony" award ceremonies last April (Vol. 13:17-18). In preliminary "determination" of case, Board held that electricians "are not and have not been entitled" to force CBS to give them work—instead of stagehands—in "setting up & operating lighting equipment on remote telecasts." Network hailed decision as providing premise for contempt action if similar union interference with programming occurs again. But IBEW counsel Robert Silagi said union, which also faces \$100,000 damage suit by CBS in U. S. District Court, would seek final order from NLRB, then carry unfair labor case to Court of Appeals.

TV-thwarting Canon 35 of American Bar Assn., which bars cameras & microphones from news coverage of judicial proceedings, has been applied by N. M. Supreme Court to its own sessions and those of all state district courts. High court order effective Jan. 1 says any picture-taking or broadcasting in courtrooms, even during recesses, has "extraneous influences which tend to have a detrimental psychological effect on the participants" in trials. Canon 35 also has been invoked in Cleveland to prevent KYW-TV from planned coverage of suburban traffic court. Mayor Wilson Stapleton of Shaker Heights reversed decision to permit coverage after Cleveland Bar Assn. called it "violation of the canon of judicial ethics."

Hectic union bargaining season—"likes of which the radio & TV industry has never before seen"—is foreseen by Dec. 5 *Variety* for networks between now and end of March. Expiring labor contracts bring ABC & NBC into negotiations with NABET, CBS with IBEW, both unions seeking 4-day week agreements and security against layoffs caused by program shifts from N. Y. to Hollywood. NABET problems were pointed up this week by dismissals of 30 NBC-TV cameramen in N. Y. Other key bargaining involves stagehands, newsfilm cameramen, writers, scenic artists, actors, directors.

New rep: WESH-TV, Daytona Beach, Fla. to Avery-Knodel Inc. Nov. 1 (from Petry).

Subliminal TV Test Next Month: Closed-circuit demonstration of "hidden sell" technique as it might be used on TV (Vol. 13:45-48) may be held in Washington "after the holidays," FCC revealed in brief announcement which reported that Subliminal Projection Inc., N. Y., had begged off planned demonstration this month, which was to use facilities offered by WTOP-TV.

Fascinating as the subject may be, it doesn't appear to be a burning issue at the moment, since all 3 networks have declared they won't accept such ads and NARTB's code review board has urged subscribers to refrain from using them.

But controversy continued, Sen. Potter (R-Mich.) continuing to take the dimmest view, as proponents of subliminal advertising stepped up their defense. In his newsletter to constituents, Potter blasted "sneaky sales messages planted in heads without the owners' permission" and even warned that some teetotaler FCC commissioners and staffers "may find them-

New line of FM transmitters and multiplexing equipment has been developed by RCA for marketing by late 1958 at prices expected to be lower than RCA's FM transmitters 10 years ago. Multiplexing equipment is now undergoing tests in conjunction with Philadelphia's WCAU-FM. FM line will include 10-watt exciter-transmitter, 250-watt & 5-kw transmitters and multiplex subcarrier generator equipment for use with RCA multiplex exciters. RCA says multiplex gear will be designed for use "with many of the FM broadcast transmitters now in operation."

Ireland plans commercial TV network, to be operated by private program organization using govt.-owned facilities, Eire Posts & Telegraphs Minister Neal Blaney announced in Dublin. Among organizations submitting proposals to operate network for Govt. are McLendon Investment Corp., Dallas (Texas State Network & AM stations), Pye (Ireland) Ltd., subsidiary of the British TV-radio-electronics manufacturer, and undisclosed French interests. Franchise is due to be awarded soon, with aim of getting stations on air by next summer.

FCC softened its FM multiplexing rules this week by extending from Jan. 1 to March 1, 1958 the deadline for converting from simplexing to multiplexing, and announcing that it will consider individual requests for waiver of rules to permit continued simplex operation "upon a showing that the station is in the process of converting to multiplexing but will be unable to complete conversion within the time permitted." Requests for waiver are due by Jan. 15.

NARTB radio code symbols have been proposed, will be submitted to radio board in Jan. Audio symbol, wording not quite completed, will have theme: "A Good Practices Station." Visual symbol is shield with "National Assn. of Broadcasters" at top, trumpet and lightning bolt in center, "A Good Practices Station" at bottom. TV keeps current symbol except for change reflecting reversion of name to National Assn. of Broadcasters, Jan. 1.

Alien radio operator has been deported for obtaining permit under false pretenses in first case of kind, FCC reported this week. Routine field check by FCC showed that Herbert W. Weichmann, Velasco, Tex., was operating beyond scope of 3rd class radiotelephone permit. Subsequent investigation disclosed he was born in Germany, not in N. J. as he claimed, and had criminal record, according to FCC. Weichmann was deported in Nov.

selves wanting a drink of Glugg beer" after witnessing subliminal demonstration. He speculated that some "evil genius" might get "exclusive rights to the process [and] control everybody's cerebellum and we'll all become robots."

James M. Vicary, one of chieftains of Subliminal Projection Inc., interviewed in Nov. 30 *Sponsor*, reiterated that SP is valuable only as reminder advertising, adding that it "can appeal only to those who already have an interest in the product or some desire to respond."

Asked how stations might charge for subliminal ads, he suggested that the plugs be sold on a "per impression" basis, at a cost-per-impression based on a downward projection of station's rates through fractional parts of second.

A. B. Moore, pres. of Precon Process & Equipment Corp., New Orleans, another company pushing the subliminal technique, stated in Hollywood this week that he believes FCC will have no objections to the process once it is familiar with it. "We are well aware of [the] need for its use by responsible parties," he said. "However, its potential use in education, therapy and ethical forms of advertising stamps it as one of the most important communication developments of the century."

Conelrad Weather Warnings: FCC this week authorized all TV, AM & FM stations to use Conelrad attention signals for peacetime dissemination of emergency weather bulletins, such as hurricane, tornado and flood warnings. Working on plan with Air Force and Weather Bureau, FCC said alerting system "will provide a worthwhile service to the general public as well as to all radio services." Fact that Commission was studying possibility of such action was revealed last month by Comr. Lee in address to National Assn. of Civil Defense Directors (Vol. 13:46). In addition to obvious and announced benefits of Conelrad weather alert plan, FCC hopes that it will provide increased incentive for manufacturers to make and consumers to buy reasonably priced automatic Conelrad receivers which are activated by the attention signal.

Domestic court trouble caught up with contestant Theophilus Aderonmu of CBS-TV's *The \$64,000 Question* this week—but son of Nigerian tribal chief had answer for it, too. Week after he won \$64,000 on program he was hailed before Justice Charles Horowitz in Bronx Dec. 3 on charges of non-support of estranged wife Faye, 25, and child. Horowitz suggested reconciliation, reserved decision in case after Aderonmu talked it over with wife and reported they wanted to remarry. Aderonmu, 30, then went on *Question* to win \$16,000 more.

Political switch on TV enlivened Parliamentary by-election campaign in Liverpool's Garston Riding this week. BBC's Manchester station showed picture of Labor candidate, along with speech praising Conservative policy. Then came picture of Conservative candidate accompanied by voice urging Labor victory. Mixed-up tape recordings were untangled by station for repeat run next night.

New local TV magazine—weekly giveaway *Channel* published in Tacoma by Channel Northwest Inc. (Marshall Riconosciuto, pres.) and distributed by druggists in Wash., Ore., northern Ida., has reached 160,000 circulation first month. It runs 16 pages, emphasizes local TV features in Seattle-Tacoma, Spokane-Yakima, Portland-Eugene editions.

KHUM, Eureka, Cal. has been sold by Carroll Hauser for \$184,000 to Wendell Adams of Wm. Esty Co., N. Y., and Jack Fearnhead of WINS, N. Y.—Allen Kander & Co. broker.

Ad Tax Scheme Falters: Quiet lobbying by Advertising Club of St. Louis against adoption there of Baltimore plan for special municipal taxes on TV-radio and other advertising (Vol. 13:45-48) appeared to be paying off this week, reducing threat of spread of unprecedented scheme across country.

Helped by members of Women's Advertising Club, pres. Hugo Autz of St. Louis admen's group campaigned on "friendly, personal basis" to persuade city officials to seek other means of raising needed revenue. Opposition to ad tax was expressed by Mayor Raymond Tucker, and ordinance proposed by Alderman Alfred Harris appeared headed for pigeonhole.

Advertising Federation of America nevertheless called again for national mobilization of all advertising interests to combat Baltimore 6% levy plan, which is being fought in court there by local TV-radio stations & newspapers. AFA placed ads in *Editor & Publisher* and *Sponsor* to rally defense, for which it seeks \$50,000 war chest from members.

"This is still a very serious threat," AFA pres.-gen. mgr. C. James Proud told us this week. He said newspaper owners generally were alert to dangers of tax scheme, but "maybe broadcasters ought to be kicking in a little stronger" in opposition to it.

Meanwhile radio WCAO, Baltimore, joined Sunpapers (WMAR-TV) and Hearst *News-Post* and *Sunday American* (WBAL-TV & WBAL) in junction suits challenging constitutionality of new City Council levies which assess 4% on advertising sales, 2% on gross advertising receipts of media.

Audience of 12,000,000 or more has been won by educational TV on non-commercial stations, according to education director Dr. Ryland Crary of Educational TV & Radio Center, Ann Arbor. Excluding viewers of educational shows on commercial stations and participants in closed-circuit school programs, estimate is projection of studies of areas served by KQED, San Francisco; KUHT, Houston; WGBH-TV, Boston; WKAR-TV, East Lansing; WUNC-TV, Chapel Hill; WQED, Pittsburgh. "The figure is surprising," Dr. Crary says, "when it is considered that educational broadcasters have not been engaged in building huge audiences."

Teaching by TV in Port Chester (N. Y.) High School was okayed with a big "if" last week by principal Robert Zimmerman. He'd favor extension of the 1-channel, 3-classroom General Precision experimental system installed last year if money were not a factor—"but with our limited budget, I'd never consent to a sacrifice of teaching personnel in favor of TV, if a choice were necessary. There is no substitute for live, competent teachers."

Favorite TV programs in Argentina, according to survey by Institute of Public Opinion, as released by Pan American Union: (1) Symphony concerts. (2) Boxing matches. (3) Family counsel programs—in that order! Argentina still has only one station, about 92,000 sets.

"White's Radio Log," 35-year-old station directory, has been bought by Curtis Pub. Co. subsidiary Science & Mechanics Pub. Co.

Electronics Personals: Donald M. Allison Jr. named mgr. of govt. products group, Bendix Aviation radio div., replacing Adam E. Abel, now radio div. gen. mgr. . . . Frank L. Randall, v.p. & gen. mgr., named pres. of Amperex . . . Max Fialkov, General Transistor treas., adds post of v.p. in charge of transistor manufacturing . . . Joseph A. Gentile, ex-MIT Lincoln Lab, named mgr. of marketing administration, Motorola semiconductor div. . . . Robert S. Saichek, ex-Motorola, named adv. mgr. of Hoffman semiconductor div., Evanston, Ill. . . . John G. Lanning promoted to senior sales engineer of Corning Glass new products div.; Charles J. Lucy to senior applications engineer in electronic components sales dept., electrical products div. . . . Harold W. Arlidge, ex-G&M Equipment, named mgr. of Audio & Recordata div., American Electronics . . . Robert M. Rowe, ex-Stanford Research Institute, named director of engineering, Pulse Engineering Inc., Redwood City, Cal. (transformers) . . . Fred Speaks named asst. director of marketing for research & development, Eitel-McCullough . . . Irving K. Kessler, ex-John B. Stetson Co., rejoins RCA as mgr., management engineering, defense electronic products.

DuMont Labs reorganizes research & development div. into 8 specialized labs under div. director Robert T. Cavanaugh: Advanced development, under Richard C. Palmer; systems, Robert Wakeman; communications & radar, Wm. Sayer; data & display, Robert Deichert; military TV, John Auld; nuclear instrumentation, supervised by Cavanaugh; mechanical, Ludwig Zucker; commercial receiver, Bernard Amos. Humbert Pacini is promoted to div. assoc. director for technical operations.

RCA program to encourage science teaching careers has been started with a award of 30 scholarships, one teacher fellowship, Dr. C. B. Jolliffe, v.p. and chairman of RCA education committee, saying "RCA believes a good start toward achieving the long-range objective of increasing the number of engineers and scientists can be made through the Science Teacher Scholarships." Fellowship is worth \$3000; 20 scholarships are \$800; 10 are \$250.

Rectifier & rectifier equipment sales will hit record \$100,000,000 this year, pass \$200,000,000 in next 10 years, predicted Frederick M. Spaugh, mgr. market research, GE rectifier department and chairman of statistics div., NEMA's semiconductor rectifier section—at NEMA's 31st annual convention in Atlantic City.

Westinghouse awards \$2500 each to engineers Raymond W. Moore, Wm. D. King, James T. Carleton, Loren F. Stringer for development of magnetic amplifier control system that permits production of strip steel at mile-a-minute speeds.

General Transistor Corp. leases 16,000-sq. ft. plant in Richmond Hill, Queens, N. Y. for production of germanium and silicon computer diodes and silicon rectifiers—Rudolph Sachs v.p. in charge.

Philco's "Exicon," closed-circuit TV flying-spot scanning device which extracts maximum information from X-ray negatives by enhancing contrast, was demonstrated this week to AMA clinical meeting in Chicago.

Fairchild Camera & Instrument Corp. has set up Fairchild Semi-Conductors Corp., Palo Alto, to develop & produce silicon diffused transistors & other semiconductors.

Parabolic antenna inflated like a balloon is feature of air-transportable uhf scatter station, developed by Collins Radio for Signal Corps.

General Instrument Corp. appoints Walter J. Zimmerman Assoc. ad agency.

RADIO BOUNCING BACK TO 4TH BIGGEST YEAR: While jittery industry keeps one eye on soaring hi-fi curve, the other on an easing TV curve, radio is staging an unheralded comeback which will make 1957 fourth biggest output year in history. While phonographs & hi-fi are bursting through 5,000,000 production mark to record high and TV drifts to 5-year production low & 8-year factory-value low, radio chalked up in week ended Nov. 22 the highest week's production in over 5 years of its steady recovery curve. By week ended Nov. 29, year's radio production beat all of 1956. At current pace, 1957 will pass 15,000,000 units (including auto) compared with record 1947 high of 20,000,000, next highest 16,500,000 of 1948, and 15,955,000 of 1946.

At retail in Oct., radio scored unprecedented 57% increase over Oct. year ago and has been up 8 out of 10 months, while retail TV has been down 7 out of 10.

As in case of TV, disturbing thumb in radio soup is factory value. Year ago, with almost 14,000,000 radios produced, factory value was shade under \$300,000,000 -- less than half the \$650,000,000 of record 1947. Average factory value of a unit set has slipped from about \$32 to about \$21 in 10 years.

Speculation on 1957 factory value of radio notes glumly on one hand that the clock radio, manna of the past several years, is now being turned out at lists as low as \$18.95. On other hand, hi-fi has put bigger & better styling in radio's high end. Multiple speakers, tone controls, FM, more amplification in finer table models will tend to push dollar values higher there.

Fluctuation within the radio assortment itself is also disturbing some. From 1951 to 1956, table radio is steadily down in importance from 74% to 39.5% of home radios produced. Clock radio, born in 1951 with 9.6% of production, pushed to 30.5% in 1954 but eased back to 25.5% last year. Portables have earned increased attention, moving from 16.4% to 35% of production.

Big question is influence of transistor radios, now marketed at lists from \$34 to over \$75. Until retail sales for Dec. -- normally 20% of a year's business -- tell which price bracket is big one, manufacturers won't know whether they've succeeded in also pushing up factory value of radio, or whether, like the Red Queen, they've simply been running like mad to stay where they were a year ago.

COLOR SET SERVICING—RCA's FINDINGS: Color set servicing poses no great problems -- and it's beginning to be profitable. That's essence of RCA Service Co.'s experience to date, according to v.p. & operations mgr. Donald H. Kunsman. He also believes that "color breakthrough is near" -- with color at point famous RCA 630TS 10-in. black-&-white set was some 10 years ago.

Kunsman declined to give average number of service calls per color set per year but said he "wouldn't argue" with Sylvania's estimate of 6 (Vol. 13:39). This is with RCA's unlimited-call contract, which attracts many "nuisance" calls, he said. Similar black-&-white contract produces 3.9 calls yearly.

Kunsman defends reasonableness of color service contract prices. Full coverage for first year is \$99.50, \$119.50 second year (as risk of tube & parts failures rises -- picture tube alone retailing at \$160). He compares this with \$65 for the 630TS in 1947, when technicians averaged \$40 weekly -- whereas they now get \$90-\$103. RCA has a \$69.95 color contract, providing 90-day service, tube & parts warranty for year, service calls after 90 days at \$7.50 each; this runs \$79.50 for the second year. Lowest contract is \$39.95 -- installation & unlimited service, 90 days.

Anyone able to service black-&-white can learn to handle color, with a small investment in equipment, Kunsman said. About 50% of RCA Service Co. technicians are trained for color. As of June, RCA had conducted color clinics in 250 cities, with

105,000 attendees. Kunsman reports, incidentally, that less than 10% of all RCA black-&-white and color sets are under RCA service contracts.

RCA's color contract prices were established at level to produce profit, Kunsman said, but starting and training costs had precluded profit until quite recently. However, 4th quarter may well be profitable, and 1958 looks "sure."

Discussing recent Time Magazine article on servicing (Vol. 13:41), Kunsman said: "Manufacturers and servicemen must educate the public to be prepared to pay for adequate servicing. The public still isn't aware of service needs brought on by automobile power equipment, automatic washing machines, refrigerators, etc. If housewives want gadgets, they must be taught the need for service."

Retail Sales: Oct. TV set sales at retail were off 16%. EIA reports 572,589 sets sold vs. 683,573 in Oct. 1956. Retail sales for 10 months were 5,024,670 vs. 5,287,199 in 1956. Radio set sales at retail were up 57% in Oct.: 923,849 vs. 585,-666 in Oct. 1956. For 10 months, radio sales were up 13%: 6,764,221 sets, excluding auto, vs. 5,990,718 in 1956.

Production: TV output was 123,844 week ended Nov. 29 vs. 134,179 the preceding week & 147,713 in 1956. Year's 49th week brought production to about 5,937,000 vs. 6,885,441 last year. Also this week, EIA officially gave 10 months cumulative production as 5,251,158 vs. 6,080,052 in 1956. Official Oct. set production was put at 661,994 (83,372 uhf), compared with 832,631 (87,040 uhf) in Sept., and 820,781 (131,243 uhf) in Oct. last year.

Radio production was 357,881 (109,372 auto) week ended Nov. 29 vs. 5-year high of 455,779 (158,655 auto) in preceding week & 367,878 (169,871 auto) year ago. For 49 weeks, output totaled about 13,991,000 (5,034,000 auto) -- passing the full 1956 year total -- vs. 12,609,633 (4,385,122 auto) last year. EIA officially put first 10 months production at 11,945,534 (4,362,091 auto) vs. 10,884,760 (3,607,911 auto) last year. Official Oct. count was given as 1,569,180 (522,746 auto) vs. 1,610,748 (446,419 auto) in Sept. & 1,348,864 (574,818 auto) in Oct. 1956.

Trade Personals: Walter G. Seeger resigns as chairman of Whirlpool Corp., remaining a director, no new chairman to be named . . . Jack Sparks, ex-gen. mgr., Whirlpool laundry div., promoted to director of marketing for RCA Whirlpool home appliances & Estate ranges . . . Robert G. Marchisio named v.p. & gen. mgr. of CBS-Hytron semiconductor operations; Michael Callahan v.p. & gen. mgr. receiving tube operations as CBS-Hytron div. forms 2 subdivisions . . . Herbert M. Greenspon promoted to Columbia Records exec. v.p.; Milton Selkowitz named national sales mgr. of phonographs, succeeded by Laurence Goughan as mgr. of special markets for records . . . Herbert H. Flint Jr. named mgr. of community relations & employe communications, Westinghouse appliance divs. . . Daniel P. Knowland Jr. promoted to asst. gen. mgr. of Heath Co., Henry H. Tippett replacing him as controller . . . John M. Dierkes, ex-Hallicrafters, named sales mgr. of Andrea Radio, replacing Charles Van Maanen, resigned . . . Arthur Howard resigns as sales mgr. of Sonic Industries . . . Thomas A. Fitzgerald resigns as RCA staff writer, Cherry Hill, N. J. to become SKF Industries public relations mgr. Dec. 16.

Obituary

Harry F. Randolph, 57, gen. mgr. of RCA receiving tube operations, died of heart attack Dec. 3 in railroad station at Harrison, N. J. He joined RCA in 1932 as foreman of Harrison tube div. plant. Survivors are his widow, brother, sister.

RCA Victor record div. names 2 v.p.'s: James P. Davis, record operations dept.; Walter W. Bullock, album dept.

Hotpoint's TV dept. was included in total realignment this week of all distribution, merchandising, sales & adv. functions, in which John F. McDaniel, ex-gen. mgr. of range dept., became gen. mgr. of new sales & distribution dept., and the chief executive under pres. John C. Sharp. D. Edward Weston Jr., ex-gen. mgr. of TV dept., becomes central regional mgr. for HASCO; Howard Hibshman remains TV marketing mgr., but reports directly to McDaniel; John Clarke, TV merchandising mgr., still reports to Hibshman. Lee DiAngelo, ex-custom appliance marketing mgr., was promoted to mgr. of adv. & merchandising for whole company. His staff includes: Alfred M. Utt, adv. mgr.; Joseph F. Adamik, sales promotion mgr.; Wm. C. Bartels, merchandising production mgr.; Philip L. Crittenden, ex-national adv. mgr., product publicity mgr. Others now reporting to McDaniel: L. E. Ankersen, ex-refrigeration mgr., special markets mgr.; C. C. Gramer, mgr. distribution development & planning; W. G. McNeal, product service mgr.

Frank B. Walker resigns as M-G-M Records pres. to become consultant to parent Loew's Inc. Record operation splits into 2 divs., both reporting to Robert O'Brien, Loew's financial v.p. Arnold Maxim, ex-Epic Records artists & repertoire director, heads new M-G-M records div.; Frank Cocchiaraley continues as head of record mfg. div.

Dempster McIntosh, U. S. Ambassador to Venezuela who was pres. of Philco International Corp. from 1943 to 1953, was named mgr. of Development Loan Fund by President Eisenhower this week in recess appointment.

Philco Distributors Inc., Philadelphia, appoints David Brody gen. mgr. replacing John J. Kelley, resigned; John McIlhenny succeeds Brody as electronic sales mgr.

Hotpoint Distribution Realignment: If TV industry had any doubts, Hotpoint served a 3rd notice this week that it intends to grow into a more substantial image of parent GE. First move was establishment of own captive distribution in the 91 HASCO offices which now do 80% of its wholesaling. Second was announcement this fall of 10-year plans for a super appliance park outside Chicago. Third, made this week, centralized all distribution & sales functions under one man, John F. McDaniel, is designed to eliminate inefficiencies between retail sales floor and factory. Among these problems are small dealers and distributor inventory control. McDaniel stated that Hotpoint would "experiment with many new approaches in the field of dealer and distributor communications."

First action would be to trim 14,000 dealers to 9000. GE is doing a like trimming job. Both brands are now eliminating duplication on dealer floors in certain key markets, recommending dealers drop either GE or Hotpoint next year.

A second action goes into effect Jan. 1 when HASCO houses will no longer own their inventories. Factory will own local stocks, presumably set and ship mix it desires.

To help tell the story of what's to come, Hotpoint breaks in Dec. issue of *Electrical Merchandising* with first of series of trade ads designed to inform dealers of new policies & practices. In first of these, pres. John Sharp states that though Hotpoint does not yet have all the answers, it intends to offer reasonable profit, price protection policy, selective franchising for mutual profit.

* * * *

Cost of Money: Washington area credit costs, listed by Dec. 2 *Washington Post and Times-Herald*, show commercial banks charge 5-6% annually on unpaid balance of secured loans up to \$10,000, 4½-5% over \$10,000. Bank loans on new autos run 7-9¼%, used autos 7½-11%; auto dealers get 10½-12% & 11-20% respectively. Rate for collateral loans from brokerage houses is 5%, life insurance companies 5-6%. Personal unsecured loans have 6-11% interest up to \$2500, 5-6% over that; Title 1 home improvement loans are at 9½% rate; credit unions 8-12%. Small loan company rates in Md. are 36% up to \$300; in Va. 30% up to \$300, 18% for \$300-\$600. Dept. store revolving credit or budget plans is 6-18%, deferred payment on appliances 16-18%; appliance, furniture & other stores 18%; Washington Gas Light Co. 11%.

Inventories of Canadian TV sets—manufacturer plus distributor at end of Oct.—are 40% less than last year, Canadian RETMA pres. W. H. Jeffery told components div. meeting last week. There may be shortage of some models for pre-Christmas selling, he said. He predicted inventory will be down to 50% of last year—less than 4 weeks selling—by year end, lowest in 3 years. Distributor sales of TV sets topped 70,000 units in Oct., highest in a year. Low in sales has been passed, he said, forecasting leveling-off in 1957 & 1958 at between 465,000-475,000 units. Radio is up too, and is expected to pass "comfortably" the 709,416 unit sales of 1956, he said.

Sylvania's novel "Sylouette" receiver (Vol. 13:46) is already backordered, according to TV-radio div. gen. sales mgr. Robert L. Shaw who also reported that Sylvania will introduce "some very interesting product developments" at Dec. 11-13 distributor meeting in Miami's Americana Hotel. He said that Sylvania's factory TV sales continued at record pace in Nov., nearly double year ago.

Transistor Output Soars: Factory sales of transistors nearly tripled again in Oct. vs. Oct. 1956 and more than doubled in the cumulative 10 months, according to EIA. Oct. factory sales were 3,544,000 units worth \$7,075,000 vs. 1,290,000 worth \$3,930,000 last Oct. For 10 months, factory sales hit 22,386,300 units worth \$56,131,000 vs. 9,403,000 worth \$27,102,000 in 1956 period. EIA's breakdown by months:

	1957 Sales (units)	1957 Sales (dollars)	1956 Sales (units)
January	1,436,000	\$ 4,119,000	572,000
February	1,785,300	5,172,000	618,000
March (5 wks)	1,904,000	5,321,000	708,000
April	1,774,000	4,880,000	832,000
May	2,055,000	5,636,000	898,000
June (5 wks)	2,245,000	6,121,000	1,130,000
July	1,703,000	4,216,000	885,000
August	2,709,000	6,598,000	1,315,000
September (5 wks)	3,231,000	6,993,000	1,115,000
October	3,544,000	7,075,000	1,290,000
TOTAL	22,386,300	\$56,131,000	9,403,000

Tube Sales: Factory sales of receiving tubes were 47,075,000 worth \$38,421,000 in Oct. compared with 42,921,000 at \$34,362,000 in Oct. 1956, reports EIA, bringing 10-mo. total to 388,738,000 tubes at \$326,355,000 vs. 390,357,000 at \$313,599,000 in 1956 period. Picture tube sales in Oct. were 995,629 worth \$19,495,574, compared with 1,165,740 at \$21,117,261 last Oct.; 10-mo. 1957 totals were 8,304,181 at \$155,121,412 vs. 9,233,780 valued at \$166,782,244 in 1956 period. EIA's monthly tabulation:

	Picture Units	Tubes Value	Receiving Units	Tubes Value
January	760,860	\$ 13,594,525	37,571,000	\$ 31,170,000
February	728,363	13,134,778	44,460,000	36,631,000
March (5 wks)	833,257	14,850,847	43,010,000	37,007,000
April	629,838	11,394,043	27,970,000	25,384,000
May	758,328	14,031,519	32,836,000	28,955,000
June (5 wks)	1,104,013	19,981,319	35,328,000	31,314,000
July	491,935	9,835,586	33,077,000	27,042,000
August	930,296	17,984,185	43,029,000	34,886,000
Sept. (5 wks)	1,071,662	20,819,036	44,382,000	35,545,000
October	995,629	19,495,574	47,075,000	38,421,000
TOTAL	8,304,181	\$155,121,412	388,738,000	\$326,355,000

Du Pont will discontinue making phosphors for TV and other CR tubes early next year, states "continued production would be unprofitable" because more efficient tube manufacturing uses less phosphor and major TV tube makers are now making phosphors. It will continue production of phosphors for X-ray intensifying and fluorescent screens.

BBC color experiments have been "encouraging," according to engineering director Sir Harold Bishop, but he asserts that color camera must be simplified; that RCA color tube "is expensive to make and one would expect that further development will lead to simplification, lower cost, and improved quality."

FTC charges of misrepresenting "reject" radio tubes as first quality have been filed against Rad-Tel Tube Co., 604 Market St., Newark. It claims company's ads, brochures, tube cartons and invoices do not reveal tubes are seconds, while disclosure on tube is "wholly inadequate." Hearing is scheduled Feb. 4 in N. Y.

San Francisco color sales totaled 68 in Oct. vs. 82 last year, according to Pacific Gas & Electric Co.; 10-mo. total was 412. Oct. black-&-white sales: 3367 vs. 3553 last year; 10-mo. total, 24,452 vs. 25,052. Oct. radio: 2406 vs. 2166; 10-mo. total, 19,445 vs. 21,851.

Philco has extended until May 1961 the contract under which Avco's Crosley div. makes Philco ranges and laundry equipment at its Nashville, Tenn. plant.

RCA will increase by \$1 the list price of its \$3.98 Red Seal line of classical LPs Feb. 1. Increase doesn't apply to popular and jazz LPs.

Distributors' Millstone: Why they pamper the bigger dealer is graphically illustrated in Nov. *NEDA Journal* article by George E. Wedemeyer, Wedemeyer Electronic Supply Co., Ann Arbor & Lansing, Mich. Past-pres. of NEDA, Wedemeyer recently presented his research on costs-of-servicing-vs.-net-earned from smaller accounts to President's Conference on Distribution in Washington.

Detailed analysis of accounts breaks dealers into 6 groups by amount of monthly buying. Each group was related to percent of expense, sales & net it represented. Costs of handling 4 smaller groups precluded any profit. But dealers buying \$100.01 to \$500 a month produced 55.4% of net while representing 36.3% of accounts, 50.2% of expense, 55.3% of orders. 60.8% of sales, 52% of delivery expense, 58.6% of phone calls, 42.5% of salesmen's calls, 55.3% of invoices. Biggest dealers (\$500.01 to \$1500 a month) produced 32.1% of net while representing 4.8% of accounts, 15% of expenses, 19% of orders, 27.1% of sales, 7.1% of delivery expense, 27.1% of phone calls, 5.6% of salesmen's calls, 18.2% of invoices. Groups buying \$100 and less caused 36% of expenses, but produced only 12% of sales; they accounted for half of salesmen's calls.

* * * *

Extending further into consumer end of music business, *Billboard* buys *High Fidelity* and *Audiocraft* from Audiocom Inc. (Charles Fowler, publisher), will continue its own *Audition*.

Bell & Howell names Irving E. Russell central states sales mgr.; appoints Capitol Wholesaler div., Consolidated Sales, Indianapolis, for tape recorders.

Philco Technological Center is being opened to non-Philco employes to help ease shortage of technical manpower. It will offer only specialized correspondence courses.

EIA services and activities, including brief history of organization, are described in new 40-page booklet available from EIA, 1721 DeSales St. NW, Washington.

Federal excise taxes paid by TV-radio-phonograph and components manufacturers amounted to \$27,987,000 in quarter ended Sept. 30 vs. \$26,602,000 in 1956 period.

EXTENT to which financial men hold interlocking directorships or officerships of major financial and industrial concerns—and thus presumably exercise “big business” influence or control—is detailed in 176-page report by House Committee on Small Business released this week as House Report No. 1278. Top 35 commercial banks, 20 mutual savings banks, 20 investment trusts, 20 investment bankers, 20 life insurance companies, 20 fire & casualty insurance companies are individually listed with their assets and with the directorships and/or officerships their executives hold in 1642 companies and their subsidiaries and affiliates as of Dec. 31, 1956.

In “communications” category, 38 firms are listed as having interlocking directors and officials with the 135 largest financial companies of the U. S., including AB-PT, CBS, NBC and RCA, along with various news-

Every TV an FM: NARTB's FM Radio Committee, meeting Dec. 6 in Washington, passed resolution urging TV set manufacturers to incorporate FM broadcast band tuners in their receivers. Resolution stated that extension of TV tuning to FM band would stimulate sale of new TV receivers, and pointed to recent growth of numbers of FM stations, receivers and listeners—as well as recently announced FM converters for TV sets—to indicate that public is becoming increasingly interested in FM. Committee, headed by Raymond S. Green of Philadelphia's WFLN-FM, also voted to explore possibility of publicity campaign to promote manufacture and use of FM auto radios.

Hotpoint TV will kick off national dealer competition Dec. 30, with window display contest open until Feb. 28. Dealers will compete (pictures of displays must show at least 4 TV sets) for \$30,000 in prizes. In April, 10 top dealers and wives will be flown to Caribbean to dig for buried treasure, armed with maps of uninhabited islands off Cuba—and shovels. All this to continue TV exposure push which in 5 months has added 1000 TV dealers and increased franchise roster to 6500.

First All-American Awards to TV-radio servicemen for public service will be presented by GE receiving tube dept. in Washington Dec. 10. Awards comprise trophies and “checks for \$500 for use in a community activity or charity of their preference.”

Wage hike of 5-9¢ per hour is contained in 11th annual Raytheon-IBEW contract for 11 Mass. plants. Company says wage increase, plus additional fringe benefits for 13,200 employes, will amount to about \$2,350,000 annually. Agreement is retroactive to Sept. 1, runs to Aug. 31, 1958.

Capitol Records buys Electric & Musical Industries (U. S.) Ltd., including Angel label of classical European recordings, will merge Angel sales organization with Capitol Record Distributing Corp.

Oct. sales of TVs in Washington area totaled 8059 vs. 7523 in 1956 month, bringing 10-mo. total to 56,092 vs. 58,156, reports Electric Institute of Washington.

Institute of Hi Fi Mfrs. will stage 3 shows next year: San Francisco, Feb. 14-16; Los Angeles, Feb. 26-March 2; N. Y., Sept. 30-Oct. 4—no Chicago show.

Westinghouse buys Edgar Morris Sales Co., its Washington, D. C., distributor for 20 years, will convert it to Westinghouse Appliance Sales branch Jan. 1.

Capehart appoints Fuller & Smith & Ross for advertising & public relations.

papers, magazines and motion picture companies. In “manufacturing & mining” category these firms in TV-radio-electronics are included: Admiral, Arvin, Avco, Bendix Aviation, Clevite, Collins Radio, Daystrom, Decca, DuMont, Emerson Radio, General Dynamics, GE, General Precision Equipment, Globe-Union, I-T-E Circuit Breaker, Magnavox, Mallory, Meredith Publishing [misplaced from “communications” category], Minnesota Mining, Minneapolis-Honeywell, Motorola, Penn-Texas, Philco, Raytheon, Sperry Rand, Stewart-Warner, Sylvania, Thompson Products, Western Electric, Westinghouse, Whirlpool-Seeger, Zenith.

AT&T is placed in “public utilities” category, with “merchandising companies” comprising mainly big store chains. Other categories are oil companies, pipelines, railroads, airlines, miscellaneous transportation companies. [House Report No. 1278 is available while supply lasts from Select Committee on Small Business, House of Representatives, Washington, D. C.—or we'll get it for you.]

Electronics Portfolio Report: Electronics Investment Corp., mutual fund founded and headed by ex-San Diego broadcaster Charles E. Salik, reports net assets of \$13,315,250 as of Oct. 31, including \$82,888 undistributed from which 3¢ per share dividend was distributed Nov. 29 to 3,177,111 shares of common stock outstanding Nov. 1. Portfolio included \$10,685,415 shares of common stock, \$316,875 preferred, \$915,275 bonds, \$897,576 U. S. Govt. obligations. Net income for quarter to Oct. 31 was \$162,806. Portfolio changes during July 31-Oct. 31 quarter:

Purchases: 18,182 shares of Cohu Electronics Inc.; 1000 Fansteel (making total of 2000); 20,000 Laboratory for Electronics; 2000 RCA (total 9000); 5000 Statham Instruments; 1000 Westinghouse Air-brake (total 7000); 2000 Tung-Sol 5% cum. pfd. (total 3000); \$100,000 Emerson Electric 5½% conv. debts. 1977 (total \$150,000); \$100,000 Sperry Rand 5½% debts. 1982; \$50,000 Thompson Products 4½% conv. debts. 1982; \$300,000 Federal National Mortgage Assn. 4.7% due Aug. 11, 1958.

Sales: 1200 Amp. Inc. (holds 3800), 300 Boeing; 500 Consolidated Electrodynamics (holds 6500); 108 IBM (holds 1300); 5250 Glenn L. Martin; 1300 Minnesota Mining & Mfg. (holds 1700); 3800 Raytheon (holds 9300); \$100,000 U. S. Treasury cert. 2¾%; \$100,000 Federal Intermediate Credits, 3.875%.

Note: Like its larger and older counterpart, Television-Electronics Fund Inc., reported on last week (Vol. 13:48) the Salik fund showed predilection for certain favorites in TV-radio-electronics fields, listing among stocks held: 10,000 AB-PT, 5000 Amphenol, 2040 CBS "A," 4000 GE, 12,480 General Tire, 4000 Hazeltine, 5000 Hoffman Electronics, 9000 IT&T, 8000 P. R. Mallory, 5000 Motorola, 13,130 Philco, 5000 Sprague Electric, 10,300 Storer, 5000 Sylvania, 3000 Westinghouse. Television-Electronic Fund's holdings in same firms: 38,800 AB-PT, 20,500 Amphenol, 43,700 CBS "A," 43,500 General Tire, 45,000 Hazeltine, 22,900 Hoffman, 30,000 P. R. Mallory, 26,000 Motorola, 24,200 Philco, 10,500 Sprague, 16,800 Storer, 35,000 Sylvania, 44,800 Westinghouse. While EIC also listed 9300 Raytheon and 17,500 Slegler, TEF did not include these—but did show 30,000 Admiral, 22,900 Indiana Steel Products, 21,600 Oak Mfg., 51,500 Walt Disney, 21,900 Zenith, among others not on EIC list.

[For status in April 30-July 31 quarter, see Vol. 13:34.]

* * * *

Warner Bros. earned \$3,415,000 (\$1.90 per share on 1,793,296 shares outstanding) in fiscal year ended Aug. 31 vs. \$2,098,000 (84¢ on 2,482,247) in fiscal 1956, when figure didn't include \$15,295,408 income from sale of old films, which was transferred to earned surplus account. In fiscal 1957 film rentals & sales amounted to \$75,476,000 vs. \$73,350,000 year earlier. Annual report also disclosed company bought 36,400 of its common shares for \$736,000 on N. Y. Stock Exchange in 3 months ended Nov. 30. Operating results for new quarter were not available, but report indicated loss would be shown because of decline in domestic & foreign film rentals.

Stanley Warner Corp., whose operations include WTRI, Albany, in addition to 297 owned or leased theatres, Cinerama and International Latex, reports consolidated profits of \$3,767,840 (\$1.82 per share on 2,063,099 shares outstanding) in fiscal year ended Aug. 31 vs. \$3,194,200 (\$1.47 on 2,166,800) year earlier. Theatre admissions and merchandise sales rose from \$96,055,700 from \$115,125,300. Earnings were figured after providing for \$1,908,200 amortization of cost of Cinerama films.

Midwestern Instruments, Tulsa, has purchased Data Storage Devices Co., Van Nuys, Cal. for undisclosed sum—part cash, part common stock. Francis A. Oliver, ex-sole owner of Data, becomes v.p. of Midwestern, will head Data Storage Devices div. which moves to Tulsa. Midwestern chairman M. E. Morrow said growth of Magnecord div. "created accelerated requirements for magnetic heads to the point where acquisition . . . appeared both necessary and desirable."

Cohu Electronics sets up electronic instruments div. in Schenectady through stock exchange acquisition of Millivac Instrument Corp. and Volkert & Schaffer Inc.

Olympic Radio sales of about \$30,000,000 for 1957 are foreseen by pres. Morris Sobin, based on 10-mo. sales of \$22,100,000, 24.6% higher than in 1956.

Hallicrafters Co., old-line communications-radio-TV manufacturing firm with 2 big plants in Chicago, which just 2 years ago made exchange-of-stock deal whereby it became subsidiary of Penn-Texas Corp. (Vol. 11:51), may revert to independent status if moves to sell certain Penn-Texas subsidiaries to pay off debts materialize. There's nothing official yet, but it's understood founder-pres. Wm. J. Halligan and his sons may acquire control. The senior Halligan founded Hallicrafters in 1933 after choosing to become a newspaperman (original radio columnist for *Boston Transcript*) upon graduation from West Point. He and family owned about 25% of firm's 825,000 shares of common stock, traded on Midwest Exchange at 7, which was swapped for 332,000 shares of Penn-Texas, still traded on N. Y. Stock Exchange and then quoted at 18¼ (now 3%). Hallicrafters Aug. 31, 1955 fiscal year report showed \$4,793,531 working capital, and it had earned \$406,146 (49¢ per share) on sales of \$29,063,463 vs. loss of \$940,946 on sales of \$31,054,363 in preceding year (Vol. 11:47). Penn-Texas, big holding company, showed \$85,000,000 assets at time of deal, has been slipping since unsuccessful attempt of chairman Leopold D. Silberstein to acquire control of Fairbanks-Morse.

E. J. Korvette Inc. discount house earned \$1,187,527 (\$1.02 per share) on sales of \$71,073,688 for the year ended Sept. 28 vs. \$1,558,876 (\$1.33) on \$54,847,140 last year. Pres. Wm. Willensky told N. Y. Security Analysts: "Competitive pricing has affected our earnings for the past fiscal year. Our over-all gross profit margin . . . was reduced to 18.3% from 19.2%, [costing] us about \$600,000 before taxes." Korvette, which calls itself a chain of "promotional department stores," blamed 23.8% net profit decline on heavy expenses of opening new stores. Willensky noted that Korvette operates 7 small stores and 5 department stores and is opening a 6th (in Hartford, Conn.) Company hasn't paid a dividend since it became publicly owned Jan. 1956, preferring to invest in more stores, Willensky said.

Dividends: RCA, 25¢ plus 50¢ extra, both payable Jan. 27 to stockholders of record Dec. 20; Webcor, 15¢ plus 10¢ extra Dec. 28 to holders Dec. 16; Universal Pictures, 25¢ plus 25¢ extra Dec. 23 to holders Dec. 13; Canadian Westinghouse, 25¢ Jan. 2 to holders Dec. 13; Eitel-McCullough, 5% stock Dec. 31 to holders Dec. 12; Clevite, 40¢ Dec. 27 to holders Dec. 13; Corning Glass, 25¢ Dec. 27 to holders Dec. 13; Waldemar Press, 20¢ Dec. 31 to holders Dec. 16; Wells-Gardner, no action.

Standard Electromagnetics Inc., newly formed, buys R. P. Bennett Co. Inc., 43 S. Carroll St., Frederick, Md., primarily a manufacturer of relays. E. J. Boland, ex-pres., Carol Electronics Corp., Martinsburg, W. Va., is pres. of Standard. Other principals include: A. H. Fogelman, v.p., Hamilton Engineering Assoc., Washington, and Washington businessman Lisle Lipscomb. R. P. Bennett continues with new organization.

Packard-Bell earned \$704,447 (\$1.02 per share) on record sales of \$32,262,878 in year ended Sept. 30, compared with \$862,356 (\$1.25) on \$28,405,059 in preceding year. Pres. Robert S. Bell credited sales increase to technical products div., blamed lower earnings on increased labor and material costs. He said TV accounted for 30% of sales, giving firm "highest market share of TV sales, excluding so-called portables, we have ever enjoyed."

Telechrome Mfg. Corp. earned \$113,539 (42¢ per share) on sales of \$1,096,414 in year to June 30 vs. \$17,661 (18¢) on \$504,513 year earlier.

Clips from the Current Press

Networks' Printed Promotion: On-air promotion of own shows is most effective advertising used by the TV networks to build audience for programs—but *N. Y. Times* columnist Carl Spielvogel finds they're also spending "record amounts" in print media, mainly newspapers. Reason is increased competition, spate of new shows (some on irregular schedules and requiring special reminders), rapidly increasing number of set owners. Sponsors also buy a lot of space independently to acquaint viewers with their offerings. And the networks doing more institutional advertising than ever in trade papers and in such specialized journals at *TV Guide*.

Essence of Spielvogel's report, in his Dec. 1 column on advertising, is that networks believe strongly in print promotion, practice it on huge scale, encourage affiliates to do so locally too by sending them kits and otherwise assisting them. CBS-TV has 36 persons creating ad campaigns under John Cowden, operations director of adv. & sales promotion. CBS believes its creative director Wm. Golden's "CBS Eye" has been "seen more times by more people in the nation than any other trade-mark." Its ads are placed through Marschalk & Pratt div. of McCann-Erickson.

NBC's main identification is "Mezzo-Tint" process that produces a photo that looks like a drawing, permits better newspaper reproduction; v.p. Kenneth Bilby is in charge, Grey Adv. is agency. ABC uses no set art approach, but plugs hard its many new shows with "sell copy," says Dean D. Linger, director of adv. & promotion; its agency is BBDO. All 3 executives, while not deprecating print, insisted their best promotions still come from TV spot and "stay tuned" messages at end of programs.

Distressed theatre owners, confronted by growing TV competition, should stop moaning and do something about old movie houses, critic Bosley Crowther suggests in Dec. 1 *N. Y. Times*. He says Theatre Owners of America at Miami Beach convention last month (Vol. 13:47) "did a lot of tearful talking" but didn't mention "possible stimulant" to business: "That is the construction of some brand new theatres that would be in the rhythm and the style of the modern age."

Voice of Democracy's 4 national co-winners of \$500 college scholarships will be announced at Feb. 10 windup of 3-day Washington tour for 52 state and territorial winners. Now in 11th year, contest is open to upper 3 high school grades—sponsored by NARTB, EIA, U. S. Junior Chamber of Commerce.

"Largest TV station equipment sale" in history of Teleprompter Corp. was announced this week to Crosley Bestg. Corp., which has signed long-term contracts for use of new Mark V Teleprompter and has purchased new Telepro 6000 rear-screen projector for each of its 5 TV stations.

Top 50 TV-radio agencies in 1957 billings are compiled in Nov. 30 *Sponsor*, rankings generally corresponding with those in survey by Nov. 25 *Broadcasting* (Vol. 13:48). *Sponsor* estimates that combined TV-radio billings of biggest agencies hit \$1.22 billion this year vs. \$1.04 billion in 1956, with \$697,000,000 of the 1957 total accounted for by 10 leaders (McCann-Erickson, Young & Rubicam, J. Walter Thompson, BBDO, Ted Bates, Benton & Bowles, Leo Burnett, Dancer-Fitzgerald-Sample, Foote, Cone & Belding, Wm. Esty). Note: *Sponsor* tabulation breaks down TV figures for network & spot, does same for radio; also gives each agency's total billings for 1957 (e.g., McCann-Erickson's network TV was \$63,000,000, spot TV \$31,000,000, network radio zero, spot radio \$12,000,000—or on-air total of \$106,000,000 out of total agency billings of \$184,000,000, or 58%).

TV-radio advertising jobs total 33,900, Dec. 6 *Printers' Ink* estimates in roundup indicating 374,852 in U. S. are employed creating or selling ads—excluding "thousands behind the scenes such as printers, sign painters & clerical help." Magazine lists 3800 in advertising work at 475 TV stations—475 supervisors, 475 in promotion, 1425 in sales, 1425 in creative & other jobs. Estimate for radio is 29,400 at 3675 stations, including 11,025 in sales. Daily newspapers employ nearly 13,000; agencies, 50,000. Same issue of *Printers' Ink* explores performance of retired military leaders as executives in industry, concludes "military brass can be turned into business gold."

Commercial TV's success in Britain, its rising billings and growing inroads on BBC audience since started in Sept. 1955, is subject of significant report by British-born E.P.H. (Jimmy) James in Dec. 2 *Broadcasting*; onetime NBC research chief, later an MBS v.p., he's now a Nielsen v.p. and recently returned from England where he organized sales-research dept. for Granada TV Network.

"Rating madness should have run its course" by some time in 1958, *Sponsor* predicts in 2-page editorial in Nov. 30 issue, which points out that broadcasters, networks, agencies and many advertisers abhor the practice of "rating worship." "If it is allowed to continue unabated," says editorial, "it is a sad commentary on a creative industry that is not creative enough to lick a system that it doesn't want."

Bound and Indexed

We will index and bind, between embossed hard book covers, a limited quantity of all 1957 issues of the Television Digest Weekly Newsletters, plus the semi-annual TV Factbooks with all Addenda, plus all Supplements and Special Reports. This volume will provide a handy and handsome permanent reference for your own or your company library. Orders will be taken until Dec. 30. Price: \$25 per volume.

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SUMMARY-INDEX OF THE WEEK'S NEWS — December 14, 1957

"INSTANT RATINGS" to bow next month when ARB begins wired "Arbitron" service in N. Y.; wired hook-up to connect 8 cities now being installed (p. 1).

MOVIE DEPRESSION now blamed on feature film backlogs on TV, as exhibitors rally to block release of post-1948 backlogs. Hollywood goes all-TV (p. 2).

UHF TAX RELIEF DRIVE enters crucial week as House subcommittee schedules vote on proposal; sputnik casts shadow over industry optimism (p. 3).

CH. 13 LEGAL BATTLE already under way as FCC fails to act on transfer of WATV-WAAT to NTA. N. Y. Regents seek Gov. Meyner support (p. 4).

RUSSIA BEAMS TV to Norway from new transmitter; Austria inaugurates 3 new outlets, Portugal & Switzerland add stations. Other foreign news (p. 5).

NEW TV MARKET opened at Riverton, Wyo., as KWRB-TV goes on air. Next outlets due to start are KVII, Amarillo, & WMBD-TV, Peoria (p. 8).

MAJOR REVISION of FCC rules, first in 10 years, completed as Commission issues new "practice & procedure" regulations governing legal action (p. 9).

NETWORK TV BILLINGS totaled \$49,201,406 in Oct., increase of 8.2% over Oct. 1956, PIB reports; 10-month total is \$418,394,205 (p. 14).

INTERNATIONAL PAY-TV DEAL joins Skiatron & Rediffusion in 21-year mutual aid pact; British firm to install systems for Skiatron (p. 14).

Manufacturing-Distribution

RECORD ELECTRONICS factory sales of \$7 billion, about 50% to Govt., is outlook in EIA year-end statement; TV sales down 4%, production 12% (p. 10).

NOV. RETAIL SALES top comparable 1956 month first time since July; all-level inventory of 2,500,000 at end of Nov. down 300,000 from year ago (p. 10).

MAGNAVOX LOOKING for added dealers in metropolitan areas where share of market is low (p. 10).

HALLIGANS BUYING BACK Hallicrafters for \$3,000,000 cash, reports Penn-Texas. Chicago firm dropping brand-name TV-radio business next month (p. 11).

GERMAN RADIO, HI-FI IMPACT on U. S. market much smaller than speculated; won't pass 250,000 units in any year, says German expert (p. 12).

'INSTANT RATINGS' DUE TO START JAN. 1: The dream (or nightmare) of being able to tell, from minute to minute, the approximate number of viewers watching a given show—even how many switch channels when the commercial begins—is about to come true.

American Research Bureau's instantaneous rating system—or "Arbitron"—is currently being installed in 8 U. S. cities, including N. Y., Chicago & Los Angeles, and the research organization is now taking orders for service, to begin in N. Y. next month.

Principal difference between Arbitron and other oft-reported "instant ratings" is this: Equipment has been developed, manufactured & tested; system is being installed and is virtually ready to go. Despite recent leaks, the 2-year development of Arbitron has been one of best-kept secrets of the highly competitive TV research industry, whose business it is to pry into viewers' secrets.

New York operation will begin Jan. 1 with 300 sample homes, Chicago & Los Angeles Feb. 1 with 200 each. Shortly thereafter, ARB will begin instantaneous rating service with 1200-home 7-city sample (including N. Y. & Chicago, but not Los Angeles)—cities being chosen because their viewing habits in past have accurately reflected those of all 23 cities where 3 networks are in equal competition. Results of 7-city survey will be flashed instantaneously to ARB office in N. Y.

Basic unit of system is small "remote unit" or "transponder" which fits inside TV set in sample home and is adjusted to "feel" position of channel tuner switch. It's connected to central measuring

equipment by leased telephone line. There's nothing basically new in idea—except the one basic breakthrough which ARB is counting on to make system economically feasible: An almost unlimited number of remote units can be hooked to same telephone line.

Measuring system was specially designed by ARB, and, together with remote units, was manufactured by Taller & Cooper div. of American Electronics. It consists of computer, bank of amplifiers, memory cells, counter, teletype printer.

Basically, system works this way: Series of different-frequency pulses are sent out on each line, in sequence; transponder in each home set responds to only one of the frequencies. Each receiver identifies itself when "interrogated" by central control point—every 90 seconds.

It takes printer 2 seconds to turn out report saying, for example: 37 sets on Ch. 2, 96 on Ch. 5, 43 turned off—and new report is printed every 90 seconds (printer reports if any of the remote units are out of order). These figures can be converted to ratings or sets-in-use projections, using standard table. Results can also be shown on 8x13-ft. display board. Though ARB plans to deliver printed overnight ratings to clients, duplicate printers or boards can be installed in clients' offices.



Sample homes to be wired are chosen according to standard sampling procedures, then hooked up by telephone company (non-telephone homes as well as telephone homes are included). N. Y. sample includes homes in entire 16-county metropolitan area, using 12 leased lines, or average of 25 sets on each. It's understood that 200 N. Y. installations have been completed, most important remaining job being telephone company's task of "balancing" the lines.

It's understood ARB hopes eventually to have 2000-3000 U. S. homes wired for local station ratings, but all transponder-equipped homes in each community won't be used in nationwide sampling.

ARB plans several new rating services based on Arbitron—including deluxe job with electronic printer or board in client's office. It plans regular service of national and local overnight ratings, with complete report—broken down into 15-min. segments—hand-delivered to client next day, though, of course, the client can phone ARB at any time to find out how many people watched that 9:12 commercial.

Network spokesmen expressed strong interest in system, some reservations about cost and workability. One said he'd seen lab demonstration, and that he'd seen similar ones before, main difference being that "ARB is going ahead."

Families in sample are given periodic gifts for permitting their sets to be tapped—traditional in TV research industry—plus 90-day free set warranty to convince them that gadget won't hurt their sets. When ARB installers come across sample home TV with continuous tuner (which can't be measured by Arbitron), they replace set with reconditioned receiver of same screen size.

Press demonstration of Arbitron is scheduled for Dec. 18 at ARB's N. Y. office, 400 Park Ave.

EXHIBITORS FIGHT POST-'48 FILM RELEASE: "What time does the next show start?" asks the voice on the phone. "When can you get here?" is the theatre exhibitor's reply.

There's more truth than humor to this gag which has been making the rounds of TV shows the last few weeks—as the blackest depression yet engulfs the movie exhibition industry. Whether it's coincidence or not, theatre owners now have the dubious opportunity of recalling their warnings to major Hollywood producers at the time of the big feature backlog-dumping, and saying "I told you so."

For the start of the near-calamitous drop-off in movie attendance coincided with widespread exhibition of top-notch pre-1948 movie product on nation's TV stations. Climaxing a dip which became obvious in Sept., weekly movie attendance dropped last month to 32,000,000—a new low for Nov., 15% below Nov. 1956 and less than half of weekly average of 75,000,000 in pre-TV 1947. And some 1200 theatres have closed since start of year—leaving 17,800.

Effect of depression is being felt strongly in Hollywood, where TV now is almost the sole occupation of motion picture industry. Industry was shocked this week when Universal-International virtually

suspended theatrical picture production, dismissing more than 400 of its 1500 employes. Company said it had backlog of 32 unreleased pictures—enough for all of 1958—and will decide during hiatus where its future lies.

That a reaction against movie-to-TV release is setting in on west coast is indicated by rather surprising action last week of Screen Producers Guild, which, instead of seeking cut of TV distribution coin from post-1948 feature films, unanimously passed resolution urging movie industry to "bring about a halt to this suicidal method of distribution [release of movies to TV], which is nothing more or less than a 'quick-buck' method of liquidation of valuable assets."

How far exhibitors will get in their campaign to block TV release of post-1948 features is debatable. But they have received from one movie major—20th Century-Fox—tentative assurance that no picture less than 5 years old will be released to TV.

Most exhibitors feel this kind of assurance might not be enough; they're out to block release of any more features to TV. There were even rumors this week that group of exhibitors was trying to scare up enough money to buy the Paramount pre-1948 backlog—only such group of films not yet on TV—just to keep it off the home screens.

Another factor which may retard movie majors' decision to release backlogs of more recent films is possibility of pay TV. While exhibitors' organizations have gone on record as opposing toll TV (though many individual theatre owners want to experiment with it), the major movie companies are expected to have no such reluctance in exploiting medium if it ever should arrive—and there's been some indication that they intend to sit tight in hope that post-1948 films may have some toll-TV value.

Sale of Paramount pre-1948 backlog for TV was imminent at week's end, company's stock spurting in advance of board meeting at which it was believed offer would be approved. NTA and Screen Gems were believed to have inside track on the features, at an eventual return of \$35-\$40,000,000 to Paramount.

CRUCIAL WEEK FOR UHF SET TAX RELIEF: The 4-year drive to eliminate Federal excise tax on all-channel TV receivers—considered by many the most constructive single move to alleviate plight of uhf telecasters—is due to reach now-or-never climax next week when House Ways & Means excise tax subcommittee votes on issue.

Ironically, legislative experts agree that chances would be excellent this time—if it weren't for sputnik. There's more inclination in Congress now to take cynical look at any tax-cut proposals in light of heavier concentration on defense and satellites—even such relatively piddling revenue cuts as that involved in the uhf proposal.

For 3 successive years, industry muffed its opportunity to get measure passed—due to an inexplicable lethargy on part of manufacturing and telecasting interests, even uhf telecasters. When voting time came up, important committee members were only vaguely aware of what proposal was all about.

This year, under leadership of uhf-organized Committee for Competitive TV, and with active cooperation of NARTB, telecasters have conducted quiet but hard-hitting campaign, taking full advantage of unanimous endorsement of tax relief by Senate & House Commerce Committees and FCC to counterbalance Treasury Dept.'s opposition. Set manufacturers, through Electronic Industries Assn., have again endorsed the measure this fall.

Industry's argument for tax relief is based on contention that such a measure would eliminate price differential between vhf-only and all-channel sets, and encourage manufacturers to drop production of sets which can't tune uhf band. Treasury's opposition stems from potential elimination of all TV excise tax revenues. But telecasters, in talking with Congressmen, have pointed out that Govt. can be expected to gain far more revenue if TV output increases, more uhf stations show profit, new ones go on air, making more jobs and resulting in more tax money.

They also have used TV receiver industry's declining output and dollar volume as argument that tax exemption would help spur employment and sales and that tax loss to Govt. wouldn't be as

great now as it would have been 3 years ago. Federal manufacturers excise collection on TV sets (10% of factory price) dipped from \$110,087,000 in fiscal 1955 to \$99,134,000 in 1956 and \$86,427,900 in 1957.

If the tax exemption should be proposed by 8-man excise tax subcommittee under Rep. Forand (D-R. I.), its chances of eventual passage by both Houses are excellent. If subcommittee votes it down, odds against Congressional action would be almost insurmountable.

This year, for first time, subcommittee members are thinking seriously about proposal. For example, we were told by Rep. Eberharter (D-Pa.)—second-ranking majority subcommittee member, in whose home district of Pittsburgh 2 uhf outlets went off air:

“The backers of this relief have made a very good case from the social, business and even the revenue standpoint . . . Had it not been for sputnik and mutnik, the chances would have been very good, especially in view of the endorsement by both the House and Senate Committees on Interstate & Foreign Commerce. It’s difficult to tell now, but there may be a feeling in the [Ways & Means] Committee that now is not the time to reduce any excise taxes.”

Eberharter spoke after attending 3 days of subcommittee meetings on excise tax change proposals. Subcommittee reconvenes Mon. Dec. 16, continuing in session daily until it is ready to make recommendations to full Committee. These recommendations are almost always adopted by Committee.

Legal Battle Over Ch. 13: Though it was calendared for action this week, FCC passed over approval of projected \$3,500,000-plus transfer of Newark-New York’s WATV (Ch. 13) with radio WAAT to National Telefilm Associates (Vol. 13:40, 44, 49)—and it looks now like a “battle of lawyers” is in prospect over proposal of TV committee of N. Y. State’s Board of Regents that Ch. 13 be converted to education and that TV station should be sold instead to educational interests.

Counsel for WATV-WAAT owners, Paul M. Segal, and for NTA, Tom Wall (Dow, Lohnes & Albertson), have filed briefs opposing rule-making to change status of Ch. 13 from commercial to educational, and counsel for Regents, Henry G. Fischer, next week will file reply. Political undertones came to surface this week when Jacob L. Holtzmann, prominent N. Y. attorney and chairman of Regents TV committee, disclosed he had conferred with New Jersey’s Gov. Meyner to support move to make New Jersey’s sole vhf channel an educational outlet for N. Y. metropolitan area.

Gov. Meyner, though said to be “much interested,” did not commit himself—but even Holtzmann made it clear that both states’ legislatures would have to appropriate for such a station. The Governor, a Democratic presidential prospect, 3 years ago eliminated from state’s budget a project for closed-circuit TV programs to N. J. schools, taking position he opposed permitting a TV screen to “come between teacher and pupils in our schools.”

Opposition to Regents’ proposal, as expressed in NTA brief, takes position that board has no legal standing under rules, that Holtzmann committee’s proposal revives old “Avco rule,” dropped by FCC some years ago, giving FCC right to determine who should be purchaser. WATV brief maintains Regents have long held 7 CPs, have done nothing toward construction, have “absolutely no money . . . there being no appropriation by the Legislature [of N. Y.] and there being no indication of any likelihood of any such legislation being enacted.”

WATV brief also notes suggested Sept. 30, 1958 deadline for transfer to education is “impossible” not only because of necessity to obtain funds but fact other applicants

may also file for the channel. There has been no separation of evaluations of TV and radio properties, but Counsel Segal’s brief observes that Regents are “probably unaware of all of the implications of the transaction”—most particularly the \$1,000,000 in film contracts and long-term employment contracts involved.

Note: It was learned this week that, before the NTA deal and before the Regents’ move, there were conversations with WATV owners looking to possible acquisition of station by New York University and by Metropolitan Educational TV Assn.

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More Subliminal Lore: A veteran experimenter in subliminal projection—Director H. Richard Blackwell of U of Mich. Vision Research Labs, who worked with subliminal perception during World War II for U. S. Govt. and since then at the university—this week debunked notion that “invisible” ads would be influential. “I know of no convincing evidence that subliminal perceptions are any different from any other kind,” he said. “I believe that ‘invisible advertising’ would be less effective than the kinds we can see clearly, except possibly for a novelty effect.” Meanwhile, Sir Harold Bishop, veteran BBC director of engineering, commented this week on the persistent reports that the British Govt. TV service had experimented with subliminal projection. As to the suggestion “that the BBC has tested the system of ‘invisible’ television advertising,” he wrote us, “may I say that there is no foundation whatever for this suggestion.”

NARTB Freedom of Information Committee steps up campaign to allow broader TV-radio reporting of public proceedings, will mail kits to TV-radio stations, state broadcasting assn. presidents. Committee also: (1) Received report that 38 state assns. now have similar committees. (2) Heard report that State Bar Assn. of Tex. had rejected ABA Canon 35 usage in Tex. courts. (3) Endorsed pres. Harold E. Fellows’ request that industry spokesman be allowed to present case against Canon 35 at ABA House of Delegates meeting Feb. 24-25 in Atlanta. (4) Supported in principle Sen. Hennings’ bill (S-2148) which would keep open channels of public information.

NARTB board holds regular winter meeting Jan. 19-24 at Camelback Inn, Phoenix; TV finance committee meets Jan. 20, TV board Jan. 23.

Foreign TV Report: Increasing rate of TV's expansion and influence in other countries is indicated in recent reports from overseas, many of them direct from foreign capitals in response to our survey for international directory section of forthcoming *1958 Spring-Summer TV Factbook*, which goes to press in Feb. This reliable information covers some of more recent changes:

Soviet Union—Russia is using TV as foreign propaganda weapon, according to special report made this month by USIA Office of Research & Intelligence. This conclusion is drawn from fact that Soviet has put station on air at Murmansk 3 years ahead of schedule and has announced chain of satellites at Monchegorsk, Kirovsk, Pechenga & Kandalaksha, to make Murmansk studios "the TV center of the Polar Region." These stations, according to report, are aiming at coverage of parts of Norway, particularly the province of Finnmark, which has common border with Soviet Union.

Other Communist stations which telecast to western-oriented nations: East German outlets, some of which beam programs to West Germany; Bratislava, to Austria; Tallinn, to Finland. Says USIA report: "The opening of the Murmansk station indicates that in spite of all the technical disadvantages of TV, such as a short direct range and different standards of transmission in various countries, the Communists see enough propaganda potential in this medium to try to reach greater audiences in the free world."

Austria—There are now 6 TV stations on air, plus 2 translator-type repeater outlets, new 30-kw station at Pyramidenkogel (Karnten) and 0.1-watt repeaters at Schladming and Baden having begun operation this month, we're informed by Osterreichischer Rundfunk, which says sets-in-use now total 15,000. Three more stations are due in 1958—two 60-kw outlets at Jauerling & Patscherkofel and 10-kw installation at Kahlenberg.

Portugal—Still undecided about commercial operation, Portugal formally inaugurated 100-kw station at Lisbon and 50-kw station at Lousa (Coimbra) late last month.

Three new Canadian TV stations, including 2 satellites, were recommended by CBC Board of Governors at Dec. 6 meeting. Approved were radio CHAB (Mrs. L. A. Davis, owner) for Ch. 4, Moose Jaw, Sask.; Societe Video de Clermont for Ch. 75 satellite at Clermont, Que. to repeat CFCM-TV, Quebec City; La Compagnie de Television Pohenegamooke Inc. for Ch. 70 satellite at Esteourt, Que. to repeat CJBR-TV, Rimouski, Que.

European Protestant radio station building plans are being pushed this week in Geneva by lay and clergy promoters despite June refusal of support by Federation of Swiss Protestant Churches. Promoters envision medium-power 1865-mi. range station to cost \$575,000-\$690,000 with operating costs of \$161,000 a year.

Fremantle Overseas Radio & TV Inc. establishes British sales subsidiary with offices in London, personnel not yet announced. Lane Blackwell, former European representative of Fremantle, has joined NBC to head British & European sales organization.

Eleven nations will participate in Eurovision's New Year's Eve program. Originating portions of show and carrying all of it will be TV stations in Britain (BBC), Netherlands, Austria, Italy, Belgium, Luxembourg, France, Switzerland, Monaco, Germany, Denmark.

New 100-kw outlet at Oporto is due to go on air by end of this month, with 6.5-kw station at Foia and 1-kw at Montejunto scheduled to start "at the beginning of next year," according to letter from Radiotevisao Portuguesa, which estimates 5000 receivers in use.

Australia—Australian Broadcasting Commission hopes to put 4 more non-commercial stations (Brisbane, Adelaide, Perth & Hobart) on air in fiscal 1959-60, will ask for applications for commercial stations in same cities some time next year. There currently are 6 stations on air, in Sydney & Melbourne (4 commercial). Commission says about 120,000 receivers were licensed as of Oct. 1.

Switzerland—Fifth outlet, German-language station at Saentis (30-kw ERP), went on air this month, says Swiss Broadcasting Corp. Under construction are 10-kw Italian-language stations at Monte Ceneri (due next Spring) and San Salvatore (due next Fall). New French station is planned at Mt. Gibloux, with no definite target date. The non-commercial service is beamed to about 30,000 licensed receivers.

Luxembourg—Privately owned commercial Tele-Luxembourg has increased power to 100-kw, now serves 5000 receivers, according to artistic director Jacques-Gerard Cornu.

Poland—First TV station in Polish Silesia is now on air at Katowice, according to Reuters dispatch this week. Data in *TV Factbook No. 25* indicates station has 15-kw transmitter, 200-kw ERP.

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"Free enterprise TV in the U. S. is so far ahead of TV in Europe and South America that there is no basis of comparison," according to Colin M. Selph, former pres. of Santa Barbara's KEYT, who has just returned from 6-month study of foreign TV. "I wish the critics of American TV could view foreign TV for one week—particularly those critics who would force stringent controls and censorship on almost every type of program," he said. "Foreign programs are so mediocre that the average family pays little or no attention to the medium."

He found West Germany "the brightest spot in European TV [and] closest to the American type," with Italian and British commercial TV also promising.

A super TV sputnik is being built by Russia (Vol. 13:49) not only to jam radar and TV & radio signals but broadcast "its own propaganda on any TV channel anywhere in the world," Rep. Patterson (R-Conn.) asserted this week. Quoting "most reliable & authoritative sources" who informed him as member of House Armed Services and Joint Atomic Energy Committees, Patterson also told Middletown (Conn.) American Legion that sputniks may be utilized as "bomb-carry vehicles." He called for "super-accelerated crash program in all research & weaponry."

British retail TV sales hit year's peak of 191,000 in Sept. vs. 175,000 year ago, reports British Radio Equipment Mfrs. Assn. Total for 9 months was 856,000 vs. 777,000 in 1956 period. Radio sales in Sept. were 105,000 vs. 86,000 in 1956, while 9-mo. total was 824,000 vs. 674,000 last year.

Suggestions on international radio problems are invited by FCC, with Jan. 23 deadline, as part of U. S. preparation for International Telecommunication Union conference starting in Geneva July 1, 1959.

EIA spectrum study proposal is still at level of informal talks between EIA committee members and govt. officials (Vol. 13:44, 47-48). No formal meetings have been lined up and none are likely until after Jan. 1.

Personal Notes: Herbert B. Lazarus resigns Dec. 31 as AB-PT v.p., secy. & gen. counsel to open private law practice . . . Earl Rettig elected California National Productions pres., leaving post of NBC v.p. and treas.; he succeeds Robert D. Levitt, resigned; Weller Keever promoted to v.p. & gen. mgr. . . . Marcel Carter promoted to CBC controller of management planning & development, succeeded by A. M. Henderson as comptroller . . . Robert M. Weitman, CBS-TV program development v.p., named TV industry coordinator for 10th anniversary of State of Israel . . . Henry Hede promoted to ABC-TV administrative sales mgr., succeeded as eastern sales mgr. by Eugene Wyatt . . . Don L. Kearney, ex-ABC Film Syndication sales v.p., appointed Corinthian stations sales director . . . Herbert L. Golden, v.p. of Entertainment Industries div., Bankers Trust Co., N. Y. and former *Variety* reporter & editor, Jan. 1 becomes pres. of new United Artists Television Corp. and v.p. & director of parent United Artists Corp. . . . Stephen A. Machcinski Jr. promoted to exec. v.p. of rep Adam Young Inc. . . . Robert J. Sullivan, ex-WOR-TV & WOR, N. Y., named CBS Radio mgr. of audience promotion & merchandising . . . James Richards, ex-Don Lee v.p., rejoins John Blair & Co. as account exec. on N. Y. staff . . . Norman J. Ostby, ex-Don Lee station relations v.p., appointed gen. mgr. of MBS west coast div. . . . Walter E. Nilson promoted to rep Katz Agency TV sales mgr.; Wm. W. Joyce named Chicago TV sales mgr.; Oliver T. Blackwell, Alfred I. Miranda & Michael T. Membrado promoted to asst. TV sales mgrs. . . . F. A. (Mike) Wurster transfers from N. Y. office of John E. Pearson rep firm after holidays to become mgr. of San Francisco office, succeeding Martin Percival, who has resigned to accept a position in N. Y. . . . Timothy O'Connor appointed head of broker Allen Kander & Co. new Denver office, 1700 Broadway (Acoma 2-3623) . . . George H. Morris promoted to gen. sales mgr. of WSIX-TV, Nashville . . . Ted Weber, ex-WGN-TV, Chicago, appointed director of sales development of WVUE, Wilmington-Philadelphia . . . Roger Gardner promoted to production mgr. of WCCO-TV, Minneapolis, succeeding Charles D. Miller, resigned . . . Curt Sobo, ex-KFYR-TV, Bismarck, named mgr. of Meyer Bestg. Co.'s upcoming

KMOT-TV, Minot, N. D. (Ch. 10); Larry Mills appointed news director of Meyer which also operates KFYR-TV & KFYR and KUMV-TV, Williston, N. D. . . . Douglas L. Sinn, ex-WWJ-TV, Detroit, appointed regional sales mgr. of WMBD-TV, Peoria . . . Anne Hetfield, ex-Branham Co., named sales development director, Crosley Bestg. Co.; Marjorie Kemme promoted to press relations director, WLWT & WLW, Cincinnati . . . J. Harrison (Jack) Hartley, ex-station director of WEWS, Cleveland, appointed agent for Conn. Mutual Life Insurance Co., 2800 Euclid Bldg., Cleveland . . . Ted Steele forms Ted Steele Radio & Television Station Representatives, 510 Madison Ave., N. Y. with Leonard H. Levitt v.p.-gen. mgr., Steele continuing WOR-TV program . . . Mort Stein resigns as sales mgr. of Frazen TV Commercial Productions.

Seymour M. Chase, onetime attorney in FCC Office of Opinions & Review, who for last 4 years has been with Segal, Smith & Hennessey law firm, on Jan. 2 occupies own offices at 736 Wyatt Bldg., Washington (phone, Executive 3-2299); George S. Smith and Philip J. Hennessey, forming new law firm of Smith & Hennessey (Vol. 13:45), same date move into own building at 1240 19th St. NW (Executive 3-7242). In honor of his ex-partners, Paul M. Segal, who retains present quarters at 816 Connecticut Ave., gives cocktail party Dec. 20 at Army & Navy Club.

Nathan D. Golden, veteran director of Dept. of Commerce scientific, motion picture & photographic products div., awarded B'nai Israel plaque for outstanding achievement.

Wm. S. Paley, CBS chairman, appointed by President Eisenhower to Civil War Centennial Commission, preparing program for 100th anniversary of Civil War.

Frank L. Dennis promoted to USIA director of Public Information, succeeding Sidney H. Fine, assigned overseas.

Obituary

Johnnie Andrews, 50, pres. of Andrews Tower Co., TV & radio tower builder, died Dec. 12 in plane crash near Van Horn, Tex. Local officials said he may have suffered heart attack shortly before crash.

ADVERTISING AGENCIES: Dwight M. Mills, Kenyon & Eckhardt exec. committee chairman, plans to retire next year, no date set . . . F. Kenneth Beirn and F. Bourne Ruthrauff resign as v.p.'s of Erwin Wasey, Ruthrauff & Ryan . . . Anderson F. Hewitt, Kenyon & Eckhardt senior v.p., elected to exec. committee . . . Dan Potter promoted from broadcast media director of Norman, Craig & Kummel to head new corporate media planning & analysis dept. . . . Edward N. Mayer Jr. promoted to exec. v.p. of Communications Counselors Inc., div. of McCann-Erickson . . . Charles E. Coe, ex-Communications Counselors div. of McCann-Erickson, appointed Reach, McClinton & Co. v.p., director of market development and plans board member . . . John T. McHugh, ex-Joseph Katz agency pres., appointed Keyes, Madden & Jones exec. v.p. . . . Robert J. Brewster, ex-McCann-Erickson, joins J. Walter Thompson Co., Chicago, as a senior group head.

Baltimore's taxing spree—not only the proposed levies on all advertising media (Vol. 13:45-49) but by newly imposed tax on stocks & machinery of industries—is reaping an inevitable harvest. AP reports that 102-year-old A. K. Robins Co., employing 75, and Maryland Beverage Co. are moving to other towns—making 11 firms to do so since new city tax on inventory & equipment went into effect earlier this year.

Tempest in a Toothpaste Tube: Madison Ave. was still choosing up sides at week's end over rather spectacular loss of Whitehall Pharmacal account by Grey Adv. Agency after Grey pres. Arthur Fatt acknowledged in TV interview that he didn't always use Whitehall's Kolynos toothpaste. Appearing on *Nightbeat* on WABD, N. Y., Fatt told interviewer Howard Whitman, in response to question, that he had used Crest toothpaste the morning of telecast; Whitman then brought out that Grey Adv. represented Kolynos. Fatt stated his agency also handled some products of Procter & Gamble, but not Crest. This week, Whitehall dropped Grey for Kolynos. Though Whitehall parent American Home Products Corp. is one of top 20 national advertisers, Kolynos account represents only about \$300,000 a year. Most admen felt that by & large Fatt did excellent job on TV show in representing ad industry—but opinion was divided as the whether Whitehall was justified in dismissing agency. There was unanimity, however, in feeling that it would be a long time before any more agency men appeared on TV interview shows.

New reps: WESH-TV, Daytona Beach, to Avery-Knodel (from Petry); KSHO-TV, Las Vegas, to McGavren-Quinn (from Forjoe); KCEN-TV, Temple, Tex. to Blair Television Assoc. (from Hollingbery); WJBF, Augusta, Ga. to Hollingbery (from Avery-Knodel).

Telecasting Notes: What's more important to a sponsor than ratings? At least 3 other considerations should be, says pres. Walter Guild of Guild, Bascom & Bonfigli in special article in Dec. 11 *Variety*. "We dearly love high ratings, and are as dejected as the next one when we lose a point or 2," he sums up. "But we rank ratings in about fourth place in our consideration of TV properties" . . . Mr. Guild's 3 more-important-than-ratings points: (1) Good commercial fusion, or "opportunity to present commercials at a time and in a situation when audience is in a mood to receive them." (2) Every-week frequency of commercial message, rather than alt. week sponsorship. (3) Exclusivity of sponsorship, as opposed to shared sponsorship . . . John Crosby takes dimmer view of ratings in his Dec. 13 N. Y. *Herald Tribune* column. "Ratings are idiotic," he says. "Only idiots would pay the slightest attention to them and here a whole industry is based on them" . . . "The TV market has suddenly gone soft," reports another article in same issue of *Variety*, "and the networks are more than a little concerned over a situation that finds them with several openings in prime time and no solid prospects for filling them." Among shows which article lists as seeking alt. sponsors are NBC's *Restless Gun*, which pulled No. 5 rating in Nov. ARB list; CBS's well-rated *Person to Person* and *I Love Lucy* reruns . . . Swing to live shows next summer and fall is predicted by ABC-TV program v.p. James Aubrey Jr., according to Dec. 9 *Billboard*. His logic: Sponsors and producers have learned

lesson this season, and plan to start shows live so that changes may be made quickly, if needed; if shows prove successful, then they'll switch them to film . . . Westinghouse Broadcasting Co. will be only U. S. non-network station group with correspondent at Paris NATO meetings; WBC national correspondent Rod MacLeish will transmit daily 15-min. reports for duration of conference and will supervise special UP film coverage for WBC stations . . . Major cultural effort of CBS-TV, *Seven Lively Arts*, will be dropped after 10 of the originally planned 26 shows, having failed to attract sponsor—or critical acclaim, until Dec. 7 jazz show, which received enthusiastic response from reviewers . . . Metropolitan music critics again applauded *NBC-TV Opera Theatre* as it opened season Dec. 7 with striking performance of Poulenc's "Dialogues of the Carmelites" . . . One of most ambitious and largest news shows ever scheduled is CBS-TV's Jan. 5 *Where We Stand*, 90-min. program sponsored by Prudential Insurance, and reporting on scientific, military, govt., economic & educational scorecard between U. S. & Russia . . . IT&T's debut in network TV sponsorship will be 60-min. CBS-TV *See It Now* Dec. 30 program of filmed highlights of Marian Anderson's Asian concert tour . . . Major league baseball on film is project being considered by ABC-TV for 1958 ball season. Under plan, daytime games would be filmed, then played back same evening . . . Like old times: CBS-TV's *Lucille Ball-Desi Arnaz* show topped both Nielsen & ARB ratings for Nov., when the new once-a-month 60-min. show made its debut.

TV poses no moral problem to Catholics generally, Bishop Wm. A. Scully of Albany, chairman of Episcopal Committee on Motion Pictures, Radio & TV, said this week. Reminding Catholics to renew pledges of loyalty to Legion of Decency and be on guard against improper movies, he said his Committee sees no need now to pass judgment on U. S. TV or radio programs in carrying out censorship encyclical by Pope Pius XII (Vol. 13:46-47). "The [broadcasting] industry is to be commended in preserving standards which permit the American home to tune in programs at random without being faced, in each instance, with a problem of moral judgment," Bishop Scully said. He praised TV's "self-regulatory agencies" for upholding—"with some exceptions"—broadcasting principles of serving public interest.

Westinghouse's 5 TV stations, which under direction of pres. Don McGannon are taking lead among non-network interests in production of our own educational programs, is screening documentary *Education '57* for U. S. Commissioner of Education Lawrence Derthick and others at Washington's Statler Hotel, Dec. 16 at 5 p.m. Last month, it screened for FCC its *Adventurers in Number & Space*, featuring Baird Puppets in nine 30-min. films designed to popularize such subjects as arithmetic, algebra, geometry, computers, etc. Westinghouse spent \$80,000 on the series, is currently running them sustaining in prime time (between 7 & 8 p.m.) on its own stations, plans to release them also to educational stations.

Rate increases: WSIX-TV, Nashville, Nov. 1 added Class AA hour (7-9:30 p.m. daily) at \$700, min. at \$140, Class A hour going from \$575 to \$600. WILK-TV, Wilkes-Barre, Nov. 1 raised base hour from \$425 to \$475, min. \$85 to \$95, its second increase in 3 months, having raised hour from \$375 last Sept. WESH-TV, Daytona Beach, Nov. 1 added Class AA hour (7:30-10:30 p.m. daily) at \$400, min. at \$90, Class A hour going from \$200 to \$325. WTPA, Harrisburg, Nov. 1 raised hour from \$350 to \$385, 20 sec. \$70 to \$75.

TV network contracts with major league baseball clubs for Sunday games next season should be deferred pending Congressional investigation, Chairman Celler (D-N. Y.) and Rep. Keating (R-N. Y.) of House Judiciary anti-trust subcommittee said this week. Responding to protests by minor leagues that telecasts scheduled by CBS-TV and 5 major clubs would cut into minors' Sunday gates (Vol. 13:49), Celler & Keating warned in joint statement that "precipitous action taken now would seriously interfere with an ultimate solution that is fair & equitable to all concerned." They promised probe of dispute between minors & majors to see if new anti-monopoly legislation is needed to prevent situation which would "jeopardize the welfare of the entire sport."

Local TV programming by Westinghouse stations in new "Project 62" will help "discover & develop the performing, writing & producing talent for the industry's needs," according to Westinghouse Bestg. Co. pres. Donald H. McGannon. He told meeting of station executives in Savannah that "Project 62" will be financed as corporate undertaking "well into 6 figures."

Jefferson Standard Bestg. Co.'s WBTV & WBT, Charlotte, have received first annual "Corporate Citizenship Award" from N. C. Literary and Historical Assn. Inc. Also, this week, Jefferson Standard Foundation awarded 3 one-year scholarships to U of N. C. students for study in Dept. of Radio, TV and Motion Pictures.

Weather radar system which can be used by TV-radio stations and other relatively small privately operated enterprises, such as construction projects and offshore drilling operations, was announced this week by RCA. New compact ground system is designed to provide accurate forecasts, spotting and tracking disturbances at distances up to 150 mi. It is being manufactured in RCA's Los Angeles defense electronic products plant.

New closed-circuit TV system at Ohrbach's dept store, N. Y., was credited with first arrest this week when woman was held on charge of taking \$70 sweater.

New and Upcoming Stations: KWRB-TV, Riverton, Wyo. (Ch. 10) opened up new market when it started Dec. 14 as CBS-TV affiliate, bringing on-air total to 520 (90 uhf). It plans off-air network pickup from KTWO-TV, Casper, Wyo. (Ch. 2), 105-mi. away, when that station moves to higher power at new site, scheduled for Jan. Other outlets due soon are KVII, Amarillo, Tex. (Ch. 7) and WMBD-TV, Peoria, Ill. (Ch. 31).

KWRB-TV has 5-kw GE transmitter, 12-bay antenna, atop Mt. Ridge, Boysen Peak. Studio in Thermopolis is connected via microwave, as will be studios to be built later in Riverton & Worland. Owner-mgr. is Joseph P. Ernst, operator of radio KWRL, Riverton; KRTR, Thermopolis; KWOR, Worland. Base hour is \$150. Rep is Meeker.

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

WLOF-TV, Orlando, Fla. (Ch. 9) has 80% of GE equipment on hand, hopes to begin test patterns about Jan. 9, programming 2 weeks later, reports v.p.-gen. mgr. Donn R. Colee. It will use 651-ft. Stainless tower. Principal owners are Joseph L. Brechner and John W. Kluge. Rates not yet set. Rep will be Young TV.

WJCT, Jacksonville, Fla. (Ch. 7, educational) has

Radio Station Sales Approved by FCC: WDIA, Memphis, Tenn. by John R. Pepper & E. R. Ferguson for \$1,000,000 to owners of WOPA, Oak Park, Ill. (Vol. 13:44) . . . WOBS, Jacksonville, Fla. by Robert W. Rounsaville for \$500,000 to owners of WSTN, St. Augustine (Vol. 13:34) . . . WMRY, New Orleans, La. by Lester Kamin and associates for \$250,000 to Robert W. Rounsaville (Vol. 13:34) . . . KITO, San Bernardino, Cal. by Frank Oxarart, Albert Zugsmith and John D. Feldmann for \$200,000 to owners of KWKW, Pasadena, Cal. (Vol. 13:46) . . . KRCT, Pasadena, Tex. by W. D. Christmas for \$175,000 to v.p.-gen. mgr. John H. Touchstone and Leroy J. Gloger (Vol. 13:46) . . . WTAN, Clearwater, Fla. by Mary B. & William G. Wells for \$155,000 to H. Dennison Parker (Vol. 13:44) . . . WWIL, Ft. Lauderdale, Fla. by Missouri Bestg. Corp. for \$130,000 to Florida Air-Power Inc. (Vol. 13:36) . . . WEAR, Pensacola, Fla. by Gulfport Bestg. Corp. for \$112,500 to Florida Radio & Bestg. Co. (Vol. 13:43) . . . WMMB, Melbourne, Fla. by Mrs. Erna Bessler for \$102,500 to Harlan Murrelle and associates (Vol. 13:43) . . . WVLN, Olney, Ill. by Olney Bestg. Co. for \$95,000 to owners of WSOY, Decatur, Ill. . . . WHUC, Hudson, N. Y. by Robert P. Strakos and John F. Kearney for \$82,500 to Colgreene Bestg. Co. (Vol. 13:47) . . . KTOO, Henderson, Nev. by KTOO Inc. for \$78,945 to Advertising Dynamics Corp. . . . WGKV, Charleston, W. Va. by Jacob & Walter Evans for \$77,500 to Joseph L. Brechner (Vol. 13:46) . . . KTNM, Tucumcari, N. M. 55% by David R. Worley, Lloyd Hawkins & Bruce Zorns for \$63,000 to Howard L. Maudlin (Vol. 13:33) . . . WIKB, Iron River, Mich. by WIKB Inc. for \$53,000 to Edwin Phelps and son (Vol. 13:44) . . . WMGE, Madison, Ga. by W. C. Woodall Jr. and associates for \$30,000 to Howard C. Gilreath and F. K. Graham (Vol. 13:46).

Sale of KGEO-TV, Enid-Oklahoma City (Ch. 5) by Streets Electronics Inc. (P. R. Banta, pres.) for \$2,500,000 (Vol. 13:41, 45) was approved by FCC. Buyers are L. E. Caster, ex-pres. of WREX-TV, Rockford, Ill. (Ch. 13), who acquires 75%, and Ashley L. Robison, owner of radio KOVO, Provo, Utah and 15% stockholder of WREX-TV, who gets 25%. Banta is to buy back 10% of KGEO-TV from Caster.

changed target to Feb. 1, reports Heywood Dowling, pres. of grantee Educational Television Inc. GE 5-kw transmitter donated by WMBR-TV is expected to be hooked up in month to Alford antenna on WFGA-TV tower at 843-ft. level. It will use WMBR-TV studios, but transmitter and film equipment will be located in WFGA-TV transmitter house.

WBPZ-TV, Lock Haven, Pa. (Ch. 32) is wiring 1-kw RCA transmitter, plans test patterns about Jan. 1, reports WBPZ gen. mgr. Harris Lipez. It will be first local TV outlet in area which has been getting service from community antenna systems. It plans Jan. 15 start as ABC-TV affiliate, picking programs off air from WILK-TV, 80 mi. away. Antenna was scheduled for installation Dec. 16 on Stainless 100-ft. tower on Sugar Lusk Mt. Radio staffers assuming TV duties are Richard Yoke, sales mgr.; Dave King, program mgr.; Albert Stratmoen, chief engineer. Base hour will be \$100. Rep not chosen.

New joint 1110-ft. tower was inaugurated Dec. 15 by Philadelphia's WFIL-TV (Ch. 6) & WRCV-TV (Ch. 3) with 30-min. dedicatory color program carried by both stations.

Translator starts: K78AF, La Barge-Big Piney, Wyo. began Dec. 7 repeating KSL-TV, Salt Lake City.

Reports of Radio Station Sales: KDON, Salinas, Cal. by Clark Fee and Glen Stadler for \$260,000 to Richard Bott, asst. gen. mgr. of KSAN-TV, San Francisco (Hamilton, Stubblefield, Twining & Assoc.) . . . WOTW, Nashua, N. H. by Arthur A. Newcomb for \$155,000 to Theodore Feinstein, owner of 3 other New England stations . . . KSUB, Cedar City, Utah, 34.27% by Durham Morris, W. Arthur Jones, Lannell N. Lunt and Lorin C. Miles for \$65,415 to Beehive Telecasting Corp., grantee for Ch. 11 in Provo and present 23.72% owner; Beehive will own 58% of station after transaction . . . KTOO, Henderson, Nev. by Tom Magowan and Fred Jones for \$63,600 to group of Hollywood TV-radio announcers . . . KOFE, Pullman, Wash. by J. Ronald Bayton & Maynard F. Hicks for \$60,000 to KOFE Inc. (Herbert E. Everitt, pres.) . . . KASI, Ames, Ia. by Ames Bestg. Corp. for \$57,000 to William Evans, free-lance radio producer & writer . . . WJOT, Lake City, S. C. by Lake Bestg. Corp. for \$49,731 to Charles W. & John A. Dowdy.

Transfer of KCOP, Los Angeles (Ch. 13) to Bing Crosby-Kenyon Brown group for \$4,000,000 from Copley Press was approved by FCC this week—Commission satisfied with purchaser's program plans, which it had questioned after complaints were filed by NAFBRAT (Vol. 13:34, 37). Viewers' group had charged that station's schedule was poor in presentation of controversial issues, overcommercialized, etc.; purchaser had said it planned no substantial change, later submitted statement meeting Commission approval.

Kansas City Star, now selling its TV-radio stations for \$7,600,000 cash to National Theatres Inc. in compliance with consent decree arising from anti-trust conviction (Vol. 13:48), faces new damage suits filed Dec. 13 in Federal district court in Kansas City by publishers of several newspapers and shopping papers. Alleging monopolistic practices, publisher of *Independence* (Kan.) *Daily News* asks treble damages of \$3,000,000 and \$150,000 attorney fees; owners of *North Kansas City News* and weekly *Industrial Press* demand \$2,550,000 damages and \$50,000 fees; publishers of *Johnson County Herald* seek \$1,500,000 & \$50,000.

FCC Issues Major Rules Revision: New "practice & procedure" rules of FCC, issued this week, are source of pride to Commission—being first major revision in about 10 years, and FCC being first govt. agency to accomplish feat essayed by all similar agencies.

Extensive document, to be printed in *Federal Register* as soon as possible, also in special Govt. Printing Office pamphlet, contains numerous revisions—including elimination of mandatory "written hearings" (Vol. 13:48), changes in treatment of petitions for stay and reconsideration, simplification of admission to practice before Commission, modification of procedure in filing amendments after initial decisions, etc.

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FCC continued its closer scrutiny of "drop-out" agreements, as in Lubbock case (Vol. 13:48-49) wherein competitor withdraws application, leaving one applicant free for grant. It stayed finalization of Ch. 18 CP in Baton Rouge for Port City TV Co., pending study of agreement with Bayou Bestg. Corp., which dismissed.

Sale of 60% of WMFD-TV, Wilmington, N.C. (Ch. 6) by Richard A. Dunlea & wife for \$153,850 (Vol. 13:44) was approved by FCC this week. Dan D. Cameron retains his 40% of station, Dunleas keep radio WMFD. Buyers of Dunlea stock are WNCT, Greenville, N. C. (Ch. 9) and J. W. Jackson. After transfer is effected, stockholders are to buy additional shares which will result in this lineup: WNCT, 49.58%; Dan D. Cameron, 40%; James W. Jackson, 10.41%.

Control of KPLC-TV, Lake Charles, La. (Ch. 7) & KPLC is being acquired by T. B. Lanford, who already has 1/3 interest, it's revealed by application filed with FCC. He's paying \$322,000 for 1/6 held by R. M. Dean and 1/6 by Viola Lipe Dean Trust, increasing holdings to 2/3. Other 1/3 partnership interest is held by L. M. Sepaugh. Oct. 31 combined balance sheet for TV and radio lists \$134,297 net profit. It shows \$219,218 current assets, \$276,475 fixed assets; \$90,998 current liabilities, \$282,876 investment by Lanford, \$151,035 by Sepaugh.

Triangle Publications Inc., headed by Walter Annenberg, publisher of *Philadelphia Inquirer*, *TV Guide* and other periodicals, owner of WFIL-TV & WFIL, Philadelphia as well as 4 other TV and 4 other radio stations [see p. 206, *TV Factbook No. 25*] this week acquired tabloid *Philadelphia Daily News* (circ. 175,000) from Matthew J. McCloskey, treas. of Democratic National Committee. It will continue to be published as a tabloid but editorial policy changes to Republican.

Five applications for TV stations and one for a translator were filed with FCC this week, bringing total to 122 (32 uhf) for stations, 25 for translators. Applications: For Moline, Ill., 2 for Ch. 8, one by group headed by Frank Schreiber, ex-gen. mgr. of WGN-TV, Chicago, other by principals of WMT-TV, Cedar Rapids; for Hot Springs, Ark., Ch. 9, by Donald Reynolds, owner of KFSA-TV, Ft. Smith, and other stations; for Gainesville, Fla., educational Ch. 5, by U of Fla.; Lubbock, Tex., Ch. 5, by owners of KDAV there. Translator was for Ch. 77, Redwood Falls, Minn. [For details, see *TV Addenda 25-T* herewith.]

Assn. of Maximum Service Telecasters added 5 members at board meeting in Tulsa last week. KOA-TV, Denver; WFIL-TV, Philadelphia; WBR-TV, Knoxville; WRGP-TV, Chattanooga; KSIX-TV, Corpus Christi.

Allocations activity: (1) *Washington Post*, operator of WTOP-TV (Ch. 9) and WMBR-TV, Jacksonville (Ch. 4), asked that Ch. 8 be shifted from Selma, Ala. to Birmingham. CP for Ch. 8 is held by WSLA (Wm. Brennan & Wm. E. Benns) which has sought approval for move to new site and 2000-ft. tower 50-mi. southeast of Selma. WSLA has had grant since Dec. 14, 1953, is seeking 7th extension of time to build. WSLA has had long hassle with Govt., in attempt to get approval of its proposed tower. (2) KATV, Pine Bluff, Ark. (Ch. 7) asked for move of its channel to Little Rock, shift of Ch. 9 from Hot Springs to Pine Bluff. (3) WWLP, Springfield, Mass. (Ch. 22) filed 5-town uhf parlay aimed at getting Ch. 74 into Springfield, Vt. for translator. (4) FCC started rule-making to delete Ch. 5 & 8 from Walla Walla, Wash. to make city all-uhf. (5) Commission denied proposals to shift educational Ch. 11 from Durham, N. H. to Keene, N. H. or Worcester, Mass. for commercial use.

Time for comments on low-power vhf rule-making was again moved, from Dec. 15 to Jan. 15, at request of booster proponent Gov. McNichols of Colo.

Ch. 11 CP to Beehive Telecasting Corp., Provo, Utah, was made effective immediately. Translators on Ch. 73, 80 & 83 were granted for Redwood Falls, Minn.

Program at 83rd semi-annual SMPTE convention April 21-25, Ambassador Hotel, Los Angeles, includes these papers: "Closed Circuit TV," by Boyce Nemece, management consultant; "Color and Black-&-White Cinematography," Alan M. Gundelfinger, Technicolor Corp.; "Distribution of TV Programs on Film," Frank Ralston, ABC TV Center; "High-Speed & Instrumentation Photography," Robert M. Beatty, Lockheed missile div.; "Industry Milestones," John B. McCullough, Motion Picture Assn. of America; "Laboratory Practices," Vaughn Shaner, Eastman Kodak; "Motion Picture Studio Practices," Petro Vlahos, Motion Picture Research Council; "Sound Recording," James L. Pettus, RCA; "TV Recordings," Ralph E. Lovell, NBC; "TV Studio Practices," Jack Kennedy, NBC; "World-Wide TV," Ellis W. D'Arcy, consulting engineer.

Compatible single-sideband radio transmission is being tested by ABC's WABC—second N. Y. outlet to experiment with the new technique, first having been WMGM (Vol. 13:12). System eliminates one sideband (saving spectrum space), concentrating entire output on other sideband. Tests began Dec. 8, using CSSB on regular programs 6 p.m.-8 a.m. this week; next week tests will be carried 8 a.m.-6 p.m., with transmission hours alternating each week thereafter. Listeners have been invited to comment. Engineering v.p. Frank Marx said ABC expects CSSB to provide increase in effective signal equivalent to doubling power, improvement in fidelity, less fading in fringe areas.

Unique agreement with 3 networks has been signed by WJIM-TV, Lansing-Flint (Ch. 6), under which station "will accept orders from all networks on an equal basis" effective Jan. 1. Outlet will drop its "basic" affiliation with NBC and "basic optional" ABC & CBS tags. Currently, according to pres. Harold F. Gross, station is scheduling 58 hours weekly from NBC, 24 from CBS & 14 from ABC. "As of Dec. 1," he adds, "WJIM-TV had orders on hand for all NBC programs, 71% of all CBS programs and 87% of the ABC commercial schedule." Station originates 30 shows weekly at new Flint studio.

American Research Bureau has moved into new 2-story center at Beltsville, Md., consolidating depts. previously quartered in National Press Bldg., Washington, and College Park, Md.

DIMENSIONS OF THE ELECTRONICS INDUSTRY: Electronics' role in the economy was blocked out precisely and concisely this week when James D. Secrest, Electronic Industries Assn.'s perceptive and experienced exec. v.p., addressed U.S. Chamber of Commerce "Business Outlook Conference" in Washington. Highlights:

- (1) Govt. is by far electronics industry's biggest customer -- percentage of factory dollar volume coming from Govt. rising from 20% to 50% from 1950 to 1957, while entertainment volume dropped from 58% to 21%.
- (2) Total factory electronics sales should reach record \$7 billion this year vs. \$5.9 billion in 1956 -- with 8-10% increase in prospect for 1958.
- (3) Military electronics jumped from \$2.7 billion in 1956 to an expected \$3.5 billion this year.
- (4) Industrial electronics is \$1.3 billion this year, \$350,000,000 above 1956.
- (5) TV sales slipped about 4% this year, production about 12% -- to about 6,500,000 units for both -- but "greater stability and balanced inventories improved the profit position of most companies" -- and industry expects to produce and sell about 7,000,000 or more sets in 1958.
- (6) Radio and hi-fi have boomed -- radio production due to hit about 15,300,000 this year vs. 13,900,000 in 1956 (Vol. 13:49) -- with 500,000 more due in 1958.
- (7) One of biggest potentials is industrial electronics. "Already, it is running a close second to home entertainment and may well surpass it next year."
- (8) Component sales this year will be about \$900,000,000, up \$50,000,000; transistor sales of 27,000,000 will be more than double 1956's.
- (9) A strong comer: Closed-circuit TV -- especially for school & industry.

NOV. SALES TURN UP, INVENTORIES DOWN: Year's downward trend in retail TV unit sales broke to upward side in Nov., preliminary estimates indicating 613,000 units sold, including exports, compared with 572,000 in Nov. 1956. It was first month since July and only 4th in year (others, Jan. & May) that retail sales bettered comparative 1956 months. If Dec. sales match the 960,000 of last Dec., retail sales for full year should reach about 6,500,000 vs. 1956's 6,800,000. However, Dun & Bradstreet Inc. reports 1-5% drop in retail business week ended Dec. 11, compared with last year, blaming sloppy weather and transportation strikes -- heaviest impact on furniture, housewares, major appliances.

End-of-Nov. inventories totaling 2,500,000 at all levels -- factory, distributor, retail -- also are regarded as favorable and compare with 2,800,000 at same time last year. Particularly noteworthy is fact inventories have remained virtually constant since end of Sept., whereas in same 1956 period they increased 200,000.

Inventory shows how carefully set makers are watching the production-factory sales-retail sales cycle. Nov. production was 562,000 vs. 680,000 in Nov. 1956; factory sales were 580,000 vs. 631,000.

Note: We've remarked before on the curious parallel between passenger auto and TV receiver production figures. Ward's Automotive Reports estimates 6,158,000 cars being built this year (aside from 1,000,000-plus trucks). In 49 weeks thus far reported by EIA, TV production totaled 6,047,000 (see p. 11); last 3 weeks of year are not usually heavy -- so parallel seems to hold again, for whatever it may betoken.

Magnavox Mending Fences: "Magnavox is looking for dealers in metropolitan areas where we don't have adequate distribution." That's the explanation given by merchandising director George Fezell when we asked if this week's controversial addition of dealers in Philadelphia showed break in company's tight franchising policy.

Key cities have to produce higher percent of market in order to balance Magnavox's (1600 dealers) lack of representation in most of nation's 3000 counties, he said. "Our Philadelphia figure was too low." He added that increasing franchises to 17 this week from start of 9 in first quarter won't interfere with business of present accounts -- 17 dealers being less than half number Magnavox marketing might require.

Does local "character" of some of the added dealers disturb Magnavox? "No, our franchise has teeth in it. All dealers have signed it," he said, adding that agreements signed also protect price against excessive trade-in allowance tactic often used by discounter to disguise price cutting. "Some of our biggest accounts are discounters," he added, "but they value our franchise; they don't cut Magnavox."

Production: TV output was 109,339 week ended Dec. 6 vs. 123,844 the preceding week & 151,993 in 1956. Year's 49th week brought production to about 6,047,000 vs. 7,010,837 last year. Radio production was 387,597 (121,784 auto) in Dec. 6 week vs. 357,881 (109,372 auto) the preceding week & 374,826 (164,907 auto) in 1956. Through 49th week, radio set output totaled about 14,379,000 (5,156,000 auto) vs. 12,952,675 (4,553,194 auto) through 49 weeks of 1956.

\$3,000,000 Hallicrafters Deal: Hallicrafters principals would neither confirm nor deny widely published reports this week that sustain advance indications (Vol. 13:49) that company will shortly revert to control of pres. Wm. J. Halligan and family—but fact is announcement came from Penn-Texas Corp., of which Hallicrafters became a subsidiary in Feb. 1956 (Vol. 11:51). At Hallicrafters it was stated announcement was premature because some contingencies remain to be resolved.

Penn-Texas stated \$3,000,000 cash was being paid to spin off the pioneer TV-radio-communications equipment manufacturer; whether the Halligans will be sole owners, or will once again offer their stock publicly, could not be ascertained. First National Bank, Chicago, is Hallicrafters' banker.

It's definite that Hallicrafters is going to halt TV-radio output at end of Jan., but it will continue to make the amateur equipment which first made it famous along with police, railroad and other mobile radio apparatus. Firm also has substantial govt. contracts still in force, and is making the Lowrey electronic organ under contract. Its gross sales will run about \$23,000,000 this year, whereas in its 1955 & 1954 fiscal years, when TV sales under own brand name were substantial, it did around \$30,000,000 (Vol. 11:47). It went under the Penn-Texas wing in an exchange-of-stock deal.

Firm is currently completing contracts to manufacture some of Western Auto's private-label TV's, radios and auto radios (*Tructone*); Gamble-Skogmo's TV (*Coronado*); Montgomery Ward's radios (*Airline*). Founder and head of firm, the widely known and popular "Bill" Halligan, ex-West Pointer, is understood to be slated for chairman of the board, his sons for other key posts much the same as they now hold: Wm. J. Jr., 33, sales & exec. v.p.; Robert F., 32, now v.p., probably new pres.; John R., 30, now treas. & asst. secy., new secy.-treas. Firm has 2 big plants in southwest Chicago.

Record GE sales & earnings for 1957 are seen by pres. Ralph J. Cordiner, who says there's every indication they'll top 1956's earnings of \$214,000,000 on sales of \$4.09 billion. He sees a tapering off in first half of 1958 for both electrical equipment industry and economy generally, with upturn in second half.

Census Bureau reports \$3.258 billion sales of electrical appliances, TV, radio sets, electronic parts by distributors in first 10 months of 1957 vs. \$3.253 in 1956 period.

TV Styling to Come: Further evidence of styling trends in coming TV lines (Vol 13:48) came with introduction of mid-season, pre-market filler models into current 1958 lines by 4 TV set manufacturers this week. Philco accented out-front sound in 3-model drop-in line featuring table model with tapered sides and "jeweled look." Sales mgr. Gib Kennedy told us front is 2-in. wider than finished back, trimmings are gold metal parts on grey background; controls are recessed into top of set, lighted from underneath.

Sylvania extended the styling shown in June by introducing "convertible" basic portable which intergrates into conventional and period table, lowboy, console furniture. In ensemble, portable's speaker hooked into set's audio system by extension cord, is "front-mounted on furniture piece"; when receiver is portable, speaker is removed from console and placed in portable's own special compartment. Prices range from \$230 to \$380; 3 new 17-in. portables are \$150 to \$180.

Motorola pushed for hi-fi sound, showing distributors 4 new models—table, console, 2 consoles—and tubeless 8-transistor car radio. Table model TV uses short-neck 90-degree tube, has two 5¼-in. speakers in cabinet, 3rd speaker in matching base—carries open list price. Console at \$300 has 12-in. woofer & two 4-in. tweeters; 2nd (period styled) console at \$400 has twin 8-in. speakers. Console, \$230 carry-over of fall special, has pair of 4-in. speakers and 8-in. in base.

Zenith showed 21 sets to distributors. Among 8 portables are 4 with indoor antenna completely contained within cabinet, operated by dial. New 14-in. is included. One new 17-in. is beamed specifically at hospital market, equipped with remote control, high eastered table, ear-phones, pillow speaker.

Philco's foreign operating company (Philco Corp. S. A., Fribourg, Switzerland) has concluded agreements with James N. Kirby Mfg. Pty. Ltd., Camperdown, N. S. W., Australia, for manufacture & distribution of all Philco consumer products there—in addition to Crosley & Bendix products Kirby will continue to make.

Trav-Ler, switching to distribution totally through independents, drops factory branches in Portland, Ore., San Francisco, Minneapolis, Milwaukee, Cleveland & Boston, has converted branch mgrs. to regional mgrs. who will franchise distributors.

Trade Personals: Harry M. Kane promoted to gen. mgr. of Whirlpool laundry appliance div. . . . Roy Raymond named N. Y. district mgr. for Stromberg-Carlson commercial sound products . . . R. T. Silberman named pres. of Cohu Electronics Kin Tel div.; Thomas M. Hamilton named administrative v.p. of Millivac div. . . . Donald R. Kingdon named district sales mgr. for GE receiving tubes, hi-fi and other components for part of Los Angeles, all of San Diego & Ariz. . . . Robert G. Stuart promoted to gen. sales mgr. of Zenith hearing aid div. . . . Henry F. Frailey named operations mgr. for special purpose & power tubes, Westinghouse electronic tube div. . . . Robert R. Williams promoted to supervisor of renewal sales service, Sylvania radio tube div. . . . Robert E. Silver named eastern states sales & distribution v.p. for Sterling Hi-Fidelity Inc., importer of German Nordmende-Sterling . . . Walter Fleck promoted to mgr. of all operations of Bath, N. Y. plant of Westinghouse electronic tube div.; he was recently named mfg. mgr. . . . Jack Adams promoted to editor of *Mart*.

Distributor franchises were shifting again in Philadelphia this week—3rd major shuffle in 5 years. This one was occasioned by departure of Stuart Louchheim from appliance distribution business Dec. 31 after 45 years. Louchheim has been a Zenith distributor for 20 years, currently has Kelvinator and York in white lines. Zenith has gone to giant Peirce-Phelps which drops Admiral TV and white goods. Admiral says it will set up a branch Jan. 1. Zenith simply acknowledged that switch was effective immediately and included TV, radio & hi-fi. This leaves Peirce-Phelps without refrigerator & range line to

German Exports: Oft-discussed impact of Germany on the U. S. market was somewhat watered this week by arrival of West German total electronic export figures from Zentralverband der Elektrotechnischen Industrie (trade assn.). Breaking electronic exports to U. S. into 4 groups, ZVEI charts show total for 1956 to be \$14,424,000, up from \$6,000,000 in 1955, as follows: Radio & TV transmitting & receiving equipment, \$9,734,000 vs. \$4,205,000; tubes, \$614,000 vs. \$153,000; microphones & loudspeakers, \$302,000 vs. \$107,000; other sound recording & reproducing equipment including parts, \$3,774,000 vs. \$1,601,000. (No estimates given for 1957.)

ZVEI says West Germany is leader in world radio export, followed by U. S., U. K., Netherlands & Japan—its total radio export in 1956 being 1,559,000 sets vs. 1,290,000 in 1955 and mere 53,000 in 1950. Germany exports radios to 130 markets, but half of them to Europe.

As TV exporter, Germany is small. Total German TV production in 1956 was 594,500 sets, 10% exported; 1957 total is estimated at 750,000, with 20% export. However, 97% of all export TV goes into Europe's own markets. Several German firms are making TV sets which receive more than one system: the 625-line and 525-line combination and the 819-, 405-, 625-line combination.

Hi-fi isn't included in ZVEI's figures. However, in recent trip here, Werner Meyer, v.p. & gen. mgr. of Blaupunkt and pres. of West German Export Assn., said Germany will ship to U. S. about 200,000 radios and radio-phonos combinations this year and probably never will ship more than 250,000 in any year. He said that U. S. takes 6% of German radio exports; that 70% are consoles, 30% table models—significant change from last year's 50-50.

Penetration of American manufacturers into hi-fi has hurt German sales in U. S., according to Meyer. But to

fill in around its Easy laundry appliances. It also left, at week end, Kelvinator and York without distributors. Pres. Stuart Louchheim told us that he's leaving appliance distribution to concentrate on manufacture of nuclear electronic instruments of his Nuclear Electronics Corp. He declined to give reasons for quitting appliances but said that his new interest is "a far more profitable business and we have several million dollars in back orders."

Edgar A. Brown Inc., Cleveland distributor, names Elliott Godin, ex-Trav-Ler, sales mgr. of TV, radio, hi-fi & electric housewares, replacing Herbert Walker, resigned.

Main Line Cleveland, RCA distributor, elects James J. Shipley v.p.

Obituary

Henry J. Hoffman, 55, Machlett Laboratories sales v.p., died Dec. 10 at Stamford (Conn.) Hospital. He was an EIA director and v.p. of technical products div., director of Joint Electron Tube Engineering Council and member of NEMA and National Defense Electrical Reserve. A graduate of Cooper Institute of Technology, he worked for GE and Westinghouse before joining Machlett in 1944. Survivors are widow, 2 sons.

Basil M. Goldsmith, 49, material control mgr., DuMont industrial tube div., died Dec. 6 at Clifton, N. J. plant. Holder of degrees from Furman U and Cornell U, he was a pioneer in TV and electronics, helped build first DuMont TV set in 1938. Survivors are widow, 2 sons, 2 daughters and brother Dr. Thomas T. Goldsmith Jr., DuMont research & engineering v.p.

Leonard Ashbach, pres. of Majestic International, importer of Grundig line of radio & hi-fi (he takes 60% of Grundig production) such is not the case. He attributes an admitted 25% Oct. decrease in Grundig's eastern U. S. business to lack of dealer salesmanship.

Service Spotlighted: Service, an exceptionally popular subject since *Time's* recent blast at servicemen (Vol. 13:41), was discussed in 3 areas this week:

(1) National Appliance Radio-TV Dealers Assn. said it would run a 3-day week-end \$75 service course during its Jan. Chicago convention. Surveying members for curriculum suggestions, program chairman Frank Pieratt (Pieratt's, Lexington, Ky.) found 98% want stress on human relations in servicing; 82%, responsibilities of service mgrs.; 80%, compensation of servicemen; 76%, business forms; 72%, finding personnel; 65%, merchandising of service depts.; 52%, budgeting; 76%, service charges.

(2) In St. Louis talk, Russell Hansen, RCA Service Co. coordinator, said that dealers don't charge enough for service; that gross profit should be at least 20%; that gross business should be 2½-times payroll expense.

(3) Philco, backing a national service policy which puts all in-warranty service through franchised independent contractors, closed its last 8 Philco Service Co. branches—completing plans introduced at its summer convention.

Akkord brand of German radio has been added by N. Pickens Import Co., N. Y. which currently handles Blaupunkt German hi-fi. Akkord unit is AM-FM radio with battery & recharger, lists at \$149.

Retail sales of radio-household appliance stores totalled \$342,000,000 in Oct., compared with \$363,000,000 in Oct. 1956, reports U. S. Commerce Dept.; 10-mo. sales were \$3.188 billion vs. \$3.248 in 1956 period.

Financial Notes: Officers-&directors stock transactions for Nov. as reported to SEC: Allied Artists—G. Ralph Branton bought 7000, held 48,625 personally, 220 for wife; Samuel Broidy bought 400, holds 70,118; George D. Burrows bought 300, holds 33,686; Maurice Goldstein bought 4000, holds 12,100; Edward Morey bought 2700, holds 10,350. American Bosch Arma—Wm. S. Wasserman sold 2000 through holding company, holds 8000 in holding company, 4569 in trusts, 12 personally. AB-PT—E. Chester Gersten sold 400, holds 100; Leonard H. Goldenson sold 4000, holds 50,000. American Electronics—David Van Alstyne Jr. sold 900 through Van Alstyne Noel & Co., holds 7150 in Van Alstyne Noel, none personally. Audio Devices—Joseph K. McCammon sold 200, holds 25,263. Avco—K. R. Wilson Jr. bought 500, holds 1600. C&C TV—Matthew Fox bought 64,700, sold 29,600 by pledges, holds 610,300 as collateral against loans; Walter S. Mack sold 1700, holds 204,571; Arnold C. Stream sold 2800, holds 1000. Columbia Pictures—Harry Cohn bought 1000, holds 189,699. Consolidated Electrodynamics—Franklin H. Donnell sold 400, holds 11,600. Consolidated Electronics—Robert G. Dettmer bought 200, holds 500; Arie Vernes bought 250, holds 250. Corning Glass—C. D. LaFollette exercised option to buy 2000, holds 14,800; Thomas Waaland exercised option to buy 1000, holds 2500. DuMont Labs—Frederick H. Guterman bought 300, holds 300; Donovan H. Tyson bought 600, holds 1000. Electronic Communications—Hal A. Kroeger sold 200, holds 350. Emerson Radio—Max Abrams bought 1500 personally, 1400 for trusts, 700 for foundations; holds 88,609 personally, 11,155 in trusts, 64,501 in foundations. General Dynamics—Lisle W. Adkins sold 500, holds 2000; Earl D. Johnson sold 7000, holds 5000; Kenneth Stiles sold 700, holds 1600. GE—H. S. Morgan bought 500, holds 9000; Harold E. Strang bought 1350, holds 7922. General Precision Equipment—George T. Link sold 2000, holds 7372.

General Tire & Rubber—F. W. Knowlton bought 200, holds 2042. Guild Film—Harry A. McDonald bought 300, holds 700; David Van Alstyne Jr. sold 2000 through Van Alstyne Noel & Co., holds 7833 in Van Alstyne Noel, 13,507 personally. IBM—Jeannette K. Watson sold 2000, holds 24,733. International Resistance—Walter H. Powell bought 100, holds 100. Lear—A. G. Handschumacher sold 1600, holds 94. Loew's—Bennett Cerf bought 100, holds 300. Minneapolis-Honeywell—John J. Wilson bought 2600, holds 62,470. Minn. Mining & Mfg.—Joseph C. Duke bought 1500, holds 39,453; Irwin R. Hansen sold 100, holds 400 personally, 120 in joint account. National Telefilm Assoc.—Robert Westheimer bought 200, holds 200. National Theatres—B. Gerald Cantor bought 19,000, holds 69,000; Willard W. Keith sold 2500, holds 2500. Philco—Charles S. Cheston bought 1500, holds 1803; Raymond B. George bought 800, holds 600; Wm. Fulton Kurtz bought 300, holds 815. RCA—Andre Meyer bought 900, holds 10,000. Raytheon—D. R. Hull sold 500, holds 1000. Siegler—A. Charles Schwartz bought 1250 through Bache & Co., holds 8750 in Bache, none personally. Sylvania—Lawrence A. Appley bought 100, holds 300. Texas Instruments—W. D. Coursey bought 500, holds 5720; S. T. Harris bought 300, holds 17,904; R. W. Olson sold 255, holds 13,700. Traveler Radio—Joe Friedman bought 1300, holds 208,633. Tung-Sol—Anthony Scala bought 1000, holds 1000 personally, 1000 in joint account. 20th Century-Fox—Joseph H. Moskowitz bought 200, holds 400. Walt Disney Productions—Lawrence E. Tryon bought 160 personally, 20 as custodian; holds 160 personally, 20 as custodian; E. Cardon Walker bought 200, holds 400. Webcor—Harry R. Ferris bought 1000, holds 2200. Whirlpool—Charles M. Odorizzi bought 500, holds 1100. Zenith—E. F. McDonald bought 2200 through Seneca Securities Corp., holds 37,031 in Seneca, 10,462 personally.

Indiana Steel Products Co., biggest domestic producer of permanent magnets and also heavily in radar and defense products, in adding 5¢ to regular quarterly 30¢ dividend this week, reports net income after taxes of \$688,553 (\$2.35 per share) for 10 months ended Oct. 31, bringing book value to \$14.82 from \$13.40 same date last year. Reports pres. Paul F. Smith: "Our general business continues good and though incoming orders are slightly slower than the record pace of the third quarter, our sales for 1957 will top all previous records. Consolidated earnings are also expected to be at an all-time high." Last sales report, for 9 months of 1957, was \$9,541,215, earnings \$2.03 per share. For all 1956, sales were \$11,329,592, earnings \$764,366 (\$2.61) vs. \$9,402,753 & \$766,542 (\$2.70) in 1955 (Vol. 13:11).

IT&T had consolidated net income of \$16,854,296 (\$2.35 per share) on sales of \$436,725,523 in 9 months ended Sept. 30 vs. \$19,827,146 (\$2.76) on \$344,118,913 in 1956 period. Pres. Edmond H. Leavey reported Sept. 30 orders on hand at \$467,000,000, compared with last year's \$478,000,000, noted income for current quarter is being hit by strike at Federal Telephone's Clifton, N. J. plant.

Dividends: Motorola, 37½¢ payable Jan. 15 to stockholders of record Dec. 31; Whirlpool, 35¢ Dec. 31 to holders Dec. 13; Belock Instrument, 1½% stock Jan. 17 to holders Dec. 17; IT&T, 45¢ Jan. 15 to holders Dec. 20.

United Artists earned \$2,363,000 on gross film sales of \$52,553,000 in 9 months ended Sept. 30 vs. \$2,256,000 on sales of \$46,777,000 in 1956 period.

Herold Radio & Electronics Corp. common stock was admitted to trading on American Stock Exchange this week.

ELECTRONICS PERSONALS: James F. Toole elected Sperry Rand treas., Charles Ondrick controller . . . Homer L. Marrs promoted to v.p. & operations mgr. of Motorola Communications and Electronics Inc.; Harold A. Jones succeeds him as v.p. and midwestern areas sales mgr. . . . Harvey G. Melhouse elected v.p. of Western Electric, replacing A. Pope Lancaster who becomes v.p. of another manufacturing area with headquarters in Chicago; W. Clare Brooks succeeds Melhouse as mgr. of Merrimack Valley works; J. Harold Moore replaces Brooks as personnel director . . . Col. James W. Anderson Jr. (USAF ret.) appointed special asst. to Magnavox chairman Richard A. O'Connor . . . Walter W. Finke elected v.p. of Minneapolis-Honeywell, continues as pres. of Datamatic div. . . . H. Steven Berck, ex-GE, named mgr. of distributor & export sales, Motorola semiconductor div., Phoenix . . . W. R. Entrikin, ex-Martin Co., named sales mgr. of Elgin National Watch electronics div. . . . Michael J. James promoted to asst. mgr. of purchasing, Philco govt. & industrial div., succeeding John R. McAllister, recently named purchasing mgr. . . . David M. Rush, ex-GE, appointed head of production control dept. of Raytheon missile systems div. plant, succeeding Nelson Johnson, transferred to unspecified post . . . Samuel B. Fishbein promoted to new post of asst. gen. sales mgr., DuMont military operations dept. . . . Clark A. Crawford promoted to Corning Glass asst. coordinator for Pyroceram.

Radar display which can present signals from as far as 4000 mi. has been developed by DuMont under sub-contract with MIT's Lincoln Labs.

Network Television Billings

October 1957 and January-October 1957

(For Sept. report see *Television Digest*, Vol. 13:45)

FIRST FULL MONTH of 1957-58 TV season, Oct. saw network TV billings 8.2% ahead of Oct. 1956 and 17% ahead of preceding month (Vol. 13:45), according to Publishers Information Bureau. For first 9 months of 1957, total billings were 4.8% higher than corresponding 1956 period. Oct. billings this year were \$49,201,406, CBS again leading with \$22,335,986 (up 9.2% from Oct. 1956)—though ABC, with \$8,093,724, showed greatest percentage increase over Oct. 1956 (17.7%). Cumulative total billings for Jan.-Oct. 1957 were \$418,394,205. The complete PIB report for Oct.:

NETWORK TELEVISION

	Oct. 1957	Oct. 1956	% Change	Jan.-Oct. 1957	Jan.-Oct. 1956	% Change
CBS	\$22,335,986	\$20,446,755	+ 9.2	\$195,811,480	\$183,258,519	+6.8
NBC	18,771,696	18,142,005	+ 3.5	156,206,019	152,661,346	+2.3
ABC	8,093,724	6,878,183	+17.7	66,376,706	63,407,570	+4.7
Total	\$49,201,406	\$45,466,943	+ 8.2	\$418,394,205	\$399,327,435	+4.8

1957 NETWORK TELEVISION BY MONTHS

	ABC	CBS	NBC	Total
Jan.	\$ 6,715,581	\$ 20,231,474	\$ 16,554,941	\$ 43,501,996
Feb.	6,175,488	18,309,088	14,900,631	39,385,207
March	6,848,848	20,172,173	16,631,974	43,652,995
April	6,682,786	19,385,098	15,154,388	41,222,272
May	7,258,807	20,307,762	15,811,033	43,377,602
June	6,413,708	18,356,892	14,746,537	39,517,137
July	6,348,496	18,537,069	13,874,872	38,760,437
Aug.	6,134,380	18,240,823	14,473,677	38,848,880
Sept.	5,704,888	19,935,115*	15,286,270*	40,926,273*
Oct.	8,093,724	22,335,986	18,771,696	49,201,406
Total	\$66,376,706	\$195,811,480	\$156,206,019	\$418,394,205

* Revised as of Dec. 10, 1957.

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.

NARTB on Pay TV and Canon 35: "Distribution" and "accessibility" of information are the vital issues involved in pay TV and American Bar Assn.'s Canon 35, respectively, according to NARTB pres. Harold E. Fellows. Addressing Federal Communications Bar Assn. meeting in Washington this week, he stated that pay TV would inhibit "total circulation of total information . . . If for no other reason, I find this sufficient cause to take issue with the proponents of pay TV." Of Canon 35's prohibitions against use of cameras & microphones in courts, he asserted. "We believe that Canon 35 infringes upon the public's right to know and, in this 20th century to be informed through the up-to-date means of electronic journalism." He said broadcasters don't want to take authority away from judges in administration of courts but do want to eliminate Canon 35's restrictions because they've "obtained regulatory force in numerous jurisdictions."

ABC-TV adds KSHO-TV, Las Vegas (Ch. 13) as primary affiliate effective Dec. 15.

Matty Fox's British Toll Deal: International pay-TV agreement was signed this week by Skiatron International TV Corp. with Rediffusion Ltd., big British wired TV-radio firm which also is part owner of commercial TV programmer Associated-Rediffusion.

The 21-year pact, announced by Skiatron TV pres. Matty Fox, calls for Rediffusion to survey, install & supervise closed-circuit systems for Skiatron anywhere in the U. S. or abroad. As part of deal, Skiatron International acquires 50% interest in Rediffusion Inc., Canadian subsidiary of British company.

In programming step at same time, Fox signed up impresario Sol Hurok to direct all "cultural" entertainment in Skiatron subscription TV operations which Fox said he hoped to start in Los Angeles & San Francisco by end of April, depending on authorizations by local authorities. Fox also indicated he'd file franchise application for N. Y. within 2 months.

In other developments on pay-as-you-see TV fronts:

(1) Metropolitan Phoenix Broadcasters Assn., headed by pres. & gen. mgr. Tom Chauncey of KOOL-TV, mobilized opposition to toll-TV franchise issued by Ariz. Corporation Commission to Direct Wire Service Inc. as public utility in Maricopa County. Court test of state body's right to grant license to entertainment enterprise was threatened.

(2) Movie exhibitors' Joint Committee on Toll TV (Vol. 13:47) started national campaign against pay TV, asking all movie exhibition groups to urge Congress to ban all forms of subscription TV.

(3) Writers Guild of America, West, asked major film studios for flat 10% of gross from pay-TV showings of all theatrical pictures produced prior to Sept. 2, 1957, with sliding scale for later pictures.

First remote taped commercials were recorded this week by CBS-TV for use on live Dec. 19 *Climax!* show. Production crew fed pictures to CBS mobile unit at Santa's Village in San Bernardino mountains, and commercial was taped at Hollywood TV City from microwave relay. Entire 60-min. *Climax!* Dec. 26 drama will be taped Dec. 22, to avoid necessity of Christmas Day dress rehearsal.

Need for outer-space law will be discussed by gen. counsel Andrew G. Haley of American Rocket Society on Dave Garroway's *Today* on NBC-TV Dec. 17. The Washington communications attorney proposes UN take steps to avert international conflicts in interplanetary claims.

Bound and Indexed

We will index and bind, between embossed hard book covers, a limited quantity of all 1957 issues of the *Television Digest Weekly Newsletters*, plus the semi-annual *TV Factbooks* with all Addenda, plus all Supplements and Special Reports. This volume will provide a handy and handsome permanent reference for your own or your company library. Orders will be taken until Dec. 30. Price: \$25 per volume.



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**THE
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with **ELECTRONICS REPORTS**

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SUMMARY-INDEX OF THE WEEK'S NEWS — December 21, 1957

CBS BUYS WCAU-TV & WCAU, Philadelphia, in \$20,000,000 deal embracing \$4,400,000 for plant and 10-acre land tract in boom area (p. 1).

UHF TAX RELIEF hopes virtually dead as increased defense spending, psychological factors rule out even token tax cuts (p. 2).

WIRED PAY-TV franchises granted by Los Angeles; referendum on issue threatened. VIT denies Bartlesville telemovie "disappointment" (p. 2).

TV-ACTIVE CONGRESS session probable, with Committees planning to survey FCC performance, fee TV, networks, ASCAP-BMI, allocations (p. 3).

AMARILLO GETS 3RD VHF as KVII begins; Ann Arbor uhf WPAG-TV leaving air after losses since 1953. Notes on upcoming stations (p. 7).

UNITED ARTISTS' purchase of control of AAP for \$8,400,000 challenged by NTA which claims to be prior buyer; courts will decide (p. 9).

VHF TRANSLATORS & BOOSTERS, limited to ¼ watt, proposed by Ben Adler in FCC rule-making (p. 8).

INSTANT RATING SERVICE orders are heavy, ARB says. Automatic N.Y. rating tallies to cost subscribers \$850-\$2700 monthly starting Jan. 1 (p. 16).

Manufacturing-Distribution

PHONO BUSINESS 1957: Industry producing 5,000,000 units in year; boom in high end to continue next year, adding another \$100,000,000 at retail (p. 11).

PRODUCT DIVERSIFICATION is set makers' aim, Admiral making disposable hypodermic device; Packard-Bell reports on unique new products (pp. 12 & 13).

REBUILT TUBES account for nearly 25% of 10,900,000 picture tubes sold in first 10 months; receiving tube sales hold at about same level as 1956 (p. 12).

WESTINGHOUSE ADVANCES CRESAP to pres., Hodnette to exec. v.p., Huggins to head exec. committee. Looks to \$2 billion year (p. 14).

\$20,000,000 FOR PHILADELPHIA OUTLETS: CBS diversifies its expanding holdings to include a booming real estate tract as well as Philadelphia stations WCAU-TV (Ch. 10), WCAU (1210 kc, 50 kw) and WCAU-FM (98.1 mc) in \$20,000,000 cash purchase deal made with Philadelphia Bulletin Dec. 20. It's the biggest transaction yet involving a single TV-radio entity, with valuation of \$12,600,000 placed on TV, \$3,000,000 on radio, \$4,400,000 on physical plant with 10-acre tract situated in now booming business area at City Line & Monument Ave.

Purchase gives CBS its full allowable complement of 5 vhf's, 2 uhf's, 7 AMs—though recent FCC-approved \$4,000,000 deal for purchase of KWK-TV, St. Louis (Ch. 4), in which \$1,500,000 valuation was included for studio & real estate, is still at loose ends because of protest now before courts (Vol. 13:36 et seq). Bulletin pulls out of TV-radio, is expected to dispose of its 75% interest in WDAU-TV, Scranton (Ch. 22), acquired last year (Vol. 12:31, 42).

WCAU Inc. pres. & gen. mgr. Donald W. Thornburgh and staff will remain for CBS, though he's due for retirement in about 2 years. He is an ex-CBS executive of 18 years service—last post having been Pacific Coast v.p.—who quit to head Bulletin stations about 8½ years ago. Bulletin founded WCAU-TV in 1948 after having bought out radio WCAU, along with Philadelphia Record, from J. David Stern for \$10,500,000 in 1947 and closing down the paper. (It's interesting to note that Philadelphia Inquirer interests, now owning WFIL-TV & WFIL in that city plus 4 TVs, 4 radios and 50% of another radio in other cities only last week bought up tabloid Philadelphia Daily News which it is continuing to publish with exception of Sunday edition; see Vol. 13:50.)

Biggest previous deal in TV-radio history was Bitner's package sale of 3 TVs & 3 AMs to Time Inc. for \$15,750,000 (Vol. 12:47,50-52; 13:11,16). Storer paid \$10,000,000 to buy Herbert Mayer's Cleveland vhf and Portland uhf along with an electronics plant (Vol. 10:2, 44). Westinghouse paid then-record \$9,750,000 cash for DuMont's pioneer Pittsburgh station, now KDKA-TV (Vol. 10:49-50), after having paid \$8,500,000 cash for Philco's WPTZ, Philadelphia, now WRCV-TV (Vol. 9:8, 22), which along with radio KYW was later swapped for NBC's Cleveland stations and \$3,000,000 (Vol. 11:21 & 12:3).

[For complete listings of all TV sales and transfers up to last Aug., see pp. 296-301, TV Factbook No. 25. For list of CBS stations, see p. 42.]

UHF SET TAX RELIEF HOPES VANISHING: Sputnik, Muttnik and the Treasury Dept. appear to have killed all hope for aid to uhf via exemption of all-channel sets from manufacturers' 10% excise tax, despite excellent industry job of acquainting Congressmen with issue and principle involved.

House Ways & Means excise tax subcommittee discussed industry proposal this week—but members and staff were put under heavy secrecy wraps by Chairman Forand (D-R. I.). However, one senior subcommittee member told us that no decision had been reached on any excise tax changes, that all recommendations had been deferred until Jan.

One of most active supporters of uhf tax exemption on Ways & Means Committee—though not a member of excise subcommittee—is Rep. Boggs (D-La.). We asked him this week to appraise chances of measure in view of recent developments. His answer was simple, to the point, and in one word: "Zero."

Two other revelations this week cast further doubt on any remaining chances of action on tax changes which involve cuts in revenues to Govt.: (1) Publication in copyright Washington Post story of account of top-secret Gaither Report on U. S. defenses, portraying U. S. as in gravest danger in history and hinting that tax increases should be explored. (2) Defense Secy. McElroy's disclosure that Administration will ask Congress for an extra \$1 billion for defense in current fiscal year.

TV tax cut proposal has been consistently opposed by Treasury Dept., despite fact that Govt. stands to lose relatively small amount of revenue. Psychologically, it now seems certain that Congress will be in no mood to poke even a small hole in tax dike by making revenue-losing revisions.

Full Ways & Means Committee is scheduled to begin formal tax revision hearings Jan. 7, with testimony by top Administration officials. Gist of their pleas undoubtedly will be: Don't cut any taxes; instead, give consideration to methods of bringing in more revenue. Rep. Mills (D-Ark.)—who strongly opposes tax cuts now—is expected to succeed the late Rep. Cooper (D-Tenn.) as Committee chairman.

L. A. WIRED PAY TV OKAYED; BALLOT TEST DUE: When Los Angeles became first major city to approve closed-circuit toll-TV franchises this week, it also set stage for what may become first voter referendum on subscription TV.

By bare 8-6 majority, Los Angeles city council Dec. 18 ratified ordinances granting 21-year wired-TV franchises to Skiatron TV (Matty Fox) and to Fox West Coast Theatres-International Telemeter (Paramount) combination. By law, 8 members of the 15-member council constitute majority required to adopt ordinance.

Action came after bitter hearing at which Southern Cal. Theatre Owners Assn. put up last-ditch fight to delay vote until after Congress has had time to consider bills to outlaw pay TV. Theatre Owners' representative Julius F. Tuchler, in advance of vote, issued "ultimatum" (his own word) that, if franchises were granted, exhibitors would collect the more than 50,000 signatures needed to put issue on ballot.

If referendum petition, with required number of signatures, is filed, franchises would automatically be postponed until after public vote is held.

In Phoenix, Ariz., meanwhile, Maricopa County Board of Supervisors unanimously rejected wired TV application by Direct Wire Service Inc., after campaign against it led by Metropolitan Phoenix Broadcasters' Assn., headed by pres.-gen. mgr. Tom Chauncey of KOOL-TV.

Joint Committee on Toll TV, representing all national theatre-owning groups, began mobilizing

its local-level campaign aimed at anti-fee legislation. Funds will be supplied by theatres, which will be asked to pay \$7.50-\$75 annually, on basis of seating capacity.

AFL-CIO indicated that it would work actively against pay TV when its second constitutional convention reaffirmed anti-subscription position taken by the first one 2 years ago. Vote of the 130 unions was recorded as unanimous, although 2 AFL-CIO unions—Screen Actors Guild & Actors Equity—opposed resolution and have been campaigning for toll TV. These unions, however, are 2 of 5 banded together in Associated Actors & Artistes of America, which has one vote.

■ ■ ■

There was a flurry in Bartlesville, Okla. this week—after United Press carried story starting: "Is America's first telemovies experiment heading for the rocks?" and stating that "the danger sign was hoisted." It quoted Video Independent Theatres' Kenneth Blackledge to effect that results to date are disappointing, noted that local VIT mgr. Phil Hays had resigned this week.

"We're not at all disappointed," VIT v.p. C. O. Fulgham told us. He confirmed Hays' resignation, declined to give reasons. "The operation is going about according to plan," he said. "Some 150 homes had been attached at the beginning, without cost, to serve as monitors. We've lost a good many of them, but they've been more than replaced by paying subscribers. We now have total of 553—and our aim is about 1000 at the end of one year; we've been operating now on a payment basis for about 3 months. We have about 200 more applications waiting for service in areas not yet wired. These must wait until the phone company can reach them.

"We're now getting about \$5000 a month income from telemovies. Our theatres in town have lost attendance—but absolutely to no more degree than in other Okla. towns where we operate theatres. In short, we're getting a substantial new income that we would not have received otherwise."

That VIT is in telemovies to stay—until it has definite answers—is emphasized by fact it's known to be planning to apply for cable-movie franchises in at least 4 more towns—and by fact it plans to give a real try to per-program metering method of billing, possibly next spring; Jerrold is working on metering equipment.

CLOSER SCRUTINY OF TV BY CONGRESS: TV industry and the FCC are due to come under the Congressional microscope again after Congress reconvenes next month—and preliminary information indicates that some crucial aspects of TV business may get more thorough going-over than last session.

Subjects to be investigated include the same old chestnuts—but before the rush of Congressional business has begun, at least, lawmakers are promising to dig more deeply this time. Included in promised inquiries are all angles of network business, performance of FCC, subscription TV, ASCAP-BMI, overhaul of Communications Act, and—yes—allocations again.

At least 3 Committees will be watching FCC closely for follow-up of Barrow network study staff report, impatient for action. If Commission doesn't begin some concrete actions soon after Congress reconvenes, you can expect further investigations and introduction of bills to carry out some of the Barrow report's recommendations.

Commission spent 2 days this week in briefing session on Barrow report, meeting with ex-network study group chairman Roscoe Barrow and others responsible for staff report. Session took longer than expected, covered only about half of report's territory, so FCC has scheduled further briefing Jan. 6-7—which precludes any action on report before Congress meets.

Here's rundown on major contemplated Congressional TV activities:

Legislative oversight subcommittee—Headed by Rep. Moulder (D-Mo.), this House Commerce Committee group has been actively investigating independent regulatory agencies since last summer, FCC being one of prime subjects. Object of probe is to determine to what extent regulated industries dominate govt. agencies. Subcommittee has requested such a mass of data on personal activities of Commissioners, etc., that Commissioners met this week with Chairman Moulder in attempt to clarify

and narrow down material requested, and to reach understanding on object and scope of probe.

Subcommittee isn't due to meet until after Moulder returns from home district Jan. 4 or 5, has set no schedule for hearings. Best guess on timetable: SEC & CAB first, FCC next. Subcommittee counsel Bernard Schwartz has been running quiet shop, under heavy wraps voted by subcommittee, since his early tactics in agency fishing expedition (appeals for informers, etc.) brought violent protests from Rep. Heselton (R-Mass.) and other Republican members.

Senate Commerce Committee—Potentially most inflammatory item on agenda is bill by Sen. Smathers (D-Fla.) to divorce networks and stations from ownership of music publishing and phono record firms. This bill is virtually certain to get hearing, which will center around ASCAP-BMI controversy and will again send network presidents scurrying to Washington. Though there are indications that Smathers feels less strongly on issue since he met with broadcasters from his own state and elsewhere, he still wants thorough hearing—and Committee presumably will be ready, staff having conducted quiet investigation this summer & fall at request of Chairman Magnuson (D-Wash.).

Magnuson indicated this week that pay TV will again "receive serious attention from the Committee," which hopelessly split on the issue of a trial last session. Magnuson himself again went on record as favoring test.

Ghost of past allocation hearings will come up again when Magnuson unveils the now largely academic report of ad hoc engineering allocations study headed by Dr. Edward L. Bowles of MIT. Bowles' draft has been in circulation among committee members for months, but in its original form he reportedly could get no one to sign it except himself.

Committee expects to watch FCC progress on Barrow recommendations, and Magnuson predicted "further inquiry into TV [will] occupy a prominent place in the Committee's work."

House Commerce Committee—Top TV priority on this Committee will be the promised investigation of pay TV. Among other activities promised by Chairman Harris (D-Ark.) are (1) examination of Communications Act—particularly whether Congress should take over direct frequency allocations responsibility; (2) investigation of whether direct Congressional action is necessary on Barrow report.

Anti-trust subcommittee—Rep. Celler's subcommittee will continue its close scrutiny of FCC, particularly with regard to Barrow recommendations. But it's expected to turn an even sharper eye on Justice Dept. investigations in TV field. This subcommittee may call Justice Dept. officials to hearing to explain status of TV inquiries.

Note: Though FCC is still officially being "briefed" on Barrow report, effects of some of the recommendations are already being felt. It's understood that Commission has held up renewal of some TV station licenses on basis of suspicion that the outlets have used their power to block network affiliation of stations in nearby areas.

Seems like old times on network radio: CBS plans 2-hour radio spectacular May 4, sponsored by C. H. Masland & Sons (carpets) and said to have budget "in the TV category," costing more than any single radio show in 15 years or more. NBC announced return of Jerry Lewis to radio, with \$350,000 sale to Oldsmobile of ten 5-min. "Star Dust" segments weekly on *Monitor* and *Nightline*. Already sold are Fibber McGee & Molly and Bob & Ray "Star Dust" briefs; available are George Gobel and Ed Gardner. Twentieth Century-Fox has ordered saturation campaign of 100 partics, plugging new feature "The Enemy Below," Dec. 23-28 in 5 of ABN's live weekday shows.

TV traffic violation was charged by Hamilton, Ont. police against motorist this week for operating car equipped with receiving set—8½-in. screen in dashboard of convertible. It was first reported case of kind since prohibition against TV in cars was written into Ontario Highways Act in 1953.

In trouble again: For second time, *Mike Wallace Interview* has brought ABC-TV chief Oliver Treyz on air with public apology for guests' statements on show. Charge by Drew Pearson that Pulitzer Prize-winning *Profiles in Courage* by Sen. Kennedy (D-Mass.) was ghosted "is unfounded," Treyz told audience week after columnist appeared on program. Earlier Treyz apologized for accusations against Los Angeles police made by ex-gambler Mickey Cohen when he was questioned on show by Wallace (Vol. 13:45).

Paramount Pictures and color: (1) Paramount's KTLA, Los Angeles, is dropping colorcasts because of inability to attract sponsors willing to absorb extra cost, is reported planning to sell mobile unit custom built by late mgr. Klaus Landsberg. (2) Dec. 17 *Wall St. Journal* reports Paramount v.p. Paul Raibourn stating that Lawrence color tube, under development by DuMont (part-owned by Paramount), is "100% sound" and production is "imminent."

Personal Notes: Charles C. Cowley advanced to pres. of Muzak Corp., replacing Harry E. Houghton, who sold interest in company to Jack D. Wrather in Sept. (Vol. 13:38) . . . Charles Boasberg, gen. sales mgr. of Warner Bros., elected pres. of subsidiaries Warner Bros. Pictures Distributing Corp. and Warner Bros. Pictures Distribution Co. Ltd. . . . Robert W. Morris elected pres. of Broadcast Advertisers Reports, succeeding Phil Edwards, who retires as pres. but continues as exec. committee chairman & publisher . . . Roger L. Putnam, chairman of WWLP, Springfield, Mass., named Knight of Malta by Pope Pius XII . . . Miller C. Robertson, ex-WTCN-TV, Minneapolis, named station mgr. of upcoming KIRO-TV, Seattle . . . James A. Schulke, ex-James L. Saphier Agency, joins Paramount Pictures in TV development capacity . . . Edward E. Hewitt, ex-KGO-TV, San Francisco, United Film Service and ABC Spot Sales, named mgr. of CBS TV Film Sales San Francisco office . . . Otis H. Segler promoted from sales mgr. to station mgr. of WDEF-TV, Chattanooga, succeeding Harold (Hap) Anderson, now pres. of Founders Corp., which has 50% interest in KTVR, Denver, and in 4 AMS . . . E. J. Paxton Jr. named managing director of WPSD-TV, Paducah, Ky.; Sam Livingston moves from sales to gen. mgr.; Charles M. Neel becomes sales mgr. . . . Oliver C. B. Howard, regional sales director of WGR-TV, Buffalo, also named public relations director . . . Warren Marshall, from radio KGHL, will be sales mgr. of upcoming KGHL-TV, Billings, Mont. (Ch. 8), due next spring . . . Robert B. Cheyne, ex-Allied Appliance Co., Boston, joins WHDH-TV & WHDH there as sales promotion director . . . R. J. McNamara, ex-Peters, Griffin, Woodward, joins H-R Television as client services dir. . . . Paul Jones, ex-*Playboy*, joins Screen Gems as national sales executive . . . Norman Kennelly, ex-NBC, joins *American Weekly* as sales promotion supervisor . . . George Hankoff, Screen Gems account executive in Philadelphia-Baltimore-Washington area, shifts to national sales, N. Y., replaced by Marvin Fraum.

Mrs. E. C. Page, wife of the senior partner of Page Communications Engineers Inc., gave birth to a daughter Dec. 17. She's the former Virginia Erwin, was once FCC's first woman engineer, and it's their second daughter; he has 4 other daughters by previous marriage.

Advertising Agencies: Charles H. Brower elected BBDO pres. & exec. committee chairman, succeeding Bernard C. (Ben) Duffy, who becomes vice chm. . . . C. Terence Clyne promoted to a senior v.p. of McCann-Erickson to oversee worldwide TV-radio activities; George Haight succeeds him as v.p. in charge of home-office TV-radio . . . Charles Powers, from N. Y. office, named director of McCann-Erickson TV-radio commercial services dept., Los Angeles; Thomas Greenhow promoted to Los Angeles programming director . . . Harold J. Saz, business mgr. of Ted Bates TV-radio dept., and James A. Benham, account supervisor, promoted to v.p.'s . . . Mark Byrne, a Wm. Esty v.p., named media director . . . Kenneth E. Moore appointed marketing services v.p. of Fuller & Smith & Ross; Robert P. Clark, administration v.p. . . . Wm. R. Gillen, a BBDO v.p., named Chicago office mgr., succeeding J. H. Haupt, resigned for health reasons . . . Robert Brinkerhoff, a Young & Rubicam v.p., named head of Chicago office . . . E. Louis Figenwald named exec. v.p. of Lee-Stockman in charge of TV & radio . . . Julian L. Watkins, ex-Campbell-Ewald, Detroit, joins Leo Burnett, Chicago, as a v.p. and plans board member . . . R. A. Phelps named to new post of v.p. & marketing development director of Earle Ludgin . . . Wm. Pitts promoted to creative services v.p. of Ben Sackheim.

Recent changes among Washington communications law firms: Lyon, Wilner & Bergson adds David Reich, former special asst. to Attorney General, a specialist in Administrative Procedures Act; Roberts & McInnis adds Richard R. Paradise, 1955 NYU graduate recently with N. Y. firm of Hall, Haywood, Patterson & Taylor, and George W. Perry, from N. Y. firm of H. Howard Babcock; Wilkinson, Cragun & Barker advances Donald C. Gormley to partner, Carl S. Hawkins withdrawing from firm; Rhyne, Mullin, Connor & Rhyne adds 1957 Duke U graduate Charles A. Dukes Jr. and 1957 Georgetown U graduate Edward F. Kearney; Miller & Schroeder adds 1955 Harvard U graduate John P. Bankson Jr.; Weaver & Glassie adds 1957 U of Va. graduate Edwin C. Majer.

Jack Van Volkenburg, ex-CBS-TV pres., heads new applicant (one of 5) competing for Ch. 10, Tampa-St. Petersburg. Group includes, along with local businessmen: John S. Houseknecht, Screen Gems account executive; Fred Waring, orchestra leader; Harry W. Bennett Jr., Joseph Katz Agency exec. v.p.; Hal James, TV-radio v.p. of Doherty, Clifford, Steers & Shenfield; Frederick C. Hutchinson, mgr. of St. Louis Cardinals. [For full details, see TV *Addenda 25-U* herewith.]

New TV-radio brokerage firm of Robert Carpenter Enterprises Inc. is formed at 527 Madison Ave., N. Y., by Robert W. Carpenter, ex-MBS station relations v.p.

Video Film Inc., Hollywood film producer & distributor, names Betty Luster Assoc. as eastern sales representative.

Obituary

Ann Gillis, 44, who began in radio as a secretary and publicity & news aide at the old WJSV, Washington (now WTOP), and who assisted ex-CBS v.p. Harry C. Butcher in staging President Roosevelt's "fireside chats," died of leukemia Dec. 16 in New York. Recently an NBC producer, she handled Queen Elizabeth's visit in Oct., worked on such shows as *Comment, On the Line, Tonight, Who Said That?* and was preparing a news program for children at time of her death. Surviving are husband, N. Y. *Mirror* columnist Bill Slocum, and their 12-year-old daughter. Earlier marriage to CBS newsman Wells Church ended in divorce.

Buick Bumps Kudner: In crash which reverberated all along Madison Ave. this week, Buick div. of GM dropped its \$24,000,000 advertising account with Kudner Agency Inc. after 22 years. Including big current TV shows (NBC's *Wells Fargo*, ABC's *Patrice Munsel Show*) and such other-season favorites as Jackie Gleason & Milton Berle, Buick's account had represented more than third of Kudner business. Only comparable Madison Ave. noise was heard 2 years ago when Coca-Cola shifted its \$15,000,000 annual business from D'Arcy to McCann-Erickson. Unanswered question at week's end was where Buick is going. Trade talk had Leo Burnett, Ted Bates, Benton & Bowles leading agency race to pick up pieces from Kudner. Buick gen. mgr. E. T. Ragsdale explained only that he feels "it is now in the best interests of both parties." Buick sales have been slipping. But company was said to have been satisfied with Kudner's recent TV offerings, although Buick displeasure was expressed at premature commercial at end of NBC-TV's telecast of Floyd Patterson-Hurricane Jackson championship fight last summer. Chain reaction set off at Kudner this week included these personnel upheavals: Myron P. Kirk, senior v.p. & TV-radio director, resigned, replaced temporarily by newly-elected v.p. Donald Gibbs. C. M. Rohrabacher, v.p. & secy., was elected exec. v.p., replacing pres. J. H. S. Ellis as head of exec. committee. Ellis himself denied he was resigning.

Telecasting Notes: Two trends for 1958-59 TV season have been spotted by *Variety's* veteran N. Y. & Hollywood trend-spotters in Dec. 18 issue. From N. Y., TV editor George Rosen sees potential "economic turmoil" at the networks as result of "the growing sponsor yen for once-a-month exposure with full hour or 90-min. TV specials instead of weekly or alt.-week shows" . . . "At least half a dozen major advertisers currently riding the TV networks with weekly or alt.-week programming have been making overtures in recent weeks toward embracing the new sponsorship formula," says Rosen, qualifying statement with phrase, "it's reported." Big problem from networks' standpoint, he says, is that "there's no money in it," weekly & alt.-week sponsorship being their bread-&-butter item and "specials" invariably meaning a loss for the network . . . From Hollywood, *Variety* sees trend to 60-min. film shows, a la *Wagon Train*, *Maverick* and *Perry Mason*, with "a whole flock" now being prepared out there aimed at network showcasing. Among those *Variety* says are now working on new 60-min. film series are Warner Bros., CBS-TV (2), Revue Productions, MGM—most of them working on westerns . . . First movie major to enter TV commercial field—10 years ago—Universal Pictures is now estimated to account for 30-50% of all filmed commercials, reports Dec. 16 *Billboard* in its "TV Commercial Quarterly" section, which features heavy coverage and analysis of beer commercials, among other things . . . Film-to-live switch on ABC-TV: Betty White's filmed *Date with the Angels* will be succeeded by live comedy-variety *Betty White Show* Feb. 5 . . . Full-page ads in Dec. 19 *N. Y. Times* and *Wall St. Journal* proclaim that "Per average evening minute, 57% more homes watch ABC-TV than a year ago," crediting new affiliates and better programs . . . Sales in 10 Latin American TV markets—all markets except Dominican Republic & Cuba—have been chalked up by NTA for its Spanish-dubbed *Sheriff of*

Cochise . . . Ace drama producer Fred Coe, who recently left NBC, reported ready to sign 3-year contract with CBS, providing for 4 "specials" a year plus development of live & filmed series; there was speculation that he may produce some *Playhouse 90* dramas next year . . . Betty Furness signs new contract with Westinghouse, continuing as announcer-demonstrator through 1958; she'll move to Hollywood with *Studio One* . . . Leaving Sunday afternoon "intellectual ghetto" for one night only, NBC-TV's *Omnibus* moves to prime time Jan. 14 for special musical colorcast 8-9 p.m., pre-empting *George Gobel Show* . . . "World's largest news medium" is how CBS-TV is billing its 10-year-old *Douglas Edwards with the News*, basing its claim of 14,156,400 viewers a day and 33,975,360 a week on latest Nielsen ratings. How does this compare with other news media? *Life*, the largest, claims to reach 30,426,000 a week (average 5.2 readers per issue, 5,851,168 circulation); *London Daily Mirror*, biggest in daily field, reaches 12,421,834 (circ. 4,732,131 with 2.63 per issue); in U. S. *N. Y. Daily News* has 5,480,846 readers (circ. 2,083,927) . . . Correction: Washington Post Broadcast Div. (WTOP-TV & WTOP, Washington & WMBR-TV & WMBR, Jacksonville) pres. John S. Hayes chides us for reporting in this column last week that Westinghouse Broadcasting was only U. S. non-network station group with correspondent at NATO Paris meeting. His stations sent ace newsman Murrey Marder to Paris.

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Cut in commercials by partic. sponsors of feature films on WGN-TV, Chicago, was made effective this week, station voluntarily reducing breaks to 15-min intervals instead of maximum of break for each 5-min. of programming permitted by NARTB code. "In our opinion, the present formula permits too frequent interruption of the plot of these dramatic presentations," WGN-TV v.p. & gen. mgr. Ward L. Quaal said.

TV is "terrorvision," according to new critic James Thomas of *London Daily Express* in recent series of articles headed "The Case of the Captive Child." He said something should be done to save 3,500,000 British children from nightly torments of "horror" films imported from U. S. But *Express* campaign has "sputtered out like a spent rocket" following "explosive start and about half a dozen erratic orbits," L. Marsland Gander reported in Dec. 15 *N. Y. Times*. Council for Children's Welfare joined *Express* campaign at first, calling TV movies "nasty," but Gander wrote that *Express* began to drop crusade after Rev. Marcus Morris, editor of 4 children's newspapers, "came on the air and said unequivocally that he was all for horror, and he thought it ridiculous to pretend that TV pictures were brutalizing children." Note: Gander, dean of British TV critics, is on staff of rival *Daily Telegraph*.

Should TV stars sell, too? Answers to troublesome question of whether TV performers cheapen themselves and/or products by delivering sponsors' commercials are attempted by Dec. 20 *Printers' Ink*. Magazine polled sponsors, agencies, network programmers, critics, performers themselves, found total of 20 favored practice, 18 gave "yes-but" opinions, 15 opposed. Sponsors & agencies generally favored. Programmers & performers split nearly evenly. No critic gave unqualified approval.

In England, too, theatres are suffering from the impact of TV—more than 700 having been closed down since last May, according to govt. report to House of Commons. Total movie houses closed in U. S. since start of year: 1200.

TV's "little hell": Damages of \$3000 against CBC have been awarded by Quebec Superior Court to Dr. E. E. Robbins, 77-year-old Montreal physician, for display of his name, address & telephone number on TV in Feb. 1956. He had written to govt.-owned network complaining about CBC's *Tabloid* show. Commenting on letter, master of ceremonies Dic MacDougall had Dr. Robbins' identification flashed on screen, suggested viewers get in touch with him to make him "feel better." Result, according to doctor who sued for \$10,000, was that they made his life "a little hell." Assoc. Chief Justice W. B. Scott agreed that privacy had been badly invaded, said he was impressed by psychiatrist's testimony that "marginal viewers" could have been expected to react in hostile manner toward Dr. Robbins.

Quiz show anti-climax was reached this week by contestant Theophilus Adepoju Aderonmu on CBS-TV's *The \$64,000 Question*. Nigerian native, who says he is tribal chief's son, took \$64,000 he had won last month and left program, although he had since gone on to \$96,000 and was due to try for \$128,000—and possible \$256,000—by answering Bible questions. "I have been so embarrassed I can't concentrate on what I'm doing," he explained to quizmaster Hal March. Reasons: Following admission that he owed divorced wife support payments (Vol. 13:49) it was publicly disclosed that: (1) He had remarried without mentioning earlier domestic status. (2) Immigration Service was questioning his status as medical student.

Video tape recorder will be placed in mobile unit by San Francisco's KRON-TV for remote pickups. Station has 2 Ampex recorders on order.

New and Upcoming Stations: One vhf starter, one uhf going dark leaves on-air total at 520, uhf's dropping to 89. KVII, Amarillo (Ch. 7), ABC-TV affiliate, began programming Dec. 21, third vhf in city where KFDDA-TV (Ch. 10) and KGNC-TV (Ch. 4) have been operating since 1953. WPAG-TV, Ann Arbor, Mich. (Ch. 20), which began April 3, 1953, asked permission to go dark for 6 months Dec. 31, listing following losses: \$24,990 for 1953; \$30,036, 1954; \$30,057, 1955; \$30,654, 1956; \$26,944 first 9 months of 1957. Also reported temporarily off air because of Dec. 15 fire was KSWO-TV, Lawton, Okla. (Ch. 7). In Canada, satellite CFCL-TV-1, Kapuskasing, Ont. (Ch. 3) began Dec. 15 repeating parent CFCL-TV, Timmins, Ont. (Ch. 6), 81 mi. away. It has 15-watt Canadian GE transmitter, 200-ft. tower. CFCL-TV base hour is \$180. Reps are McGillivra, Paul Mulvihill & John N. Hunt.

KVII has 5-kw RCA transmitter and 12-section antenna on 833-ft. Andrews tower. Ownership, interlocking with radio KAMQ, Amarillo, consists of five local businessmen, each with 20%, headed by John L. McCarty, chairman; Murry Woroner, pres.-gen. mgr., formerly asst. gen. mgr. of KFDDA-TV. Jerry Gardner, from KAMQ and ex-KFDDA-TV, is production mgr.; Don Daniels, ex-KFDDA-TV, chief engineer. Base hour is \$300. Rep is Venard, Rintoul & McConnell.

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

KTVU, Oakland-San Francisco (Ch. 2) had 25-kw RCA transmitter due Dec. 20, plans early March programming, writes Wm. D. Pabst, exec. v.p. & gen. mgr. Transmitter house walls are up, bids are in for studio building. Foundation is ready for 100-ft. Ideco tower on Television Peak, San Bruno Mt. Rates not set as yet. Rep will be H-R Television.

WIPR-TV, San Juan (Ch. 6, educational) with test

Capitol Cities Television Corp. is new name for operating company of so-called Lowell Thomas group, representing merger of ownership of WTEN, Albany (Ch. 10), formerly WCDA, with satellite WCDC, Adams, Mass. (Ch. 19); radio WROW, Albany; WTVD, Durham, N. C. (Ch. 11); pres. Frank Smith owns 1/3 of CP for Ch. 40, Baton Rouge. There are 2,000,000 shares authorized, 1,048,944 outstanding, with additional 52,000 being offered over-the-counter 6 5/8-7. Pres. is Frank M. Smith, 13.91% stockholder, onetime WLW and Transamerican executive, mgr. for Lowell Thomas for last 10 years. Vice-presidents are Wm. J. Casey, 4.87%, Alger B. Chapman, 4.85%, and John P. McGrath, 5.99%; N. Y. attorneys; Harmon L. Duncan, 2.18%, and J. Floyd Fletcher, 3.81%, ex-owners, now co-mgrs. of WTVD; Thomas S. Murphy, 1.16%, mgr. of Albany stations. Lowell Thomas and family, largest stockholders, own 18.2%. Among 50-odd other stockholders, all under 4%, are GOP Congressman Dean P. Taylor, Troy, N. Y., 3.15%; Democratic Congressman Leo W. O'Brien, Albany, 2.34%; H. V. Kaltenborn, news analyst, 1.19%; radio WDNC, Durham, 1.53% (Carl C. Council, pres.).

"Fisbie" trademark is being registered by WHAS-TV, Louisville, to identify station with slogan, "Foremost in Service, Best in Entertainment," and sketch of head with Ch. 11 numerals superimposed which has been used for promotion since Jan. 1956. Name was picked in contest which drew 40,000 entries.

patterns on air since Aug. 30, plans Jan. 6 programming, reports gen. mgr. R. Delgado Marquez. It has 25-kw RCA transmitter feeding 6-bay antenna on 200-ft. Blaw-Knox tower at TV-radio plant 15 mi. from San Juan.

CKRN-TV, Rouyn, Que. (Ch. 5), planning Christmas programming, has 760-ft. Wind Turbine tower nearly ready for 4-bay GE antenna, reports pres.-gen. mgr. D. A. Gourd. It will use 35-kw Canadian GE transmitter. Programming will be network only until studio facilities are completed. George A. Chartrand, from radio CKRN, is station mgr.; Vernard Valiquette, ex-Canadian Press & British UP, news editor; Jean-Guy Langevin, CKRN, technical director. Base hour will be \$160. Reps will be Weed and Joseph Hardy & Co.



RCA shipped 24-gain antenna and used 1-kw transmitter Dec. 2 & 3 to upcoming WBPZ-TV, Lock Haven, Pa. (Ch. 32), due in Jan.; 8-section superturnstile antenna Dec. 13 to WTVC, Chattanooga (Ch. 9), due to resume early in 1958 after move from Rome, Ga. where WROM-TV call was used; 1-section superturnstile antenna Dec. 13 to WWJ-TV, Detroit (Ch. 4); 1-section superturnstile antenna Dec. 19 to KVAL-TV, Eugene, Ore. (Ch. 13).

Battle of daytime AM stations to get longer operating hours was marked this week by FCC's issuance of rule-making proposing to permit operation from 5 a.m. or local sunrise (whichever is earlier) to 7 p.m. or local sunset (whichever is later)—in lieu of present sunrise-sunset-only provisions. Comments are due March 18, replies 30 days later.

Translator starts: K74AL, Gold Beach, Ore. began equipment tests Dec. 13 repeating KIEM-TV, Eureka, Cal.; K80AG, Show Low, Ariz. Dec. 10 began repeating KGUN-TV, Tucson; K80AK, La Grande, Ore. plans Jan. 4 start with KREM-TV, Spokane.

CBS-TV adds WBOY-TV, Clarksburg, W. Va. (Ch. 12) as secondary interconnected affiliate, effective immediately.

New ABC-TV affiliate is WLBR-TV, Lebanon, Pa. (Ch. 15), effective Jan. 5.

Rate increases: KCOP, Los Angeles, has raised base hour from \$1350 to \$1500, min. \$350 to \$425. WTEN, Albany, N. Y., formerly WCDA, Nov. 1 raised hour from \$625 to \$900, min. \$130 to \$175. KGW-TV, Portland, Ore. Jan. 1 raises hour from \$700 to \$800, min. \$200 to \$225. WGR-TV, Buffalo, Dec. 1, hour \$700 to \$750, min. \$190 to \$255. WHO-TV, Des Moines, Dec. 1, hour \$700 to \$750, min. remaining \$150. WHCT, Hartford, Dec. 15, hour \$650 to \$700, 20 sec. remaining \$130. KGMB-TV, Honolulu, hour \$350 to \$400, min. \$75 to \$87.50. WBRZ, Baton Rouge, hour \$300 to \$400, min. \$65 to \$90. WLBR-TV, Lebanon, Pa. Jan. 1, hour \$200 to \$350, min. \$46 to \$80.50. WAPA-TV, San Juan, Jan. 1, hour \$250 to \$325, min. \$55 to \$70. KROC-TV, Rochester, Minn. Dec. 31 adds Class AA hour (7-10:15 p.m. daily) at \$300, min. at \$60, Class A hour going from \$250 to \$240.

WBLN, Bloomington, Ill. (Ch. 15) off air since June 3 (13:26) has sold \$66,225 worth of common stock to public at \$25 a share, according to application filed with FCC by mgr. Worth S. Rough, who changes from majority to 12% owner. Station also reports it is liquidating indebtedness by paying off creditors at 10%, except for GE which is to get \$22,500 or approximately 17% of \$142,014 remaining on equipment.

Charles B. Jordan is exchanging his 25% of KFDDA-TV, Amarillo, Tex. (Ch. 10) & KPDA for full control of radio KFDDA plus note for approximately \$112,000.

Adler's Vhf Repeater Proposal: Vhf translators, as well as uhf translators and on-channel vhf boosters, are proposed by Adler Electronics Inc. as answer for sparsely settled areas. Filing comments in FCC's vhf booster rule-making proceeding, Adler suggests that vhf translators could be supported economically by 50 families.

To guard against interference, company recommends that power output not exceed 0.25 watt and that transmitters have equipment which will shut them down automatically if objectionable radiation outside assigned channel is generated. Also suggested is increase in uhf translator power from 10 to 100 watts maximum.

Washington State TV Reflector Assn., biggest defender of unauthorized vhf boosters, urged Commission to permit continued use of operating boosters wherever absence of interference can be proved.

KXLY-TV, Spokane, and KELP-TV, El Paso, suggested low-power vhf outlets be authorized with "minimum necessary safeguards."

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There was still another step this week in long fight over WESH-TV, Daytona Beach (Ch. 2)—when Commis-

sion instructed staff to draft decision affirming Feb. 6 grant authorizing move to site 25 mi. from Daytona Beach, increase in power & height—denying protest of WLOF, Orlando.

By bare majority (Doerfer, Hyde & Mack dissenting), Commission authorized grantee KVVU, Santa Fe (Ch. 2) to change site to towering Sandia Crest, 43 mi. away, location of the Albuquerque stations.

In allocations, Commission: (1) Denied WENS (Ch. 16) proposal for 4th commercial vhf in Pittsburgh, adding either Ch. 6 or 9 by extensive channel shifts in wide area. (2) Set Jan. 17 deadline for comments on WWLP, Springfield, Mass. (Ch. 22) proposal to substitute Ch. 15 for 75 in Concord, N. H., Ch. 21 for 15 in Portsmouth, N. H.; 75 for 30 in St. Johnsbury, Vt.; 69 for 74 in Bennington, Vt. and give 74 to Springfield, Vt. (3) Denied request by Veterans Bcstg. Co. Inc., Ch. 10 applicant in Vail Mills, N. Y. (Albany area), for temporary stay of operation of WTEN on Ch. 10.

Grantee WXTV, Youngstown (Ch. 73), petitioned for substitution of Ch. 33 for 73, Ch. 22 for 47 in Pittsburgh, Ch. 79 for 22 in Clarksburg, W. Va.

Translators authorized: Ch. 75, Indio, Cal.; Ch. 78, Joplin, Mont.; Ch. 76, Shelby, Mont. [For details, see *TV Addenda 25-U* herewith.]

Radio Station Sales Approved by FCC: KGA, Spokane, Wash. by Bankers Life & Casualty Co. for \$250,000 to Gran Bcstg. Co. (Vol. 13:48) . . . WHOO, Orlando, Fla. by Edward Lamb for \$250,000 to Ted Estabrook (Vol. 13:47) . . . WAND, Canton, O. by P. C. Wilson for \$150,000 to Agnes J. Reeves Greer (Vol. 13:44) . . . WROD, Daytona Beach, Fla. by Jim McDonough & John Murphy for \$145,000 to Radio of Daytona Inc., owned 20% by McDonough (Vol. 13:46) . . . KBTM, Jonesboro, Ark. by Helen W. & Harold E. King for \$110,000 to brothers Alan G. Jr. & Matthew C. Patteson (Vol. 13:48) . . . WCOS, Columbia, S. C. by Charles Pittman for \$107,500 to George H. Buck Jr. (Vol. 13:47) . . . KTKT, Tucson, Ariz. 50% by Thomas J. Wallace for \$90,000 to Art Linkletter & John Guedel (Vol. 13:33) . . . KYNG, Coos Bay, Ore. by Harold C. Singleton & Walter N. Nelskog for \$70,000 to KYNG Radio Inc. (Vol. 13:48) . . . KLEE, Ottumwa, Ia. by Jack Lester & Wm. O'Connor for \$57,500 to Carroll Marts ex-MBS central div. (Vol. 13:43).

Dominican Republic demand that FCC require CBS Radio to give Trujillo govt. "free time or some form of redress" to answer May 20 documentary on "The Galindez-Murphy Case" was rejected by Commission this week. Dominican Information Service in N. Y. also had asked FCC to force CBS to "accept sponsored time if free time is not obligatory" for reply to broadcast account of disappearance of Jesus Maria de Galindez, Trujillo foe, and death of Dominican Airlines pilot Gerald L. Murphy. Pointing out that it exercises no network program supervision, FCC said it "is unable to conclude at this time that CBS has failed to discharge its responsibility as broadcast licensee."

Sale of KREM-TV, Spokane (Ch. 2) by Louis Wasmer to group headed by Mrs. A. Scott Bullitt, was given go-ahead again this week as FCC dismissed protest which had been filed by TV Spokane Inc. (Vol. 13:47). Protestant, one-time applicant for Ch. 2, withdrew objection after private settlement—terms undisclosed. Comrs. Bartley & Ford dissented, saying they wanted to know more about "the circumstances surrounding the withdrawal."

Construction of 1082-ft. TV tower has been started in Tokyo by Nippon Television City Corp.

Reports of Radio Station Sales: KXLW, St. Louis, by John Kluge & Mark Evans for \$500,000 to R. J. Miller, N. Y. finance exec. and George Eng, pres. of Peninsula Swift Homes Inc., Norfolk (Blackburn & Co.) . . . KANS, Wichita, Kan. by Kenyon Brown and Frank Lynch for \$300,000, including assumption of liabilities, to J. Wm. O'Connor and associates (Hamilton, Stubblefield, Twining & Assoc.) . . . KPLA (FM), Los Angeles, by Don Martin for \$100,000 to John H. Poole . . . KEAR (FM), San Francisco, by Stephen A. Cisler for \$100,000 to Harry H. Nasburg, publisher of *The Argonaut*, weekly literary magazine.

Next move in "Ch. 13 case" is up to FCC—and prospects of N. Y. Board of Regents' acquisition of channel for proposed educational uses, in lieu of projected \$3,500,000-plus sale of WATV with WAAM to National Telefilm Associates (Vol. 13:49, 50), appear enmeshed in cloud of legal arguments. This week, replying to WATV and NTA briefs opposing proposed rule-making to change Newark station's channel to educational, counsel for Regents filed 31-page brief, insisting FCC has authority to make change, citing precedents and reiterating intention of seeing to it that "no harm shall be caused WATV," i.e., that WATV owners will be paid. Meanwhile, the trade journal *Sponsor*, in unverifiable reports, stated this week that N. Y. educational exponents are working on plan whereby the 6 metropolitan stations "put up \$1,000,000 each to buy the 7th for the educators" in order to "cut down commercial competition and soften pressure on themselves for more educational fare."

Film interests are represented in new AM application for Albuquerque (1310 kc, 1 kw, daytime) reportedly also have pay-TV plans: Larry Stern, pres.-treas., 33½%, eastern sales rep of M & A Alexander Productions; Arthur Alexander, v.p., 33½%, pres. of M & A; Murray J. Chikofsky, secy., 33½%, asst. house counsel of 20th Century-Fox, N. Y.

Inconsistencies in govt. agency decisions and some reasons therefor are discussed in Dec. 5 *Virginia Law Weekly* by Paul Dobin, former chief of FCC rules & standards div., now member of Cohn & Marks, Washington law firm.

Who Owns AAP? United Artists made its bid to become major factor in TV industry this week with announcement that it had purchased 51% of Associated Artists Production Corp.—which was immediately challenged by NTA, which claims it has previous legal contract for purchase of controlling interest in AAP (Vol. 13:46 et seq.). Web of litigation arising out of conflict must be untangled by courts to determine actual purchaser.

UA's purchase was negotiated in Canada, buying outfit being new UA subsidiary Gotham Television Film Corp. Gotham announced it has purchased 700,000 shares of AAP stock (51%) for \$12 a share, consisting of \$6 cash and \$6 in debentures guaranteed by UA. Sellers were Canadian financier AAP chairman Louis Chesler and his group. UA says it will offer same deal to other stockholders. Chesler confirmed sale to Gotham TV this week. The offer which NTA says AAP

officials accepted involved sale of 820,000 shares by same group for \$4,375 cash, \$4.40 in debentures and 1/10 share of NTA stock for each AAP share.

Chesler, Maxwell Goldhar and M. Mac Schwebel have resigned as AAP officers and directors, but pres. Eliot Hyman and other management personnel of AAP are slated to remain if UA sale sticks.

What makes AAP so desirable is its ownership of pre-1948 Warner Bros. film library, plus Paramount's *Popeye* cartoons.

UA recently organized new subsidiary United Artists Television Corp., to be headed Jan. 1 by Herbert L. Golden, well-known in TV industry as head of entertainment industries div. of Bankers Trust Co., N. Y. (Vol. 13:50); Bruce Eells is exec. v.p. John Leo, who has been director of feature film sales for UA, continues in that post.

At Bankers Trust Co., asst. v.p. Edgar A. (Ted) Manning succeeds Golden as chief of entertainment industries div., which handles loans to film producers.

Slip of the decimal point in Nov. 2 *Television Digest* (Vol. 13:44) caused us to cite incorrect prices for European Broadcasting Union's excellent TV & FM station directories. *List of Television Stations* contains latitude & longitude, frequency, power and polarization of all Western European TV stations as of April 1, together with each country's TV standards. *List of Sound Broadcasting Stations (VHF Band)* gives same data for FM stations. Both have separate lists arranged by country and by frequency. They're available from EBU Technical Centre, 4 Rue de la Vallee, Brussels, for 25 Belgian francs each, or about 50¢ (not \$5 as erroneously stated). EBU also has announced new monthly publication, *EBU Review*, a printed periodical which replaces the bi-monthly mimeographed *EBU Bulletin* next month. New publication, printed in English and French editions, will be divided into 2 parts, each published semi-monthly. Technical edition will be issued in Jan. and bi-monthly thereafter, with General & Legal edition beginning in Feb. Annual subscription by surface mail is 300 Belgian francs (about \$6); single copies of Technical edition are 30 Belgian francs.

Baseball TV Plan Stands: CBS-TV proceeded this week to negotiate Sunday baseball game telecasts with 5 major league clubs next season despite howls by minor clubs and promise of investigation by House Judiciary anti-trust subcommittee (Vol. 13:49-50). Network stressed that telecasts wouldn't be carried in areas where minor clubs play Sunday home games, but minor league czar George Trautman said that wouldn't prevent damage to Sunday gates. "Apparently Columbia has but one thing in mind and that is the preservation of Columbia and the destruction of the minors," he said pursuing demands that Congress step into minor-major dispute. Trautman wants baseball exempted from monopoly laws so that clubs can join together to control broadcasts of games.

Broadcast Americana: CBS Radio presented Library of Congress this week with complete tape recordings of May 13-26 network programs, 397 reels becoming part of permanent collection of audio-visual reference materials. Accepting gift from CBS Radio pres. Arthur Hull Hayes, librarian L. Quincy Mumford said: "In a day when mass media comprise a major aspect of American civilization, it is appropriate that the Library of Congress should preserve representative examples of the offerings of network radio to the American people."

NARTB promotes Howard H. Bell to asst. to pres. in charge of joint affairs effective Jan. 1, aiding pres. Harold E. Fellows in staff planning, activities with state broadcasting assns. and freedom of information campaign. In new post, Bell will lift some of administrative load from Fellows—who will be 59 in March—and as NARTB spokesman puts it "has been doing work of 3 men," asserting that Fellows has "nothing organically wrong with him." NARTB also announced appointment of employer-employee committee, chairman Leslie C. Johnson, WHBF (AM-TV), Rock Island, Ill.; initial meeting is scheduled tentatively for Feb. 27 in Washington.

NBC Opera Company has attained "major importance" in musical world, which no longer can regard troupe as "precocious upstart bred by a medium with spasmodic pretensions to culture," *N. Y. Times* critic Howard Taubman wrote Dec. 15. Reviewing NBC-TV's production of Francis Poulenc's "Dialogues of the Carmelites" which opened 9th season Dec. 8, Taubman lauded company's "valuable contribution to the cause of opera in America."

Inroads on FM band have never been proposed by Commission, FCC said this week—issuing special notice to answer numerous inquiries (Vol. 13:48). "It is emphasized," notice stated, "that the Commission has not instituted any rule-making proceeding directed toward reallocating any part of the FM broadcast band (88-108 mc) although proposals have been received by the Commission to make such spectrum space available for use by other radio services."

Memo on subliminal advertising, circulated Dec. 16 to all dept. heads by AB-PT pres. Leonard H. Goldenson, reads in part: "Until such time as full and complete information concerning the effects of this technique is available for careful consideration, the ABC-TV network and its owned-&-operated stations, in keeping with their policy that all commercial announcements shall be clearly identified as such, will not broadcast messages utilizing the technique of 'subliminal perception' . . ."

San Francisco TV blackout of National Football League's western div. playoff Dec. 22 is being investigated by Justice Dept., asst. attorney general Victor Hansen revealed this week. The anti-trust div. chief pointed out that tickets for game at San Francisco's Kezar Stadium have long been sold out and event is being televised coast-to-coast, except to San Francisco area.

Major TV Study: Fund for the Republic, Ford Foundation-financed group devoted to issues involving Constitutional rights, this week announced study of "mass media of communication," which will begin with "an analysis of the relationship between Govt. and TV." According to pres. Robert M. Hutchins, project "will include a study of the application of the First Amendment's guarantee of free speech to the medium of TV, and an analysis of the role of the FCC as a regulatory body in this field." Explaining project's emphasis on TV, Hutchins stated: "Surveys have shown that people spend more time with TV than with magazines, newspapers and radio combined . . . It has become increasingly clear that TV is having a tremendous impact on our society." Responsible for mass media study will be Princeton U history professor Eric F. Goldman, former *Time* magazine staffer. Acting as liaison directors will be 3 members of Fund's board, none of them identified with TV: Miss Alicia Patterson, editor & publisher of *Long Island Newsday*; Bruce Catton, editor of *American Heritage* magazine; Harry Ashmore, exec. editor of *Little Rock Arkansas Gazette*.

Advanced science reporting course for broadcasters, newspapermen & magazine writers under \$70,000 grant by Alfred P. Sloan Foundation, was announced this week by Columbia U's Graduate School of Journalism. Selected reporters & writers, preferably those with 3-6 years' experience, will be given tuition plus \$550 monthly for living expenses. Dean Edward W. Barrett said fellowships are intended to "increase the number of dependable science & technology writers for newspapers, press services, magazines, radio, TV & industry."

"First intercity big-screen closed-circuit colorcast" is claimed by Closedcircuit Telecasting System (Fanshawe Lindsley, pres.) for Dec. 12 Greater N. Y. Dental Meeting at Statler Hotel, where 1500 dentists viewed mouth surgery and tooth repair demonstrations which originated at U. S. Institute of Pathology, Walter Reed Hospital, Washington. N. Y. color picture was displayed by 3 RCA color projection units.

CBS-TV Affiliates, holding 2-day general conference in Washington's Hotel Shoreham Jan. 13-14, will be addressed at luncheon meeting first day by Vice President Nixon, second day by Senate majority leader Lyndon Johnson (D-Tex.) whose wife heads company owning KTBC-TV, Austin, and has interests in KWTX-TV, Waco, and KRGV-TV, Weslaco.

Mass media data covering TV, radio, movies, newspapers, magazines, books are compiled & evaluated in *Mass Communications: A Statistical Analysis* by Richard E. Chapin (Mich. State U Press, East Lansing, 148 pp., \$5.75). Chapter on TV & radio industries says their statistics "are more complete, more available, and more consistent than those for any of the other mass media."

One application for TV station, one for translator, were filed with FCC this week, bring total to 123 (33 uhf) for stations, 23 for translators. Applications: For St. Petersburg, Fla., Ch. 10, by group headed by ex-CBS-TV pres. J. L. Van Volkenburg; translator was for Ch. 78, Libby, Mont. [See *TV Addenda 25-U* herewith.]

Soviet bloc TV-radio programs will be exchanged under agreement between communications ministers of Communist countries, Tass reported this week. Pact also calls for development of telecommunications & mail services.

Tele-Pay Productions is new firm formed to make films exclusively for toll TV. It's headed by George Weiss, with Ted Adair as casting director; office is at 723 Seventh Ave.; N. Y.

"Educational Television & Groucho Marx" titles strikingly illustrated booklet being distributed by NBC. Theme: "Because millions enjoy Groucho—and other popular entertainers like him—TV has grown into the greatest advertising medium in history. Every year American industry, recognizing TV's matchless ability to reach the entire family, has poured increasing millions of dollars into TV advertising. This money serves 2 functions. It lights up TV screens across the nation with a week-long schedule of the most diversified entertainment available. At the same time it enables the networks to go beyond mass entertainment to create the so-called 'special interest' programs, programs designed to instruct and uplift, to enrich and enlarge the cultural life of the American people." Booklet describes, in words and pictures, such NBC-TV cultural ventures as NBC-Educational TV & Radio Center educational series, "Project 20" documentaries, NBC-TV Opera, *Wisdom* series, etc. Note: One of NBC-TV's prestige programs, *Wide Wide World*, was scheduled to feature Vice President Nixon, who was due to participate in show featuring story of American justice and law enforcement Dec. 22.

Electronic Eyes for Military: Army awarded 2-year \$1,500,000 contract this week to Cornell Aeronautical Lab, Buffalo, for development of TV and other electronic surveillance methods for battlefield use. Contract provides for study of TV, radar, conic, meteorological, drone reconnaissance & photographic systems for observing enemy positions and actions. Research & development will be carried out by 35 key Cornell Lab scientists and some 35 military personnel of Army Combat Surveillance Agency.

Add mergers: Compton Adv. acquires Western Adv., Los Angeles, transferring its personnel & accounts to Compton offices there Jan. 1, merger raising latter's west coast staff to 49. Edward E. Keeler, former Western head, joins Compton as a v.p.

Headline of the week: "Hi-Fi Followers Want a Static FM"—Dec. 15 N. Y. *Times* story by Jay Walz detailing drive by FM stations and others to prevent encroachment of other services on 88-108 mc band.

Assn. of National Advertisers directors name Donald S. Frost, Bristol-Myers v.p. in charge of advertising, as treas. He succeeds Henry Schachte, Lever Bros. v.p., now ANA vice chairman.

First live radio coverage of N. H. state legislature has been approved by its rules committee for special Jan. session, permission going to WKXL, Concord. Facilities will be shared by WMOU, Berlin, and WJWG, Conway.

New closed-circuit TV dept. of Bramson Entertainment Service, headed by Nat M. Abramson, mgr. of WOR Artists Bureau, opens at 1440 Broadway, N. Y.

Summarizing radio growth, NARTB estimates 1957's gross will run to record of about \$650,000,000, up 14% from 1956's \$571,000,000, which was up 5% from 1955.

Bound and Indexed

We will index and bind, between embossed hard book covers, a limited quantity of all 1957 issues of the Television Digest Weekly Newsletters, plus the semi-annual TV Factbooks with all Addenda, plus all Supplements and Special Reports. This volume will provide a handy and handsome permanent reference for your own or your company library. Orders will be taken until Dec. 30. Price: \$25 per volume.

PHONO BUSINESS 1957—THE FI IS REALLY HIGH: Ten-month figures in hand are showing that packaged phono-hi-fi business this year is surging to its majority with about 5,000,000 units of factory sales and retail value of about \$500,000,000. The figures make emphatic this message to price-depressed TV-radio manufacturers: The big-ticket hi-fi bracket is booming. Second item: Following TV in style though not yet in price, the portable phono is full-fledged trend -- with some automatic and with-radio models showing increases best described as spectacular.

Both points add up to a dollar story that TV & radio manufacturers haven't been hearing lately. TV retail sales have slipped from \$1.4 billion to \$1.3 in 2 years; home radio has held constant at about \$250,000,000 despite 6-year unit sales records (Vol. 13:49). But after ignoring the recent growth of phono industry for almost 2 years, all major TV & radio makers got in (with one or 2 outstanding hold-outs) with big production at the high phono-only end last year and the high radio-phono end this year. TV & radio makers are now sharing in phono retail dollar boom. Retail value in 1957 will have topped 1956 by \$100,000,000, most of it in sales of units over the \$100-\$125 line -- and 1958 is expected to add another \$100,000,000 retail, again from increased activity in the higher-end areas.

Industry opinion explains all this with a happy story. People have learned what good sound is and are willing -- conditioned, if you will -- to pay upwards of \$100-\$125 for hi-fi. Same opinion says high-end matched constant low-end in 1956 in retail dollars, doubled it in 1957, will triple it in 1958.

Figures from Electronic Industries Assn. help spell out some of the story -- and point up some dramatic areas. But caution is the word from most interpreters of EIA's detailed breakdowns of phono-hi-fi mix. While some models & price brackets show huge percentage gains, many of these categories started from near zero in comparable periods last year as manufacturers were still "discovering" their market. EIA breaks its statistical studies of the packaged phono market (components not included) into 3 major merchandise groups: record player attachments, phonographs (without radios), combinations (radio-phonos & TV-radio-phonos) -- then breaks these into many price & model categories. Here are selected views of total picture:

* * * *

(1) Through Oct., total factory sales in units are up 25% over 10 months last year -- and EIA's exec. v.p. James D. Secrest sees year leveling off at 16% increase (Vol. 13:50), with about 5,000,000 units vs. 4,175,000 in 1956.

(2) Record player attachments as a group are down 5% from last year.

(3) Phonographs as a group are up 97% in 10 months; of 17 categories, 6 are down, 11 up. All non-automatic phonos are down except low-end single-speed single-play category, which is booming. All multi-speed automatics are up except the \$100-\$150 table model, which is off slightly. Low-end tables are up sharply; high-end tables have doubled. All portables are up, especially the over-\$100 list category, which has doubled. All consoles are up, the high-end (over-\$200) having tripled -- from 100,798 in 10 months of 1956 to 304,884 in 10 months this year.

(4) Combination group is up 16%; 6 of 8 radio-phono categories are up -- and activity in highest end is dramatic. Low-end tables and portables are down slightly or even. Middle- & high-end portables have doubled. Low- & middle-end consoles have doubled. High-end console radio-phono combinations have more than doubled, and TV-radio-phono combinations are up slightly.

Growth of most expensive (over-\$300 list) radio-phono is impressive. In 1955, factory sales totaled 23,097 units; in 1956, 51,244 were sold. In 10 months of 1957,

factories had already moved 196,275 -- 31,678 of these in new "over-\$500" bracket.

Further growth patterns are pointed by shifts in percent-of-industry done by certain merchandise categories in last 2 years. For example, in 10 months of 1957 vs. like period last year, analysis of EIA factory sales by units shows: consolette & console phonos at all prices did 14% of factory sales vs. 8.7% in 1956. Console radio-phono in the \$200-to-over-\$500 class grew to 9.3% vs. 3.3%. Middle- & high-end portable radio-phono grew to 4.6% from 2.1%. In lower priced goods, portable automatic, multi-speed phonos held at about 22% for both years. Portable single-play multi-speed phonos slipped to 15% from 21%. All single-speed, single-play models slipped to 13% of production total from 19% last year.

Note: In Dec. 23 issue, Time cover story sees continuing boom of hi-fi (and helps it along), pointing out that phono ownership in U.S. homes has risen 37% in 5 years to 30,000,000; that there are 2,000,000 (component) hi-fi rigs in use; that LP records now do 2/3 of pop record business. In Dec. 2 issue, Newsweek points to tomorrow's stereo tape business noting 40 firms making stereo library, which grows by 100 titles a month and will soon top 1000. Finally, bringing packaged phonograph (\$500,000,000), records & tapes (\$300,000,000) and tape recorders (\$100,000,000) together in retail dollars as one major maker does, we've got -- or will have by 1958 -- a \$1 billion "music in the home" market to be vigorously worked. (More of that in coming issues of Television Digest.)

ADMIRAL'S HYPOS—AND A FEW 'SLEEPERS': Most unusual area of product diversification we've yet encountered in the unpredictable TV-radio-electronics fields is Admiral Corp.'s move into, of all things, plastic hospital supplies. First product is a disposable syringe used for one hypodermic shot then thrown away. It's favored by medics because some types of germs can't be destroyed by the usual boiling or steaming -- and about 2,000,000 a month are already being marketed to hospital supply houses through some Admiral distributors and certain others assigned closed territories.

It's not a high-price item, nor will it bulk large in Admiral's over-all sales, adding up to some \$8,000,000 next year (when sales should be 10,000,000 units a month) and an expected \$12-\$15,000,000 by 1959. But it's opening up an entirely new field, for now being perfected are disposable plastic sheets and pillow cases which, like the syringe, can be thrown away after one use. These are designed to help obviate the bane of all sickrooms, danger of infection, besides cutting down laundry labor and costs.

Whole field has enormous potential, says pres. Ross Siragusa, who recently engaged V.M. Stilson, ex-Erie Resistor, to head it up. Molded Products Corp., 100% subsidiary acquired from estate of Siragusa's brother, is the producer. At big plant covering more than 3 acres in west Chicago, it is also turning out certain fiber-glass materials and plastic parts for Fisher Body, Pontiac, Plymouth, Buick; it has always made the plastic cabinets for Admiral's TVs and radios.

[For further report on Admiral and other "diversifiers," see p. 13.]

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TV Tube Rebuilders: Increasing part of TV picture tube market going to the tube rebuilders is emphasized by latest EIA breakdown showing renewal tube sales by rebuilders at 2,600,000 in 10-months through Oct., compared with 2,400,000 in 1956 period. At same time, sale of new tubes to setmakers totaled 5,300,000 vs. 6,300,000 in first 10 months of 1956, tied to production decline (Vol. 13:49). New tubes for renewal market were 2,400,000 -- same as in 1956. Exports also remained static at 600,000 -- bringing total picture tube sales through Oct. to 10,900,000 vs. 11,500,000 last year. By sizes: 15-in. & under, 6% in 1957, 14% in 1956; 17-in., 23% vs. 17%; 21-in., 65% vs. 62%; 24-27-in., 6% vs. 7%.

Receiving tubes for same period totaled 389,000,000, holding about even with 390,000,000 in first 10 months of 1956. Continued high volume, despite TV drop, is attributed to radio upsurge, increased industrial, commercial, military uses. Here's breakdown: Initial equipment, 210,000,000 through Oct. 1957, 220,000,000 in 1956;

renewal, 153,000,000 vs. 140,000,000; export, 19,000,000 vs. 22,000,000; Govt., 6,600,000 vs. 7,900,000. Marketing specialists expect 1958 increase in sales as greater number of units-in-use require more replacement tubes.

Note: EIA didn't compile TV-radio production figure for week ended Dec. 13, statistical dept. explaining that too few manufacturers reported output. Figures will be reported as soon as available.

Diversification & Profitability: Admiral is diversifying into plastic products for hospital uses, among other items (see p. 12), and other companies are also finding new lines besides the ever-varying requirements of govt. contracts. But their original products remain TV-radio and related household items, now given big lift by the enormous upsurge of hi-fi.

For example, Packard-Bell's report for fiscal year ended Sept. 30, showing sales at record \$32,262,878 and earnings of \$704,447 (\$1.02 per share) vs. \$28,405,059 & \$862,356 (\$1.25) in preceding year, describes the various communications, missiles, radar & computer products it turns out. But it also makes the Foetoscope for hearing and visualizing the heartbeat of an unborn child; the Sigalert emergency radio warning system for police, highway patrols, doctors, firemen; an electronic garage door opener; wooden doors in 12 sizes for homes and building—latter in own Bellwood Co., wood factory which also makes its TV-radio-hi-fi cabinets.

Yet TV represents about 30% of total corporate sales, and continues profitable, says report, while radio and hi-fi have "increased dramatically"—latter up 49% and still climbing. Pioneer Los Angeles radio-making firm calls itself "oldest and largest manufacturer of TV, radio and hi-fi in the West"—presumably because bigger Hoffman Electronics Corp. is now accenting its many electronics products—and report says it plans to expand distribution throughout the 11 western stations "and possibly the nation."

At Dec. 12 stockholders meeting, pres. Robert S. Bell foresaw home products such as TV, radio, hi-fi and garage door openers facing "limitations [that] probably will no more than double [their] sales in the next 5 years." However, in same period, he expects technical products and electronics can "expand to 10 times our current sales." In last fiscal year, he reported, technical products div. contributed 38% of total corporate sales.

While it isn't one of the biggest companies in the field, Packard-Bell offers fascinating reading in its report as an example of diversification effort; you can get a copy by writing Mr. Bell at 12333 W. Olympic Blvd., Los Angeles.

* * * *

Still another report on diversification: General Instrument Corp., back on profit and dividend-paying levels (earnings \$247,053, or 18¢ a share, on sales of \$15,200,170 in 6 months ended Aug. 31 vs. only \$35,561, or 2½¢, on \$13,979,913 in same period of preceding year), informed its stockholders this week:

"Our program is to convert . . . from a manufacturer primarily of components for the radio-TV industry into one which has its base in all phases of electronics activity. Thus, your management plans, without in any way diminishing our leading position as a supplier of TV and radio components, to lessen dependence on the vagaries of the radio-TV market . . ."

Recently, GI acquired Radio Receptor Co. for expansion into industrial and military electronics, notably semi-conductors. Its military backlog at Nov. 20 was \$13,000,000 against \$1,800,000 last year. Its F. W. Sickles div. has introduced a new, cheaper, smaller uhf tuner which chairman M. H. Benedek states should "help bring down uhf set costs and, perhaps, thus stimulate this area of TV broadcasting."

Note: Govt. is by far electronics industry's best customer, as EIA exec. v.p. James D. Secrest reported last week (Vol. 13:50), representing 50% of over-all 1957 factory dollar volume—and Admiral this week reported that, after long lean period in the field since 1950 when it had \$50,000,000 in govt. contracts, it now has backlog of \$25,000,000 as against half that amount year ago. But Admiral, too, still depends on TV ("inventories down 35% from last year's levels"), radio and hi-fi ("booming") and on its appliance lines for by far most of its volume, according to pres. Ross Siragusa.

He's especially hot on prospects for new lines of refrigerators, freezers, dishwashers, ranges—and predicts 1958 will be as good as if not better than 1957 in spite of soft markets expected in first half. Admiral's own 4th quarter will run in black as high as it was in red last year, he said, meaning around \$750,000. Officially reported so far this year are 9-mo. figures only, showing \$572,662 net profit (24¢ per share) on sales of \$126,125,817 vs. \$1,792,029 (76¢) on \$134,204,988 in same 1956 period. For all 1956, earnings were \$1,037,274 (44¢) on sales of \$182,046,168, both lowest since 1950.

Distribution reorganization move by GE converts all General Electric Appliance Co. (GEA) branches and TV-appliance depts. of GESCO branches to district offices of a new unit—sales & distribution dept. of the appliance & TV receiver div. Move, designed to speed communications between production and field, is basically a change in method of reporting and change in nomenclature, GE says. Pat A. Tilley, formerly pres. of GEA, becomes gen. mgr. of new dept. with headquarters at Louisville; R. C. Hawley, formerly mgr. of GESCO appliance & TV dept., mgr. of western districts; W. D. Dance, former GEA sales mgr., mgr. of eastern districts. GEA branch mgrs. become sales & distribution district mgrs. Physical structure of distribution remains the same. L. G. Hertzler will contact independent distributors. Radio and small appliances will still be distributed through GESCO, with headquarters in Bridgeport, Conn.

Christmas-inventory furloughs were started this week by most TV plants, greatest number of employes affected being 4800 at RCA Bloomington & Indianapolis TV & tube plants. Spokesman said Bloomington plant would be closed one week, Indianapolis 2, emphasizing this was not a layoff or reduction in force. Westinghouse laid off about 400 at Metuchen, N. J. TV-radio plant, attributed partly to season, partly to soft sales.

Consent judgment has resulted in dismissal of patent infringement suit by Kay-Townes Antenna Co. against Channel Master Corp. which will continue to make conical-yogi antennas under license from Kay-Townes.

Westinghouse Ups Executives: Westinghouse Electric Corp., its 1957 sales at all-time peak of about \$2 billion and anticipating "even higher in 1958," changes presidents as of Jan. 1—48-year-old exec. v.p. Mark W. Cresap Jr. ascending to that post while chairman-pres. Gwilym A. Price remains as chairman. Cresap has been with Westinghouse since 1951 when he became v.p. & asst. to the president after conducting a management survey for his then firm, Cresap, McCormick & Paget. Price, 62, has been pres. since 1946 and pres.-chairman since 1955.

E. V. Huggins, 50, to whom the broadcasting, defense products plant at Baltimore and international subsidiaries and the law, tax, patent & secretary's depts. continue to report, becomes v.p. & chairman of executive committee changing title from v.p.-corporate affairs and secy. He's a lawyer, formerly with Cravath, deGersdorff, Swain & Wood, who joined Westinghouse in 1943 after serving 2 years as Asst. Secy. for the Air Force.

John K. Hodnette, v.p. & gen. mgr. since 1955, becomes exec. v.p.; George G. Main, v.p.-finance & treas.; Francis E. Dalton, controller; Carlisle P. Myers, gen. counsel since 1955, corporate secy. in addition to gen. coun-

sel; Russell B. Read, asst. treas. as well as planning director.

Executive committee comprises Price, Cresap, Huggins. As operations head, exec. v.p. Hodnette continues to have reporting to him Chris Witting, v.p. consumer products group (all appliances, distribution, tubes, semi-conductors); A. C. Monteith, v.p. apparatus products; Wm. Sproul, v.p. industrial products; Charles Weaver, atomic products.

A major contractor in nuclear fields, big producer of heavy duty electrical and electronic apparatus, Westinghouse is also an important factor in broadcasting, owning 5 TV & 7 AM stations—highly successful properties headed by Don McGannon. He was formerly a colleague of Witting's when latter headed DuMont Broadcasting Co.

In year-end statement this week, Price had this to say about consumer lines: "Prospects for improvement in the consumer products field are hinged to a modest increase in residential construction and the continued rise of personal consumption expenditures even though the rate will not be as rapid as in the past several years. Consumer acceptance of radical new designs in appliances helped to reverse a year-long slump in appliance sales in the late summer of 1957 and since then sales have shown gains over comparable months of 1956."

Topics & Trends of TV Trade: Shipments of TV's to dealers totaled 4,873,819 in year's first 10 months, when production was 5,251,158 and retail sales 5,024,670, according to EIA state-by-state report. They compare with shipments of 5,433,750, production of 6,080,052, retail sales of 5,287,199 in first 10 months of 1956. Oct. shipments were 624,044 vs. 789,675 in Sept. and 843,508 in Oct. 1956. Here's 10-mo. report:

State	Total	State	Total
Alabama	68,690	New Jersey	174,330
Arizona	30,544	New Mexico	18,122
Arkansas	42,724	New York	561,991
California	472,389	North Carolina	96,821
Colorado	39,636	North Dakota	17,134
Connecticut	78,933	Ohio	273,385
Delaware	11,763	Oklahoma	55,753
District of Columbia	51,146	Oregon	48,050
Florida	170,836	Pennsylvania	344,042
Georgia	96,365	Rhode Island	26,182
Idaho	14,839	South Carolina	37,992
Illinois	297,702	South Dakota	18,604
Indiana	124,930	Tennessee	81,113
Iowa	56,571	Texas	254,212
Kansas	57,508	Utah	20,648
Kentucky	79,113	Vermont	9,743
Louisiana	87,978	Virginia	80,124
Maine	26,675	Washington	74,193
Maryland	66,758	West Virginia	50,995
Massachusetts	145,788	Wisconsin	87,754
Michigan	188,310	Wyoming	9,673
Minnesota	75,045		
Mississippi	39,613	U. S. TOTAL	4,860,951
Missouri	115,227	Alaska	3,174
Montana	22,887	Hawaii	9,694
Nebraska	37,169		
Nevada	7,882	GRAND TOTAL	4,873,819
New Hampshire	13,069		

DISTRIBUTOR NOTES: Sylvania appoints Peninsular Distributing Co., Detroit, replacing Wholesale Appliances Inc.; Allied Distributing Co., Omaha, replacing Wright & Wilhemny Co. . . . Motorola appoints Ray Distributing Co., Savannah, for southern Ga., replacing Rex Distributing . . . Peirce-Phelps, Philadelphia (Zenith) names Richard Woltemate to head new electronics div. . . . Graybar promotes E. A. Droegemueller to branch house financial mgr. at Phoenix, in Los Angeles district; P. E. Miller to branch house financial mgr. at Louisville, in Cincinnati district . . . W. R. Light Co., N. Y. (Harman-Kardon) names Gregg Edelheit, ex-Norge, to new post of sales mgr. . . . Legum Distributing Co., Baltimore (Philco) names Jules Resnick, ex-Allied Appliance Distributors, to new post. of exec. director of sales & marketing.

Trade Personals: Don G. Mitchell, chairman & pres. of Sylvania, elected a director of ACF Industries . . . Ross Siragusa, pres. of Admiral, leaves in latter Jan. for survey of Admiral's foreign plants, plans to spend 2 weeks each in Italy, Mexico, Australia . . . Henry T. Heald, Ford Foundation pres., elected an AT&T director succeeding Myron C. Taylor, resigned after 28 years . . . John C. Maxwell, of Tucker, Anthony & R. L. Day investment house, elected a director of General Precision . . . Robert T. Campion, ex-Alexander Grant & Co., Chicago, named Siegler Corp. secy. . . . Floyd I. Makstein, ex-Emerson, named national service mgr., Steelman phonograph & Roland radio divs., Herold Radio & Electronics Corp. . . . Gerald R. Sauer named to new position as mgr. of RCA's SAGE powerhouse operation at Topsham, Me. . . . Ralph M. Lane, ex-Admiral, named RCA eastern regional rep, color TV market development, replacing George P. O'Brien recently named district sales mgr. in northeastern region (Boston) . . . Harold M. Johnston, treas. of Spartan Corp., also elected v.p.

Frank M. Folsom, ex-pres. and now chairman of exec. committee of RCA, named by Gov. Harriman as chairman of Saratoga Springs Commission, non-salaried board of 12 on which he has sat for several years. Commission operates mineral springs, hotel, recreation center, etc.

Canadian TV sales by distributors to dealers were down for Oct. & 10 months. RETMA of Canada reports 70,537 in Oct. vs. 86,778 last year; 365,875 for 10 months vs. 498,340 in 1956. Sales by provinces: Ontario, 24,767 for Oct. & 135,973 for 10 months; Quebec, 16,960 & 101,249; British Columbia, 7292 & 32,599; Alberta, 6359 & 28,301; Manitoba, 4879 & 23,417; Nova Scotia, 3163 & 15,859; Saskatchewan, 4383 & 15,191; New Brunswick & Prince Edward Island, 2313 & 10,551; Newfoundland, 421 & 2745.

DuMont licenses Electrical Products Mfg. Co. Ltd. of Mount Royal, Que., to manufacture & sell TV sets, radio & hi-fi. Company has 100,000 sq. ft. plant at 5785 Pare St., will continue making its own Fleetwood TV, radio & hi-fi.

AMERICAN BROADCASTING-Paramount's little-publicized hedges into the higher dome electronic fields (NBC has its parent RCA, of course, and CBS labs div. has been quietly branching out into govt. and other contracts under pres. Peter Goldmark) is by way of interests in Microwave Associates Inc. and Technical Operations Inc., both of Burlington, Mass. Both are small companies but apparently doing fairly well, according to research report prepared by Carl M. Loeb, Rhoades & Co., which also handled recent DuMont banking.

Microwave Associates makes precision components for microwave radio apparatus, including magnetron & duplexer tubes, silicon diodes, wave guides, transistorized power supplies. AB-PT owns 121,000 of its 409,000 outstanding shares, or 29%, about same as holding of Western Union, acquired at \$8 per share. Revenues for year ended Sept. 30, not disclosed, are reported in excess of the \$2,300,000 of fiscal 1956 but earnings are down from that year's 38¢ per share, due largely to shift to larger plant.

Technical Operations Inc., with about 22% of its 231,000 shares of stock also held by AB-PT (same by Western Union) and acquired at \$6 per share with options to build holdings to 25% each, does govt. electronic & nucleonic research, war gaming & logistic planning for military, with emphasis on nuclear weapons. Manufacture accounts for only about 10% of its revenues, which were \$2,200,000 for year ended Sept. 30 with earnings of 17¢ per share. Current fiscal year's revenues are expected to expand to \$3,000,000, earnings to 50¢. Principal products now are industrial radiography machines (a type of X-ray) and, through Power Sources Inc., owned 50-50 with Microwave Associates, transistorized power supplies.

Note: Reports on these and 6 other unlisted so-called "applied science" stocks—Airborne Instruments Lab, High Voltage Engineering Co., Taylor Instrument Co., Midwestern Instruments (which recently absorbed Magnecord), Sanders Associates, Magnetic Amplifier Co.—are available from George P. Edgar at Carl M. Loeb, Rhoades & Co., 42 Wall St., N. Y.

Siegler Corp., which recently took over Olympic Radio with merger of Unitronics Corp., and which also has Bogen-Presto and Hufford Corp. as subsidiaries (Vol. 13:37, 38, 39, 47), has applied for listing of its 1,714,339 shares on the N. Y. Stock Exchange; it's now listed on American Stock Exchange.

Transitron Inc. and Insuline Corp. of America, Manchester, N. H. subsidiaries of Van Norman Industries Inc., have been joined into single electronics div. under Samuel K. Lackoff, head of Transitron.

Columbia Pictures lost \$425,000 in quarter ended Sept. 28 vs. net income of \$843,000 (71¢ per share) in 1956 quarter.

Dividends: Packard-Bell, 12½¢ payable Jan. 25 to stockholders of record Jan. 10; Muter, 5% stock Jan. 15 to holders Dec. 31; Avco, 10¢ Feb. 20 to holders Jan. 29; Boston Herald-Traveler, 4% stock Jan. 15 to holders Dec. 24; Howard W. Sams, 12¢ plus 12¢ extra, both Jan. 25 to holders Jan. 15; Daystrom, 30¢ Feb. 14 to holders Jan. 27; General Dynamics, 50¢ Feb. 10 to holders Jan. 10; American Cable & Radio, 30¢ Jan. 28 to holders Jan. 3; Columbia Pictures, 2½% stock Jan. 30 to holders Dec. 30, cash dividend omitted.

Gross Telecasting Inc., operator of WJIM-TV, Lansing, Mich. (Ch. 6) with radio WJIM, had net income of \$156,277 (39¢ per share) for quarter ended Sept. 30 as against \$176,714 (44¢) for same 1956 quarter. Net for 9 months was \$502,003 (\$1.26) vs. \$599,515 (\$1.50). Total sales are not reported until annual report, nor is there breakdown between TV & radio. Firm is one of few single-station entities whose stock is publicly traded, 193,000 shares of common out of 600,000 authorized having been sold at \$15.75 in 1954 with pres. Harold Gross retaining 7000 shares and holding all 200,000 B stock. Latest annual report showed 1956 total revenues of \$2,815,408, net earnings of \$741,926 (\$1.85) vs. \$2,607,530 & \$724,947 (\$1.81) in 1955 and \$1,973,031 & \$639,464 in 1954. [For report on previous sales & earnings, see p. 14, Vol. 13:12.]

Litton Industries' stockholders have approved increase in authorized common stock shares from 2,000,000 to 3,500,000, issuance of 16,000 shares of new voting preferred stock with \$100 par value, to cover purchase of Monroe Calculating Machine Co., Aircraft Radio Corp., Maryland Electronic Mfg. Corp. (Vol. 13:42) and possible other acquisitions in Litton's long-range plans. Pres. Charles B. Thornton said sales would be divided evenly between industrial-commercial and military, with military probably showing faster growth in immediate future.

Hewlett-Packard Co., Palo Alto, Cal. maker of TV & FM monitors and test equipment and other electronic instruments, earned between \$2,100,000 and \$2,400,000 (70-80¢ per share) in year ended Oct. 31, according to pres. David Packard in Dec. 17 *Wall St. Journal* interview. Its business rose to \$27,900,000 from \$20,161,621 in preceding fiscal year, and current year, with govt. contracts running about 25%, is expected to be "relatively good." Mr. Packard and v.p. Wm. R. Hewlett own 88% of 2,700,000 shares outstanding.

National Theatres Inc., which is buying WDAF-TV & WDAF from *Kansas City Star* for \$7,600,000 (Vol. 13:47-48), earned \$2,266,096 (84¢ per common share) in 52 weeks ended Sept. 24 vs. \$4,648,037 (\$1.72) in 53 weeks of fiscal 1956. Gross revenues for 1957 fiscal year were \$58,927,856 vs. \$59,707,251. Profit for 1956 included \$2,370,803 (88¢) net gain on sale of Roxy Theatre, N. Y. Earned surplus Sept. 24 was \$22,046,443. Controlled subsidiaries operate 313 theatres, closed 31 during year.

Hal Roach Productions, one of last of privately-owned Hollywood movie firms, plans to open stock to public. Underwriters led by S. D. Fuller & Co. will offer 375,000 shares of \$3 common stock. Operating old Hal Roach studio at Culver City, Cal., company is heavily in production of TV film series & commercials, syndication of library.

Philips Electronics Inc., formerly A. Hollander & Son Inc., earned \$260,937 (29¢ per share) on sales of \$4,844,166 in 9 months ended Sept. 30 vs. net loss of \$451,317 in 1956 period (total 1956 sales were \$2,671,376). Oct. earnings were \$97,901 on sales of \$1,270,203.

Channel Master Corp. reports \$459,839 contribution to employes profit sharing retirement fund, bringing fund total to \$2,316,916 in 6 years. Company contribution amounts to 15% of annual earnings of each of more than 700 now in employe-owned plan.

Trav-Ler reports net loss of \$104,000 on sales of \$7,842,000 in 6 months ended Oct. 31 vs. net loss of \$42,000 on \$5,960,000 sales in 1956 period.

Topp Industries earned \$248,348 (35¢ per share) on sales of \$5,803,531 in 6 months ended Oct. 31 vs. \$84,888 (18¢) on \$2,870,428 sales in 1956 period.

Plans for Arbitron: In wake of this week's showing of ARB's "Arbitron" instant rating system (Vol. 13:50), director James W. Seiler reports "tremendous number of people saying they are ready to place orders"—but says he doesn't want to accept orders for national service until Feb. 1 starting target.

Cost of New York area service will range from \$850 to \$2700 per month—and Seiler expects to be taking orders within week, service to start in first week of Jan. when telephone company probably will have 250 of 300 sets hooked up.

Present plan is to have local services in N. Y., Chicago, Los Angeles. National sample will cover N. Y., Chicago, Philadelphia, Baltimore, Washington, Cleveland, Detroit. Results in each city will

Transatlantic TV Cable: C. O. Stanley, chairman-managing director of Britain's big Pye electronics combine and a director of commercial TV programmer Associated TV Ltd. (ATV) wants British & Canadian Govts. to finance undersea TV cable from Britain to Canada, which he says "could pay its way by the sale of live programs which would be linked with advertising" and could carry telephone conversations during non-programming hours. He said cost would be about \$42,000,000 and cable could be operative by 1962. He made proposal in address to Canadian trade delegation in London. He said he would recommend it to British Govt.'s TV Advisory Committee, of which he is member. "It is a matter for the Postmaster General and the British & Canadian Govts.," he said. "Reception of U. S. TV has probably done more to swing Canadian trade from Britain and towards America than any other single factor."

Important role in writing so-called Gaither Report, top-secret document which warned President Eisenhower of U. S. military deficiencies as compared with Russia, was occupied by Sprague Electric Co. chairman Robert C. Sprague, long one of electronics industry's statesmen. When Gaither Committee's initial chairman, H. Rowan Gaither, became ill, report was completed under co-chairmen Sprague & Wm. C. Foster, of Olin-Mathieson Chemical Corp. Other electronics industry figures on committee were Bell Labs' Robert C. Prim, Airborne Instruments Labs' Hector R. Skifter and MIT's Prof. Jerome B. Wiesner. Committee's 11-man advisory panel included: Westinghouse's Adm. Robert C. Carney (ret.), Bell Labs' Mervin J. Kelly & James B. Fisk, MIT's James R. Killian Jr. (later named President's Scientific Advisor), U of California's Ernest O. Lawrence and CBS's Frank Stanton.

New British commercial TV program contractor—the 8th to be franchised by ITA—will be group representing national *Daily News Chronicle*, film producer Sydney Box and group of British business men. New group will handle programming for new ITA station to be built at Burnhope in northeast England in late 1958. Meanwhile, non-commercial BBC Dec. 18 opened first TV station serving Northern Ireland, 1-kw outlet at Londonderry.

be gathered in central point via telephone line connections, then transmitted to N. Y. on less expensive teletype line. Within year, Seiler says, he expects to have rural areas hooked into system.

Seiler expects to set up special package for agencies or others wanting only rating for one show—or for one week of month. Also in works is equipment which will give cumulative ratings, showing who is watching what station and supplying viewer's buying habits by previous inventory.

ARB's total investment when system is working in 8 cities will be about \$750,000—no outside investors. System will be extended to other markets when ARB finds customers. However, Seiler emphasized he's "still very fond of the diary method of ratings" which ARB has in 141 cities.

Ad Taxes Defended: Special municipal taxes on TV-radio & other advertising are valid exercises of city's levying power, City of Baltimore contended this week in court defense of 6% assessments scheduled to become effective Jan. 1 (Vol. 13:45-50). Asking Md. Circuit Court Judge Edward Harlan to throw out 14 suits by broadcasters & newspapers which seek injunction against taxes (4% on ad sales, 2% on media ad receipts), city attorneys argued that they aren't discriminatory or oppressive, don't violate free-press provisions of U. S. Constitution & Md. Declaration of Rights. Hearing on issues probably will be held after first of year. Meanwhile, St. Louis alderman Alfred I. Harris told United Press he planned to introduce similar tax ordinance there Jan. 4, although he's won little political support for proposal over quiet opposition by local admen.

Ad volume of \$11 billion—gain of 6% or more than \$500,000,000 over 1957—will be reached in 1958, publisher Eldridge Peterson of *Printers' Ink* predicted this week in speech to American Marketing Assn. in Philadelphia. He said advertising will continue its upward trend despite leveling-off or decline in general business foreseen for next year by many economists. Many manufacturers will maintain high ad budgets as stimulant, he said. Peterson repeated earlier estimates that 1957 volume will total around \$10.4 billion, up 5% from 1956, and that TV will show 6% increase, network & spot radio 28%, newspapers 5%, magazines 3%. Article in Dec. 20 *Printers' Ink* warns, however, that "There will have to be more selling to keep advertising high in 1958."

CBS News & Public Affairs dept. is becoming plain CBS News—probably with CBS Inc. divisional status and separate budget—in move by network to emphasize identity of operations under v.p. Sig Mickelson. New accounting setup for news, sports, public affairs & special events under shortened name is expected by CBS to help underscore network's public service programming.

Conelrad weather warning (Vol. 13:49) got first use this week when KMOX, St. Louis, one of idea's originators, used system for tornado—"very effectively," according to FCC Conelrad engineers.



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Television Digest

with **ELECTRONICS REPORTS**

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SUMMARY-INDEX OF THE WEEK'S NEWS — December 28, 1957

FIRST PAY-TV APPLICANT is Philadelphia uhf grantee. Congressional showdown assured as Harris blasts toll TV, sets hearing for Jan. 14 (p. 1).

NEARLY 3200 AMs, 537 FMs on air as year ends. Nearly 150 new AMs authorized in 1957. Radio stations now far outnumber daily & Sunday papers (p. 2).

CLOSED-CIRCUIT TELECASTING, for business & educational meetings, was \$2,500,000 business in 1957; rise to \$10,000,000 seen by 1960 (pp. 2 & 4).

TWO UHF's START as one goes off—WMBD-TV, Peoria, beginning; WBLN, Bloomington, Ill. resuming; WNAO-TV, Raleigh, dropping out (p. 6).

INSTANT NIELSEN pilot rating system has been operating in Chicago "for some time," but no specific proposals are being made to clients now (p. 8).

Manufacturing-Distribution

RCA SALES exceed \$1 billion for third straight year; profits expected slightly under 1956, due to softer economic conditions in 4th quarter (p. 9).

ELECTRONICS' DEFENSE ROLE stressed by RCA's Gen. Sarnoff, EIA's Dr. Baker. \$24 billion industry volume foreseen for 1967 (p. 10).

ESTIMATES OF 1958 TV set sales running from 7,000,000 high to 6,000,000 low with agreement first half will be slow (p. 10).

TV INVENTORIES at year end seen better than 1956 by GE officials, who predict 75% rise in transistor market, doubling of closed-circuit in '58 (p. 13).

FOREIGN TV-RADIO production spotty—continued progress in West Germany, USSR, Argentina (p. 12).

HARRIS BLASTS TOLL TV; APPLICATION FILED: Even as FCC received first application for trial pay-TV operation. Congressional showdown on issue was assured this week when Chairman Harris (D-Ark.) of House Commerce Committee loosed a blast at fee TV and set Jan. 14 hearings on anti-toll bills.

Harris put himself on record for first time in interview filmed by KNOE-TV, Monroe, La., in which he blasted FCC as "derelict" in its duty for "dilly-dallying" on pay-TV issue, and said he was now convinced that issue should be decided by Congress, that toll TV "would destroy the free use of the spectrum and make a utility out of the industry," that there's no provision in law to permit FCC to "establish rules [adequately to] control such a procedure." He said he hoped for Congressional action by March.

By filing first pay-TV application with FCC, uhf grantee WSES, Philadelphia (Ch. 29) not only reaps harvest of publicity but feels out Commission's exact requirements for other prospective applicants. Because Commission says it won't grant any pay-TV go-ahead until March, there'll be plenty of time to pore over this week's filing.

WSES says it will use Skiatron system—but it hasn't reached agreement with Skiatron (Matty Fox), is still negotiating. For program material, it plans to emphasize sports. So far, it has agreement only with Philadelphia Warriors pro basketball team, reports it's negotiating with Phillies baseball club, Eagles football team, U of Pa., Villanova U, Temple U, St. Joseph's College, LaSalle College. It has had "exploratory conversations" with movie distributors, opera companies, symphonies, legitimate theatres and "other organizations" which can provide "spectaculars." No commercials are planned.

Applicant proposes to go it alone—own the decoders, maintain them itself, handle decoding card arrangements, etc. It hasn't yet made any agreement to buy decoders and other equipment.

Principals, said to be well heeled, are: Wm. L. Jones, pres., 57 1/7% owner, coal business; Isadore B. Sley, treas., 28 4/7%, parking lots & garages; Murray Borkon, v.p., 14 2/7%, once sought foothold

in community antenna business. He acts as the TV "consultant" to the other principals of the firm.

Applicant proposes to supply subscribers with either decoder or combination uhf converter-decoder—depending on whether set is uhf-equipped. "Nominal" charge for installation is planned.

Intention is to charge \$30 annually to home subscribers, \$100 to commercial establishments for basic sports schedule—plus \$1 & \$5, respectively, for "special events." Goal is 300,000 subscribers.

Applicant has had uhf CP since March 28, 1956, never started construction, presumably had been waiting for subscription-TV green light.

AMs ON AIR NOW NEAR 3200, FMs ALSO RISE: Phenomenon of the current broadcasting structure is not only the upsurge in radio business but the continuing increase in the number of AM & FM stations. They now outnumber daily and Sunday newspapers by a wide margin.

Year now ending saw more than 150 new AMs start and 22 new FM station starters. These compare with 40 new TV starters, bringing end-of-year TV total to 521.

Actual radio figures are these, as recapitulated from data collected for our 1958 AM-FM Station Directory, now readying for mid-January publication:

AMs authorized at end of 1957 total 3289, of which 3180 are on the air and 109 are CP holders. Thus, every year since end of wartime freeze saw additions to the roster of authorized AMs: At end of 1956, total was 3140; 1955, 2941; 1954, 2782; 1953, 2644; 1952, 2516; 1951, 2410; 1950, 2351; 1949, 2246; 1948, 2131; 1947, 1961; 1946, 1579; 1945, 1056.

FM grantees total 588 as year ends, with 537 on air; year ago, total was 559 with 528 on air. Up to this year there had been constant dropoff in FM's—but only 17 FM licenses and 4 CPs were dropped during 1957 while 46 applications for new ones are pending.

[The 1958 AM-FM Directory, incidentally, not only lists all stations by states, frequencies & call letters but also lists all applications pending for new AMs & FM's. At end of 1957, there are 328 AM applications vs. 255 year earlier. Only 2 AM licenses and 10 CPs were dropped during year. In other North American countries, as shown by the Directory, there were additions: Canada's AMs went from 217 year ago to 231 now, Mexico's from 467 to 489, Cuba's from 141 to 146—all with addresses, etc.]

■ ■ ■

Practically no new daily newspapers have been started in recent years—indeed, there has been slight fall-off in numbers, though circulation has climbed. TV-radio competition is one major economic factor, no doubt, though enormous costs of publishing undoubtedly account mainly for the relatively static entries into the newspaper business. (Fact that 19 newspapers in 12 cities were involved in strikes last week betokens another big factor.)

There are 1751 daily newspapers in the U. S., English-language, their aggregate circulation about 57,000,000, plus 546 Sunday newspapers, circ. about 47,000,000, according to latest Editor & Publisher Yearbook. Canada has 96 dailies, 13 Sunday. In addition, there are 9413 U. S. newspapers in weekly category (which includes some semi- and some thrice-weeklies) and they have combined circulation of 21,765,000, according to latest N. W. Ayer Directory.

CLOSED-CIRCUIT TELECASTING—WHAT, WHO, HOW? How big is "meeting TV" or "private telecasting"? Who are its principal entrepreneurs and what is its potential?

"Meeting TV" or "closed-circuit telecasting" or "private telecasting" are terms used to describe application of TV to serve selected audiences in selected locations. It has been called, at various times, "theatre TV" (but most productions are no longer viewed in theatres), "large-screen closed-circuit" (but in some locations the events are still viewed on conventional sets) and "business-meeting TV" (but it's also used for education, fund-raising, science, etc.).

Small industry built up around "meeting TV" is centered on group of companies which handle closed-circuit meetings from production to operation of receiving sets. In 1957, best guess is that something less than \$2,500,000 has been spent on closed-circuit telecasting and that maybe \$750,000 of this

was actually taken in by the closed-circuit companies—remainder going to outside packagers, ad agencies, etc. There were some 35 multi-city events this year, beamed to as many as 130 cities.

Ten organizations which offer services in arranging closed-circuit telecasts are listed in our TV Factbook No. 25 (p. 408). To get size-up of this industry, we addressed series of questions to the 3 major companies actively promoting medium now and beating bushes for customers. They are:

(1) Theatre Network TV and its subsidiary TNT Tele-Sessions, headed by Nathan L. Halpern, former TV consultant to several theatre chains and onetime asst. to CBS pres. Frank Stanton.

(2) Teleprompter Corp.'s Group Communications div., under v.p. Wm. P. Rosensohn, who originally headed Box Office Television Inc., backed by Sid Caesar money, and later formed Sheraton Hotels' closed-circuit subsidiary, which was purchased late last year by Teleprompter (Vol. 12:49).

(3) Closedcircuit Telecasting System, whose pres. is Fanshawe Lindsley, former gen. sales mgr. of TNT Tele-Sessions. His new company, formed this year, is only one specializing in closed-circuit color.

We received detailed data from 2 of these, Halpern declining to participate.

As to ranking of the companies, it's safe to say that Teleprompter and TNT currently dominate the field. Though TNT has been in business since 1951, it appears to have been overtaken by Teleprompter in number of events and in dollar volume for 1957. CTS, with heavy financial backing, has just gotten started and hopes to make bid for leadership via color.

■ ■ ■

Offshoot of disappointing theatre-TV medium, "meeting TV" had first significant use in 1952, accelerating to 15 multi-city meetings in 1954 for such large companies as Ford, Dodge and Sealtest at total cost (staging, production, talent, AT&T lines, etc.) of about \$1,200,000. In 1955, dollar volume rose to \$1,700,000 (20 major meetings), in 1956 to \$2,000,000 (25).

Though first meetings were held in theatres—nearly 100 of them are still equipped for projection TV—locale soon shifted to hotels as more logical place to hold meeting of businessmen or salesmen, and one which could be used at any hour of day (theatres were used for business meetings mainly in mornings, before movie hours).

Portable projection TV equipment has steadily improved, and today Teleprompter, TNT & CTS own total of nearly 200 projection units (including 40 color projectors owned by CTS), which may be shifted from city to city as required. In addition, some hotels and other organizations own units which can be utilized. Picture size varies from 6x8-ft. to theatre-screen size.

What does a closed-circuit meeting cost? Both CTS & Teleprompter agree that good rule of thumb today for an average production on 20-30 city circuit is about \$2000 per city, including all costs (production, origination, transmission & viewing facilities). For color, CTS charges 15% premium. Virtually all business-meeting telecasts use network or station facilities and crews for origination.

Why hasn't medium grown at greater rate? Teleprompter's Rosensohn offers these answers:

Too few people know about it. "And the fact that it has been used by large companies—such as GE, Ford, Chrysler & U. S. Steel—has tended to discourage smaller companies." But even at present costs (\$4-\$8 per viewer), Rosensohn argues, it's "cheaper than bringing a group to a central point."

With greater use of medium, he adds, further economies can be realized on AT&T facilities, lowering costs considerably. He points to another factor not generally considered: A kinescope can be made at no extra charge—and entire telecast is usually cheaper than production of special film.

CTS's Lindsley thinks medium has been retarded because of unavailability of color. "You cannot," he adds, "present food, appliances, cars, packaged goods, fashion or even today's bathroom fixtures effectively in black-&-white. Nor is there any point in a company presenting its 4-color magazine advertising campaign in black-&-white."

What's the medium's future? Rosensohn predicts 1957 industry-wide gross of \$2,400,000 will increase to about \$4,000,000 in 1958 and \$10,000,000 annually by 1960.

"We are talking about more than a medium for sales meetings," he adds. "It can be—in fact, it has been—used for such important projects as fund-raising, education, changing a company's name and stockholders' meetings. Closed-circuit TV is, by and large, the most effective way for management to keep in touch with its field forces . . . It represents a substitution of transportation of ideas for transportation of men." [For further details of closed-circuit meeting business, see story below.]

More on 'Meeting TV': Closed-circuit telecasting (see above) had its roots in "theatre TV," the stunted offspring of an early mating of TV & movie industries. Nathan L. Halpern's Theatre Network TV (575 Madison Ave., N. Y.) was pioneer company in this medium which once had theatre owners envisioning Broadway extravaganzas, Las Vegas floor shows, Metropolitan Opera and outstanding sports events in movie palaces as boxoffice hypo. Except for an occasional championship prizefight and a Metropolitan Opera opening night, however, this dream was never realized.

Theatre owners once applied for exclusive theatre-TV frequencies, but after lengthy hearing FCC denied request in 1953, ruling that leased common carrier lines were adequate. Interest in theatre TV faded after that. However, 20th Century-Fox still occasionally holds showings of improved versions of its Eidophor color theatre-TV projector, which it hopes to develop to Cinema-scope proportions.

Though first TV meetings were held in theatres, development of good portable equipment made hotels a better location. Teleprompter (311 W. 43rd St., N. Y.) now owns 60 of General Precision Lab's newest black-&-white projection TV units, which produce pictures 9x12 to 15x20-ft. TNT is understood to have bought 10 of these, too, which it added to its 36 older portable GPL units and 25 theatre-type RCA & GPL units converted for portability.

Only company now offering color TV projection units in quantity is RCA. Closedcircuit Telecasting System (237 W. 54th St., N. Y.) has 40 of RCA's new compatible color receiver-projectors, which throw 6x8-ft. picture. Philips of Eindhoven, big Dutch electronics combine which produces optical system for RCA color projectors, has developed its own big-screen color unit which produces 9x12-ft. color picture. CTS has taken option on 10 of these.

* * * *

To stage closed-circuit meeting, it's not necessary to deal through one of the established companies in the field—but most closed-circuit users find it desirable. Companies such as Teleprompter, TNT & CTS and others can handle show from beginning to end—from engaging talent to installing projection receivers. Some of these shows are as elaborate as any telecast spectacular, featuring TV or film stars, especially composed music, etc.—all as window-dressing for introduction of new lines of appliances or autos, or a pep talk to salesmen.

Networks have offered closed-circuit services to outside (non-sponsor) companies, but they seem to be leaving this business. NBC, perhaps biggest in field, is understood to be discontinuing contract closed-circuit telecast activity Jan. 1.

As to costs, Teleprompter provides this breakdown of typical 20-city closed-circuit telecast: Origination, using 3

cameras and reasonably large studio—\$5000 ("extravaganza" production would range from \$8000-\$12,000). Intercity transmission via AT&T facilities, at \$1.25 per mi. per hour, for 6000-mi.—\$7500. Local loops, averaging \$500 per receiving location—\$10,000. Large-screen projection facilities, \$500 an outlet, including engineer & projectionist (40 outlets)—\$20,000. Closed-circuit company's fee (17.65%)—\$7500. Total cost for 20-city telecast—\$50,000.

Though other companies have staged closed-circuit colorcasts, Lindsley's CTS is first to specialize in color. His first intercity colorcast Dec. 12 for N. Y. Dental Society (originating at Washington's Walter Reed Hospital) was enthusiastically received and resulted in scheduling of 2 more medical closed-circuit color shows from Washington—Jan. 29 to Northwestern U Dental School and Feb. 8 to American College of Radiology convention in Chicago. CTS says it is now in active negotiation with 24 companies for telecasts in 1958.

Closed-circuit sales & management course, aimed at audience of 100,000 in 62 U. S. & Canadian cities, is scheduled March 4-6. It's second annual "Tele-Sell" (Vol. 13:7), to which has been added "Tele-Manage" course. Each of the 3 sessions will take 90 min.—7:15-8:45 p.m. local time, using video tape repeats for clock-time presentation in all areas. Courses will be presented in hotel ballrooms using portable projection TV receivers. Dealing heavily in motivational research as it applies to selling, course's tuition is \$6 per night. Tele-Sell is produced by Visuals div. of Communications Institute of America Inc. (Morris I. Pickus, chairman; John L. Shirley, pres.), 360 N. Michigan Ave., Chicago.

Subliminal TV Experiment: Elaborating on his comment to us 2 weeks ago (Vol. 13:50), BBC director of engineering Sir Harold Bishop supplies this account of subliminal perception experiment on British TV: "It is true that we did do an experiment in subliminal perception in a program called *A Question of Science* that was included in our TV program on 22 June 1956, 18 months ago. A film of ballet dancing was shown, during which a single field (lasting 1/25 of a second) carried a caption. The caption did not contain any rude words, as reported [in one U.S. advertising publication and dismissed in *Television Digest* as "adman's dream"], but merely the phrase 'Pirie breaks world record' . . . The evidence was not really conclusive in determining whether the perception was below the level of consciousness. The experiment was repeated on 6 July 1956, this time without warning to viewers. A small number of people wrote to say that they had seen something unusual, and 6 had in fact correctly read the caption on this occasion." Adds Sir Harold: "I hope this information puts the record straight."

TV news bulletin board: Closed-circuit TV system is used by *Berkshire* (Pittsfield, Mass.) *Eagle* to give running story of day's events to man in street. Camera in news-room scans printed bulletins on revolving drum, flashes them outside to 27-in. screen.

Necrology, 1957

Personal Notes: Philip Williams, ex-Ziv, named syndication sales v.p. of ABC Film Syndication . . . Ralph L. Atlass, gen. mgr. of radio WIND, Chicago, named Westinghouse Bestg. Co. v.p. for area . . . Dick Linkroum slated for promotion to head sales of NBC-TV special programs . . . Michael Lannon promoted to sales promotion mgr. of WRCA-TV & WRCA, N. Y.; Tony Kraemer named audience promotion mgr. . . E. Walter Evans retires as *Billboard* pres. after 52 years with the amusement industry publication; Wm. D. Littleford succeeds him . . . James R. Sefert, from WLWC, Columbus, named head of new Cleveland sales office of Crosley Bestg. Corp.; Juanita Wilcox rejoins WLWC as film director . . . Rev. Clayton T. Griswold, exec. director of TV-radio dept., Presbyterian Church in the USA, who was a leader in founding the Broadcasting & Film Commission of the National Council of Churches, retires from his post as of Jan. 1 for health reasons . . . L. Herschel Graves, managing director of Phipps stations, assumes management of WPTV, Palm Beach, Fla., succeeding late Stephen P. Willis . . . John Baldwin promoted to asst. mgr. of WTCN-TV & WTCN, Minneapolis . . . Ralph Renick promoted to v.p. in charge of news, WTVJ, Miami . . . Glenn Marshall Jr., pres. of WMBR-TV & WMBR, Jacksonville, elected Chamber of Commerce pres. there . . . Stanley Burke, ex-*Vancouver Sun*, named CBC correspondent at UN . . . Tom Tausig, ex-WTOP-TV, Washington, joins P. Lorillard Co. as asst. adv. director . . . Jo Ranson resigns as press & public service director of radio WMGM, N. Y. to join *Variety* TV-radio editorial staff . . . Ron Schafer, ex-radio KRE, Berkeley, Cal., joins KSAN-TV & KSAN, San Francisco, as merchandising & publicity mgr. . . Luella Cannam, ex-radio WVDA, Boston, opens own adv. & public relations firm, Cannam Co., at 900 Statler Bldg. there.

Consulting engineering firm of Vandivere, Cohen & Wearn, Washington, becomes Vandivere & Cohen (Edgar F. Vandivere Jr. & Jules Cohen, partners) with resignation of Wilson C. Wearn, who continues as asst. to pres. Robert A. Jolley of WFBC-TV & WFBC, Greenville, S. C. Vandivere returns to active consulting practice from Vandivere Labs Inc., which is being dissolved. New engineer in firm is Raymond P. Aylor Jr., ex-RCA lab chief at Andrews Air Force Base.

Gilbert L. Berry, gen. mgr. of radio WIBC, Indianapolis, is one of 25 "men of achievement in career and citizenship" who were football stars 25 years ago selected for "Silver All America" featured in Dec. 23 issue of *Sports Illustrated*. He was an All-American at U of Ill., later played with Chicago Cardinals.

New ITA chairman is Sir Ivone Kirkpatrick, retired Permanent Under-Secretary of State in British Foreign Office who was 1941-44 controller of BBC's European services. He succeeds Sir Kenneth Clark, whose 5-year term as chairman ended in Aug.

ADVERTISING AGENCIES: Harry W. Bennett Jr., ex-Bryan Houston exec. v.p., joins Joseph Katz agency as senior v.p., N. Y. . . Victor M. Ratner, a Benton & Bowles v.p., appointed communications & mass media consultant to NYU's general education div. . . E. A. (Tim) Elliott resigns as media director of Ogilvy, Benson & Mather.

Advertisers Service Assoc. is formed in Hollywood (1487 Vine St., Hollywood 4-7288) as TV & radio program, research, testing & publicity organization for agencies which lack branch offices in 11-state western area. Gen. mgr. is Herbert K. Landon, ex-Kenyon & Eckhardt.

GIVE PAUSE for some thought and prayers, dear readers, for your industry friends and professional acquaintances who passed away during the year now ending. These are the members of the TV-radio-communications and associated electronics fields who died during 1957, according to best available records:

- | | | |
|----------------------------|------------------------------|-----------------------|
| Edward A. Allen | Kenneth E. Greene | Percy J. Orthwein |
| Maj. Gen. James B. Allison | John F. Grinan | C. E. Palmer |
| Hoyt Andres | Hugh A. L. Half | Harry L. Palmer |
| Johnnie Andrews | Joseph R. Hamlen | Herluf A. Provensen |
| John Balaban | Ralph W. Hardy | Raymond S. Pruitt |
| Col. Sosthenes Behn | Art Van Harvey | Herbert Pulitzer |
| G. Ralph Branton | Cecil B. Highland | Harry F. Randolph |
| John Joseph Brosnan | Edwin C. Hill | Wm. H. Rankin |
| Gene Buck | Henry J. Hoffman | Howard W. Rapport |
| Robert E. Burrows | Leonard H. Hole | Abram K. Redmond |
| Carl Byoir | Arthur A. Kalman | A. Cledge Roberts |
| Robin D. Compton | Keith Kiggins | Edward R. Rutledge |
| Thomas D. Connolly | Wm. T. Kilborn | Thomas P. Ryan |
| Frank A. Cowan | Lawrence M. Klee | Frank Samuels |
| Rubey Cowan | Cyril (Cy) Langlois | Charles A. Schenck |
| James M. Cox | Dr. Irving Langmuir | David E. Scott |
| Wayne Coy | Frank Pell Lawrence | Robert W. Sedman |
| Hugh Roy Cullen | Jesse W. Lewis | Jim Shott |
| Manton Davis | Richard Field Lewis | Humphreys O. Siegmund |
| George B. Donohue | Jr. | Wm. J. Skelly |
| Dwight D. Doty | Thos. P. Littlepage Jr. | Ann Gillis Slocum |
| W. J. Convery Egan | R. H. MacGillivray | Richard W. Slocum |
| Lawrence K. Elliott | Dr. Donald MacKenzie | John C. Spearman |
| Charles J. Feldman | James M. Mathes | Clarence A. Sprague |
| James Leslie Finch | H. W. McCandless | Gerard Swope |
| Frank Finney | Charles E. (Ned) Midgley Jr. | James A. Taylor Sr. |
| Sir David Gammans | Mrs. Frederick A. Miller | Harold C. Tipping |
| Frank E. Gannett | Joseph F. Moscato | Adolph Ullman |
| Charles F. Gannon | B. Bryan Musselman | Carveth Wells |
| Eugene Gaughn | Al Naroff | Stephen P. Willis |
| Basil M. Goldsmith | William J. O'Connor | Edgar T. Wolfe Sr. |
| Sir Cecil Graves | Robert W. Orr | John Woods |
| Nils T. Granlund | | |

Look Magazine's annual TV awards, presented on NBC-TV's *Perry Como Show* Dec. 28: best dramatic series, 60-min. or more, *Playhouse 90* (CBS-TV); dramatic series, 30-min., *Alfred Hitchcock Presents* (CBS-TV); dramatic show, "Green Pastures" on *Hallmark Hall of Fame* (NBC-TV); straight comedy series, *Jack Benny Show* (CBS-TV); situation comedy, *Phil Silvers Show* (CBS-TV); musical series, *Perry Como Show*; musical show, "Edsel Show" (CBS-TV); variety, *Steve Allen Show* (NBC-TV); novelty series, *Tonight* (NBC-TV); public affairs, *See It Now* (CBS-TV); religious series, *Life Is Worth Living* (ABC-TV); educational series, *Omnibus* (NBC-TV); children's series, *Disneyland* (ABC-TV); quiz panel series, *I've Got a Secret* (CBS-TV); sports & special programs, *World Series* (NBC-TV).

Contest rules for many awards offered in TV, radio, newspaper, magazine & industrial fields are compiled in *Honor Awards Handbook* published for \$5 by Milton L. Levy, Box 425, Berkeley, Cal. Loose-leaf index of contests includes sponsors, qualifications, entry categories, deadlines, prizes.

Station Representatives Assn. elects pres. Frank M. Headley of H-R Television Inc. and H-R Representatives Inc. as pres., Richard O'Connell of Richard O'Connell Inc. as secy. H. Preston Peters of Peters, Griffin, Woodward continues as v.p., Eugene Katz of Katz Agency as treas.

Advertising Federation of America sets up new govt. relations & legislative intelligence committee to work with FTC on voluntary "truthful advertising" campaign (Vol. 13:43). Chairman is Coca-Cola v.p. Felix W. Coste.

New and Upcoming Stations: Programming debuts of 2 uhf stations and demise of another bring on-air box score to 521 (90 uhf). Starters are WMBD-TV, Peoria (Ch. 31), which begins programming Jan. 1 with CBS-TV, and WBLN, Bloomington, Ill. (Ch. 15), which reports that it resumed operation Dec. 1 as independent. Going dark Dec. 31 is WNAO-TV, Raleigh (Ch. 28)—its CBS-TV affiliation taken over by WTVD, Durham-Raleigh (Ch. 11). Canadian on-air total is now 47, with CHCA-TV, Red Deer, Alta. (Ch. 6) reporting Dec. 1 debut.

WMBD-TV has 25-kw RCA transmitter and 500-ft. Ideco tower with 24-gain antenna at Faye Hollow Rd., E. Peoria. Studios are at 212 S.W. Jefferson St. in downtown Peoria. Owners: Charles C. Caley (66.67%), who also holds 38% of radio WDW, Decatur, Ill., and John E. Fetzer (33.33%), who also owns WKZO-TV, Kalamazoo (WKZO), KOLN-TV, Lincoln, Neb. and radio WJEF, Grand Rapids, Mich. Robert O. Runnerstrom is v.p. & TV director; Robert M. Riley Jr., from WMBD, sales mgr.; Douglas L. Sinn, regional sales mgr.; W. P. (Win) Baker, ex-KLFY-TV, Lafayette, La., program director; Gordon F. Max, ex-WREC-TV, Memphis, production mgr.; George Pyle, WMBD, chief engineer. Base hour is \$500. Rep is Peters, Griffin, Woodward Inc.

WBLN resumed after being dark since Feb. 7 except for brief return last May (Vol. 13:7, 26). Gen. mgr. Worth S. Rough now owns but 12%, having sold stock to refinance (Vol. 13:51). It's on air from 5:30 p.m.-midnight, hasn't yet signed with network. Willard A. Nichols, ex-Bloomington Firestone store, is sales mgr.; Warner Tidemann, ex-Bloomington radio WJBC, program director. Base hour is \$120. Rep is Jack Masla.

WNAO-TV, reporting \$650,000 loss to date, joined off-air WTOB-TV, Winston-Salem (Ch. 26) in petition supporting request for rule-making by Jefferson Standard Bcstg. Co., asking that Ch. 13 be substituted for Ch. 8 for its WBTW, Florence, S. C., Ch. 8 for educational Ch. 13 in Charleston, S. C., and allocation of Ch. 8 to Greensboro-High Point-Winston-Salem area (Vol. 13:49). Petition also asks that the WTOB-TV construction permit be modified to permit operation on Ch. 8—station to be taken over by new Southern Bcstg. Co. Inc., which will have both WTOB-TV & WNAO-TV as stockholders, along with others to be selected.

FM Conelrad? Use of FM stations for Conelrad alerting system in some 25 areas of country where present nighttime AM signal isn't satisfactory is being proposed in letter to stations by Comr. Robert E. Lee, who describes weather warnings (Vol. 13:49, 51) as "first peacetime use of Conelrad." Areas to use FM station midnight-6 a.m. are mostly rural: central U. S. from N. D. through Tex., northern Fla., N. C., S. C., north La. and Ark. Stations would receive weather information from local U. S. meteorologists. Lee also said he's been working with set manufacturers to build in device which enables Conelrad attention signal to alert sets which are left on with speakers muted. Device is said to cost manufacturers about 40¢, being made by RCA, Motorola, Miratel and others.

Rate increases: CKLW-TV, Windsor-Detroit, Jan. 1 raises U. S. base hour from \$1200 to \$1400, min. \$240 to \$280. WSJS-TV, Winston-Salem, Jan. 1 raises hour from \$600 to \$700, min. \$125 to \$140.

New rep: WFIE-TV, Evansville, Ind. to Raymer Jan. 1 (from Venard, Rintoul & McConnell).

CHCA-TV has 5-kw Canadian GE transmitter with standby Andrews antenna on 300-ft. Wind Turbine tower, plans shift next spring to permanent 2-slot coaxial antenna. G. A. Bartley is pres.-mgr. & principal owner; C. G. Harju, ex-radio CKRD, Red Deer, asst. mgr. & sales mgr.; Ray D. Torgrud, ex-CHCT-TV, Calgary, production supervisor; John Jonkman, chief engineer. Base hour is \$100. Rep is John N. Hunt.

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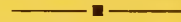
In our continuing survey of upcoming stations, these are latest reports from principals:

KGHL-TV, Billings, Mont. (Ch. 8) is waiting for AT&T to furnish target for interconnection with network before it sets programming target, reports gen. mgr. Jeff Kiichli. It plans to wire 25-kw RCA transmitter early in Feb.; new RCA traveling wave antenna is ready on 417-ft. Ideco tower. Base hour is \$200. Rep is Young.

WJPB-TV, Fairmont, W.Va. (Ch. 35) now hopes to resume in Feb., reports managing director Numa Fabre Jr., for owner J. Patrick Beacom. It has moved 1-kw transmitter to Grant & Hill Sts. Construction of tower was held up by bad weather and further delay was occasioned while RCA fabricated new antenna. Base hour will be \$200. Rep will be Gill-Perna.

KUED, Salt Lake City, (Ch. 7, educational) has changed programming target to Jan. 10, reports mgr. C. Richard Evans for owner U of Utah. It has 5-kw RCA transmitter ready, and 6-section superturnstile antenna has been installed on 140-ft. Ideco tower. Studios on campus are to be ready in 2 weeks.

CHAB-TV, Moose Jaw, Sask. (Ch. 4) hasn't ordered equipment but hopes to start in mid-summer of 1958, reports gen. mgr. Sid Beyling for owner Mrs. L. A. Davis. Beyling, Jack Johnson, business mgr. and Merv Pickford, chief engineer, are from radio CHAB. Joe Lawlor will be sales mgr.; Jay Leddy, program director. Rep will be Television Representatives Ltd.



Move of WNHC-TV, New Haven (Ch. 8) was held up this week as FCC granted protest of WWLP, Springfield, Mass. (Ch. 22), ordered evidentiary hearing. WNHC-TV holds authorization to move transmitter from 9 mi. north of New Haven and 26.5 mi. southwest of Hartford to 19.8 mi. northeast of New Haven and 14.5 mi. south of Hartford—and increase antenna from 720 to 770 ft.

RCA shipped 3-V color film camera Dec. 19 to KSLA-TV, Shreveport, La.

Application for multiplexed stereophonic FM system was filed with FCC by Fordham U's WFUV-FM. Station seeks authority for multiplexing, but unlike multiplexing authorizations granted to date, both transmissions would be received by public. Under proposal, adapter would be required to enable listeners' FM sets to pick up sub-channel signal. WFUV-FM plans to present live and taped stereophonic music, using both transmissions; in addition, it hopes to present experimental dramatic programs and other cultural activities at same time as station's regular programs are on air.

Part 1 of FCC rules, governing practice & procedure, recently adopted (Vol. 13:50), was published in *Federal Register* Dec. 27—mail requests to be addressed to Supt. of Documents, Procurement Section, Box 1533, Washington 13, D. C.

Ban on TV-radio giveaways in Canada (Vol. 13:40) is expected to be voted by CBC directors at Feb. meeting. Proposed rules would permit programs involving skill in which contestants participate at station studios.

Wisconsin Transfer Deal: The Morgan Murphy interests (*Superior, Wis. Telegram*) acquires 55% control of WMBV-TV, Marinette-Green Bay, Wis. (Ch. 11) in deal filed with FCC this week involving \$211,000 cash to present stockholders plus assumption of \$360,000 obligations. Station has had operating losses totaling about \$200,000 since founded in 1954, has expansion plans under new ownership which also controls WEAU-TV, Eau Claire (Ch. 13), is affiliated with WISC-TV, Madison (Ch. 3), both having adjuncts, and which owned old KGTW, Des Moines (Ch. 17), 1955 uhf casualty (Vol. 11:15). In new setup, pres. W. E. Walker surrenders 50%, reacquires 5%; gen. mgr. Joseph D. Mackin sells 23.3%, acquires 5% with option on Walker's 5%; Walter C. Bridges and Norman Postles, identified with Murphy group, 10% each; Charles Goldberg, Marinette clothier, 7½%; John Stang, Marinette, auto sales & trucking, 7½%. Mackin continues as gen. mgr., reporting to Bridges, who operates WEBC, Duluth, and Mackin and Walker retain their control of radios WBEV, Beaver Dam, Wis. and WRRR, Rockford, Ill. [For Morgan Murphy TV-radio-newspaper interests, see *TV Factbook No. 25*, p. 366.]

Reports of Radio Station Sales: WLEX, Lexington, Ky. by J. D. Gay Jr. & H. Guthrie Bell for \$255,000 to Roy B. White Jr., ex-adv. consultant (R. C. Crisler & Co.) . . . KFOX, Long Beach, Cal. by Arthur B. Hogan for \$700,000 to Kenyon Brown & Kevin B. Sweeney . . . KBYE, Oklahoma City, Okla. by Albert Zugsmith and associates for \$180,000 to Kevin B. Sweeney, Glenn Griswold & F. F. Lynch . . . KJIM, Ft. Worth, by Earl Cullum, Jim Speck & Velma Collins for \$139,500 to Jimmy Stewart, Paul Taft of KGUL-TV, Galveston, Wm. D. Schueler of KBRZ, Freeport, Tex., Milton Underwood of KXYZ, Houston, and oilman F. Kirk Johnson, each 20% . . . WPIK, Alexandria, Va. 32% by C. C. Carlin Jr., J. B. Phillips & Elizabeth H. Hoffman for \$80,000 to Carl L. Lindberg, pres. & gen. mgr., who now owns 98.8%.

Frank Sinatra's Essex Productions Inc. this week bought 100% interest in Mount Rainier Radio & TV Bestg. Corp. (KJR, Seattle; KXL, Portland; KNEW, Spokane) from Mr. & Mrs. Lester M. Smith and Mr. & Mrs. Lincoln Dellar, each of whom owns 25%, for \$2,000,000, subject to adjustments downward. Smith will probably continue as gen. mgr. of stations.

Japanese Govt. has issued CPs for 43 new TV stations, bringing total authorized to 68. Of new outlets, 36 will be commercial, 7 operated by semi-governmental Broadcasting Corp. of Japan (NHK). Best-served areas will be Tokyo, with 6 channels, Osaka with 5. In next 2 years, Govt. hopes to have 108 stations in operation, with additional chains of satellites and boosters to fill in gaps later.

Sheldon Anderson, reentering broadcasting "after a much needed rest from worries" incurred in operating now off-air KAFY-TV, Bakersfield, Cal. (Ch. 29), this week bought radio KBMX, Coalinga, Cal. from Vernon J. Stedry & Jesse F. Tepner for \$30,000.

Propagation study covering Baton Rouge area has been turned over to TASO by Assn. of Maximum Service Telecasters; Wilkes-Barre report was first. Under way are measurements in Fresno and Madison areas; 5th project is planned for Columbia, S. C.

Two Canadian TV applications to be considered by CBC Board of Governors at Feb. 14 meeting in Ottawa are for Ch. 5, New Carlisle, Que. by La Television de la Baie de Chaleurs Inc. and for Ch. 6 satellite, Inverness, N.S. by CJBC-TV, Sydney, N.S. (Ch. 4).

TV headliners are sketched in *The NBC Book of Stars* (184 pp., Pocket Books) by N. Y. *Post's* Earl Wilson.

Telecasting Notes: First big group of post-1948 features to be sold to TV is understood to be contained in package of 218 movies & 15 serials sold by Republic Pictures to group of stations headed by NBC-TV owned outlets (excluding Chicago's WNBQ). Little is known about composition of package, sold for a reported \$3,500,000, but it's believed to contain large proportion of post-1948 features . . . United Artists-AAP combine (being challenged by NTA in courts) now reported to have inside track on Paramount pre-1948 feature backlog; United Artists' first TV series will be 39-episode 30-min. drama anthology, each episode to be produced by one of UA's theatrical producers . . . "Champagne Package," NTA's newest batch of 58 feature films, has been sold in 50 markets . . . Screen Gems expands European operations, enlarging London technical headquarters and opening Paris office . . . Biggest feature film sale to British TV, involving 100 Hollywood features—mostly RKO, and including some made as recently as 1955—has been concluded by Robin International (Nicholas Reisini) and BBC, for "well over \$600,000," reports Dec. 25 *Variety* . . . Bing Crosby has decided to do 26 filmed shows next season, most of them 30-min., to be filmed abroad—film company and network as yet unspecified, but sponsor expected to be Chesterfield . . . Another 60-min. live drama show, *Pursuit*, planned by CBS-TV for next season; to originate in Hollywood, "pilot" will be taped in Feb. . . . Mike Wallace's interview show, on kinescope, to be offered overseas by ABC Film Syndication, starting with 26 half-hour programs . . . Add TV success stories, as detailed in current trade journals: *Variety* profiles TenDay Press-On Nail Polish, "which emerged from the obscurity of a new product to become a \$10,000,000-a-year seller inside of 4 months, with a conservatively estimated 35% share of the nail polish market, all through TV." *Sponsor* devotes article to Maypo, maple-flavored hot oat cereal, which led listless existence until it pinned its identity to one-min. cartoon commercial, boosting sales 78%.

CBS-TV is chief culprit in minor baseball clubs' case against Sunday major league game-of-the-week telecasts (Vol. 13:49-51), International League pres. Frank Shaughnessy complained this week. Asserting several major clubs are on side of minors in their fight to save Sunday gates, he said they "realize what a televised Sunday game would mean to the minors." But "CBS has very little going for them on week-end afternoons. So they're trying to steal our market and meanwhile we can't sell TV & radio for our own games." Network has pointed out it plans to withhold Sunday telecasts from areas where minor clubs play home games, but Shaughnessy said minors' gates would suffer anyway.

TV business in Kenya can be surprising, Dec. 27 *Wall St. Journal* reports in account of how Hollywood producer Gross-Krasne is financing filming of new *African Patrol* series around Nairobi. One thing led to another after company helped local Barclays Bank with movie shorts to persuade natives to put money into bank instead of goat herds. Bank then made big loan to Gross-Krasne on favorable terms. British subsidiary using British actors & technicians has been set up, beating TV film quota system, saving labor costs. Gross-Krasne is settling down in Africa at 2 permanent studios. It expects return of "at least \$6000 per episode" on first series, which opens in Jan. on WJW-TV, Cleveland, and WAGA-TV, Atlanta.

Add mergers: Roche, Williams & Cleary Inc. and U. S. Adv. Corp., both Chicago, form Roche, Rickerd & Cleary Inc., taking former's offices at 135 S. LaSalle St. John Pierre Roche is chairman; C. E. Rickerd, U. S. Adv. pres., becomes pres. of merged agency.

Rating Business Bubbles: Following ARB's "Arbitron" demonstration, A. C. Nielsen spokesmen told us this week that they've been operating pilot run of their own wired instant rating system "for some time" in Chicago, but "are not now making any specific proposals to our clients."

Nielsen instant Audimeter system was first developed in 1946, they said, with results flashed to N. Y. and Chicago offices. "It was all ready to go except for money," they declared, adding that it actually ran for a year or so, but they found clients just couldn't afford telephone lines.

At week's end, Nielsen was still negotiating with networks for renewal of audience measurement research contract. NBC & CBS were both showing great interest in Arbitron system, but presumably as a supplement to the information of the type currently supplied by Nielsen. There was no doubt, at any rate, that ARB's announcement and demonstration of instant ratings last week was having impact on networks' negotiations with Nielsen.

In other TV research developments: (1) Pulse initiated new rating technique in Boston, based on average of 4 weeks in month, eliminating so-called "rating week." Pulse says new method will soon be used in all markets. (2) M. A. Wallach Research, N. Y., announced it plans new TV rating system combining telephone, personal interview and diary methods. (3) ARB stated it's starting work on 4th annual "A-to-Z" Metropolitan Area Coverage Study, listing viewing habits and station preferences in more than 200 markets; it's due for release in mid-March.

Convicts go for westerns, warden Maurice Sigler of La. state penitentiary at Angola has discovered. Committee of prisoners petitioned him to change one-night-per-week late TV-viewing privileges from Sat. to Tue. Reason: WBRZ, Baton Rouge, carries solid 9-11 p.m. Tue. schedule of westerns (*Sugarfoot, Cheyenne, Tombstone Territory, Colt .45*), whereas Sat. night schedule stresses music & gaiety. Warden granted permission for switch to shows in which law always wins.

Fifth national survey of TV sets in U. S. households is to be taken by Census Bureau Jan. 20-25 for American Research Foundation—with networks, NARTB & TvB picking up tab. ARF managing director A. W. Lehman says no decision has been made to produce county-by-county estimates on previous survey (Vol. 13:43), but "it is very probable" that results of Jan. survey will be used to derive county-by-county figures for 1958.

New science TV series, intended to dramatize technology & engineering in Sputnik era, is planned by veteran TV-radio producer Theodore Granik in cooperation with Research Corp., N. Y., top-drawer private organization in field of fundamental research. Year-long once-a-month series seeks rotating sponsorship by big companies whose commercials would be aimed at recruiting youth for science careers.

Antennavision Inc., Phoenix (Bruce Merrill, pres.) is surviving corporation, with merger of CTV Constructors Inc., Antennavision Mfg. & Engineering Co. and following CATV systems: Community TV System Inc. (serving San Manuel and Ray-Sonora), Clifton-Morenci Community TV Inc., Winslow-Holbrook Community TV Inc., Antennavision Inc. of Globe-Miami-Safford.

New TV review column for afternoon newspapers is offered by United Press as Mon.-thru-Fri. wire service. Written by Wm. Ewald, who had been doing TV-radio news column, "Television in Review" format will depend on night's viewing, column covering single show or several programs plus TV briefs.

Ziv's 1957 Gains: Sales by all divisions of Ziv Television Programs Inc. rose 53% above 1956 levels, while "every facet of Ziv's operations reached a new peak of activity," company announced this week in year-end statement. Exemplifying expansion of production activity was increase of production budget from \$8,000,000 in 1956 to \$12,500,000 in 1957 and an anticipated \$16,000,000 in 1958—accompanied by increase from 6 to 8 to an expected 10 series in production. Ziv gave this division breakdown of increased activity in 1957 over 1956: Syndication, sales up 57%, with multi-market sales up 73%; Economee TV (rerun) div., sales up 83%; national sales div., sales direct to national spot & regional advertisers up 33%; network sales up threefold (from one to 3 series); international div., sales up 120%. Ziv's sales force has been increased to 123 men this year, and total number of employees in all phases of Ziv operation now stands at 3300. Meanwhile, Ziv's radio transcription affiliate, World Broadcasting, noted that radio's resurgence increased its new business 21% over 1956, with renewal business up 17%.

NARTB year-end statement reports TV viewing increased 15-30%, highest percentage gain noon-3 p.m. weekdays, but largest audience—38,000,000 households—tuned 6 p.m.-midnight; average week had 38,000,000 families watching TV, up 4,000,000 from 1956—and average week's viewing time was 41 hours, 34 min. vs. 38 hours, 52 min. NARTB estimates total TV advertising in 1957 at \$1.284 billion, up 6% over 1956—networks accounting for 4.5% boost; national & regional spot, 10%; local, 5%.

All-color TV station in Havana, to be operated by Cuban TV-radio pioneer Gaspar Pumarejo (Vol. 13:36), now has set Jan. 12 as opening day. RCA-equipped outlet, Canal 12 TV, will have antenna atop Hilton Hotel, plans to specialize in "all kinds of news, interviews, entertainment and a daily New York report." Station's general representative & correspondent in N. Y. is Jose A. (Babby) Quintero, 205 W. 88th St.

Primest of prime hours on U. S. TV may be 9-10 p.m., but in Argentina that time segment's a complete dud, according to Argentina's Institute of Public Opinion, which finds TV viewing at its lowest ebb during that hour (6% of set owners). Best time, survey showed, was 7 p.m., just before dinner hour (percentage of sets in use unspecified).

Salaries of top management went up average of 5.1% in 1957 compared with 5.9% in 1956, according to American Management Assn. study of 35,000 executives of 3800 firms. Profits of these firms averaged 5% increase in 1957, were up nearly 25% in 1956.

It's official from next Wed., Jan. 1—reversion of name of National Assn. of TV & Radio Broadcasters (NARTB) to National Assn. of Broadcasters (NAB). First NAB board meeting of year will be at Camelback Inn, Phoenix, Jan. 19-24.

TV award-winning films in NAM's *Industry on Parade* newsreel series, shown now in 273 cities and telecast by USIA in 15 foreign countries, have been donated to Library of Congress.

Pay-TV system patent (No. 2,816,158), assigned to Zenith, has been granted to Myron G. Pawley, Alexandria, Va. & Jacob M. Sacks, Silver Spring, Md.

Pay-TV publication, scheduled to start Jan. 26, is *PAY-TV Newsletter & Digest*, 25 California St., San Francisco. Publisher is Edward J. Cory, editor Don Rico.

NARTB TV Code subscribers totaled 299 stations, all 3 networks, as of Dec. 15.

Clips from the Current Press—

(Digests of Noteworthy Contemporary Reports)

Higher 1958 ad budgets are forecast by 70% of top-bracket agencies—"contrary to widespread reports of a tough business year ahead"—according to Dec. 23 *Advertising Age*. Roundup of opinion by executives of agencies whose 1957 billings aggregate \$2 billion indicates "outlook is not as optimistic as it was last year," but that most expect increase of 2%-15% in ad expenditures. Budgets for next year are being set less firmly by consumer goods advertisers, however. They're "ready to cut back quickly if necessary."

Christmas TV debut by Queen Elizabeth II, whose speaking performances have been criticized in British press, won plaudits this week. Her holiday message on BBC was delivered in "easy, polished manner," British Press Assn. said. Even Lord Altrincham, who called Queen's style "pain in the neck" last summer, had no complaint to make. *Daily Express* thought she was "wonderful" on TV, but said BBC's production was "disgraceful business." *Express* suggested Hollywood professional should supervise Queen's makeup & dress in future.

"In 1958 we believe the tape recorder will become the center of the home music system," says ORRadio Industries pres. J. Herbert Orr, quoted in *Wall St. Journal* as attributing 1957 sales rise to \$2,260,000 from 1956's \$1,528,931 to growing use of magnetic tape for hi-fi reproduction. New \$500,000 plant at Opelika, Ala. will increase production capacity by 400%. Report for fiscal year ending next Feb. 28 will show earnings of about 37¢ a share vs. 28¢ preceding year.

Predictions for 1958 are featured in special marketing outlook section of Dec. 27 *Printers' Ink*, covering TV & radio, agencies, newspapers, magazines, govt. regulations, etc. Byline forecasters include pres. John Blair of rep John Blair & Co., who sees daytime TV growing, and Matthew J. Culligan, NBC v.p. in charge of radio network, who forecasts increase in network radio affiliates.

Agency names on doors don't necessarily mean they correspond with names of men who run the firms, Carl Spielvogel points out in Dec. 27 *N. Y. Times*. Founders of agencies often aren't around any more; their names are kept on for prestige & goodwill. Examples: Erwin Wasey, Ruthrauff & Ryan; J. Walter Thompson; Young & Rubicam; N. W. Ayer; Benton & Bowles; Kenyon & Eckhardt.

TV alone gained in general advertising in Oct. over Sept., according to monthly index in Dec. 27 *Printers' Ink*. Index as whole was down 3%, but network TV was up 6%. In other categories, network radio declined 5%, magazines 2%, newspapers 10%, business papers 3%, outdoor 4%.

Magnavox pres. Frank Freimann reports that sales for 6 months ending Dec. 31 are expected to be at record level, exceeding \$46,395,187 in 1956 period. He predicted "somewhat higher" profits over last year despite "disappointing" TV sales and below-expected volume in current quarter, "due primarily to a leveling off of general business conditions and to certain production delays which were encountered in the introduction of new TV and hi-fi phonograph models." But he expects higher net because of improved efficiency. He said that Magnavox will introduce new color set next year; that hi-fi shipments are running well ahead of last year; that inventories are below normal, mainly due to delays in production start of TV & hi-fi models.

Financial Notes: Higher sales, lower profits is picture painted by RCA chairman Brig. Gen. David Sarnoff in year-end report noting business volume exceeding billion-dollar mark for 3rd consecutive year. He estimated 1957 volume at \$1.180 billion but said "softening of general economic conditions in the 4th quarter and the highly competitive situation in the radio-TV industry now indicate that profits for the full year will be slightly below 1956." Earnings in 1956 were \$40,031,000 (\$2.65 per share) on sales of \$1.127 billion.

Gen. Sarnoff said RCA continued to lead in black-& white TV sales through 1957 and that "public bought more color receivers under the stimulus of increased programming, improved quality and nation-wide 'Carnival of Color' promotions." Color sales "have not as yet attained the desired volume," he declared, but "there is encouraging evidence throughout the country that a mass-market status for color TV is close at hand." In Dec. 1956 (Vol. 12:52), Sarnoff disclosed that RCA sold 102,000 color sets in year with factory billings of approximately \$58,000,000, net loss of \$6,900,000 after taxes—including all costs such as development, personnel training, advertising & promotion, programming, etc. No comparable figures were given for this year.

RCA report also said govt. business totaled 23% of firm's 1957 volume, with current backlog of about \$250,000,000; capital improvements for year were about \$35,000,000.

For 1958, Sarnoff said: "Based on present indications, we believe . . . total volume of business in the electronics industry will exceed the 1957 volume."

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Warner Points With Pride: Warner Bros. pres. Jack L. Warner—in annual report just distributed to stockholders—instead of bemoaning the encroachments of TV, makes special point not only of fact company has 35 feature films in preparation but that it is "broadening its activities to meet . . . an ever-growing demand for high quality TV film productions"—and pridefully lists ABC-TV series *Cheyenne* (GE), *Maverick* (Kaiser), *Sugarfoot* (American Chicle) and *Colt .45* (Campbell Soup) as its productions; also, that its year-old commercial & industrial film subsidiary is producing 4 one-hour science films for AT&T as well as TV commercials for some 75 companies, including Eastman, Lever Bros., RCA, GE, Kaiser, Kellogg's, Gillette, General Motors, Procter & Gamble. "As far as toll or pay TV is concerned," report states, "we are maintaining close watch on all developments in this unsettled field." Warners did better in both sales and earnings in fiscal year ending Aug. 31 than in preceding year (Vol. 13:49) but expects Nov. 30 quarter to show loss from operations "because of the decline in domestic and foreign film rentals." At Aug. 31, however, it was in strong financial position, with net working capital of \$40,956,000, including \$13,529,000 cash, book value going up to \$25.01 per share vs. \$23.96 in preceding year when net profit of \$15,295,000 (\$6.16 per share) from sale of old films was transferred to earned surplus which went up to \$49,040,451 as of Aug. 31, 1957.

Western Union earned \$10,750,950 (\$1.73 per share) on 11-mo. gross operating revenue of \$238,384,931 vs. \$11,518,289 (\$1.85) on \$230,385,099 in 1956 period. Nov. net income was \$725,451 on revenue of \$19,908,711 vs. \$1,186,193 on \$21,521,342 revenue year ago.

ELECTRONICS FACES SPACE CHALLENGES: Missiles, satellites -- and eventually space ships -- spell out vastly expanded role of electronics industry in new areas of control and communications, in view of 2 leading industry spokesmen, RCA chairman David Sarnoff and EIA pres. Dr. W.R.G. Baker.

In year-end statement, Gen. Sarnoff said "electronics and the technology of space propulsion form the keystone of our defense structure" and the American electronics industry "is equipped and ready to meet this challenge."

Sarnoff cited electronics industry 25-year growth "from virtually no place to fifth among American industries." He foresaw doubling of 1957 volume of \$12 billion in 10 years, listing these as prime growth areas: color TV, automatic systems, electronic components, nuclear research, atomic power. (For Gen. Sarnoff's report on RCA financial outlook, see p. 9.)

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Dr. Baker called attention to electronics' role in economy and defense, said industry is on threshold of "another era in which its role will be even more significant" -- emphasizing that missiles, satellites, etc. would be useless without reliable electronic instruments. He also pointed to TV's potential in education: "TV provides a ready and effective means for overcoming the shortage of teachers and bringing the best teaching talent to the greatest number of pupils."

Rise of military electronics procurement to about 50% of industry volume, Baker noted, means no decline in TV-radio business -- "but rather that the other segments of the industry have expanded more rapidly."

FACTORS IN ESTIMATING 1958 TV BUSINESS: Guesses on number of sets industry will sell in coming year are actually based on 5 factors:

- (1) How many of 45,000,000 sets-in-use will be replaced?
- (2) How many more of 46,000,000 wired homes will become multiple set owners? (About 11% now watch second & third sets.)
- (3) How many of 1,000,000 new homes expected to be built will include new TV?
- (4) How many of 1,000,000 families to be formed will create new set sales?
- (5) How many of 10,000,000 homes now without TV will buy their first set?

Of several schools of market guessing, 2 rely heaviest on replacement area. One expects 4,000,000 in replacement market; 3,000,000 from other areas. The second expects 5,000,000 in replacement & 1,000,000 elsewhere.

So far, high guesses are running at 7,000,000 units for 1958 sales; lowest at 6,000,000. Most others are in at 6,500,000 or a shade over. But there is tacit agreement among all schools that first half business will be poor and that all chips must ride hopefully on better-than-average upswing in second part of year.

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Production: TV set output was 116,296 week ended Dec. 13 vs. 109,339 the preceding week & 138,149 in 1956. Year's 50th week brought total to about 6,163,000 vs. 7,136,233 last year. Radio production was 373,322 (118,284 auto) vs. 387,597 (121,784 auto) the preceding week & 383,063 (181,553 auto) in 1956. Through 50 weeks, production totaled about 14,752,000 (5,274,288 auto) vs. 13,295,717 (4,721,266 auto) last year. Figures would indicate home radio production close to 10,000,000 for the year, highest since 1948. Note: EIA did not compile Dec. 20 figures due this week, explaining that too few manufacturers reported output.

Trade Personals: Wm. Balderston, Philco chairman since 1954, retires after 26 years with company; he was 61 on Dec. 13, said "the time is now opportune for me to complete my retirement program" . . . Ian F. McRae elected chairman of Canadian GE, succeeding Harold M. Turner who continues active directorship; McRae continues as gen. mgr. of Canadian GE's civilian atomic power department . . . Carl N. Reifsteck promoted to mgr., general quality control, RCA Victor TV div.; Bryce S. Durant named administrator of color TV coordination; James H. Hickey, administrator of black-&-white coordination; R. K. Sparks, administrator of profit improvement; all report to div. operations mgr. George K. Bryant . . . Max E. Markell promoted to eastern area commercial administration mgr. of RCA electron tube div. . . Percy L. Spencer elected senior v.p. of Raytheon, continues as mgr. of microwave & power tube div. . . Edward J. Quirk promoted to mgr. of CBS-Hytron Lowell (Mass.) semiconductor plant . . . Stanley Everett, Everett's TV & Radio, Alhambra, Cal. elected pres. of Electric League of Los Angeles, succeeding Edward G. Marten, WESCO . . . Eugene M. Kinney elected v.p. of Zenith Radio of Canada . . . James E. Brown named Ampex secy. and secy. & asst. treas. of subsidiary Ampex Audio Inc. . . Albert K. Fowler, ex-GE, named sales mgr. of Technical Appliance Corp. commercial & govt. antenna div. . . Harvey A. Ludwig, secy. of Tenna Mfg. Co., Cleveland, elected sales & adv. v.p.

Dr. Ernst Weber, native of Vienna, holder of many patents in microwave fields, elected pres. of Brooklyn Polytechnic Institute, where he has been acting pres. since death last June of Dr. Harry S. Rogers.

Obituary

Henry Wallace McCandless, 91, who worked with Dr. Lee deForest 1905-7 in developing what became the first 3-element tube, and who manufactured it until 1914 when he sold out to Westinghouse, died Dec. 24 in a nursing home at Dunellen, N. J. Surviving are 3 daughters, including Mrs. Margaret Carberry, of Johnson's Dr., N. Plainfield, N. J., with whom he lived.

Color TV sales on West Coast are better than most talk indicates, says Dec. *Electrical Merchandising*. Examples: Los Angeles dealer moving one color set to 50 black-&-white at average price of \$600 and 25% gross profit vs. 17-18% on black-&-white; big Seattle dealer moving 5-6 per month—one to every 10 black-&-white; key San Francisco account reports sales double this year but still at only 1-40 ratio; another, up 80%, ratio 1-25, gross of 30-33%. Stereo-hi-fi pitch by dealer-columnist Mort Farr in same issue of magazine urges dealers to start getting ready for this next go-round in sound-for-the-home. Farr ventures industry could be on brink of evolution which will obsolete records in few years; he predicts thinner, slower-speed tape which will give 8 hours of music on single threading of cartridge. Good system will cost customer \$500, he says, but warns that sales deterrent is floor salesman who doesn't know enough about loading of tapes and proper demonstration techniques.

Speakers at annual NARDA convention at Conrad Hilton Hotel, Chicago, Jan. 12-15, include: Willard H. Sahloff, v.p. & gen. mgr., GE housewares & radio div.; J. B. (Kip) Anger, national sales mgr., Motorola radio & phono div.; Carl L. Bixby, marketing mgr., Canadian GE appliance & TV dept. Among other speakers: George T. Moore, Asst. Secy. of Commerce; Lee Miller, pres.-elect of American Bankers Assn.; Fran Allison, TV-radio actress.

Electronics Personals: Paul R. Brousse named Western Electric mfg. v.p., succeeding Paul A. Gorman who joins N. J. Bell as operations v.p.; Charles D. Dugan replaces Brousse as v.p.-finance; Frank J. Hammel elected v.p.-controller, replacing Dugan . . . Russell W. McFall, ex-GE, named v.p. of Litton Industries & gen. mgr. of its Md. div., replacing Dr. Harvard L. Hull who resigned to become pres. of Nucleodyne Corp., subsidiary of Cook Electric in Chicago . . . Charles M. Heiden promoted to mgr. of research application dept., GE research lab, Schenectady . . . Frank L. Miller promoted to marketing mgr., GE power tube dept. . . . Adm. James F. Byrne (USN ret.) named director of material, Norden-Ketay labs div. . . Carl Neisser named manufacturing mgr. of Beckman Instruments systems div. . . . Frank Clarke, ex-Melpar, named military relations engineer, Texas Instrument semiconductor components div., with headquarters in Washington . . . Frank W. Lynch, ex-Northrop Aircraft, named engineering v.p. of Hallamore Electronics div. of Siegler Corp., succeeding John Burke, recently named exec. v.p.; Walter J. Krueel named v.p. & works mgr. . . . George E. Geyer & Dr. Joseph Seton Smith, both ex-Control Instrument, elected pres. and v.p. & treas., respectively, of All-Tronics Inc., Westbury, N. Y. . . . Murray C. Walker Jr., ex-Ace Electronics, named New England regional mgr. of DuMont military operations dept. . . . David A. Findlay, ex-*Electronics*, joins Ziff-Davis as editor of electronics annuals & directories . . . Nathaniel M. Marshall promoted to new post of assoc. director for sales of industrial products div. of General Precision Lab.

NAPA's Business Outlook: Lower level of general business in first 6 months of 1958 is predicted by 40% of National Assn. of Purchasing Agents' business survey committee, 40% see business holding even with 1957 period, 20% think it will be better. Majority feel some major strikes will deter 2nd-half pickup, 30% expecting whole year to be worse than 1957, 42% the same, 28% better. NAPA reports brisk retail sales, but 43% record poorer new order bookings—highest number since Jan. 1954. Group says production and employment are down, some prices have been cut to reduce inventories and meet competition. Meanwhile, Govt. reported Nov. consumer price index at record 121.6 of average 1947-49 prices, 0.4% higher than in Oct. and 6.1% higher than at start of spiral in Feb. 1956.

TV's estimated decrease in factory sales (off about 14%, according to EIA) for 1957 finds numerous parallels in major appliances. National Electrical Mfrs. Assn. this week projected white goods declines to year-end vs. 1956. Only bright spot is built-in ranges with plus of 10.4%. All other NEMA projections are off: standard ranges, -21.7%; refrigerators, -9.5%; freezers, -5.1%; water heaters, -8.1%; dishwashers, -2.5%; disposers, -9.8%; dehumidifiers, -18.2%. Laundry appliance figures from American Home Laundry Mfrs. Assn. go only for 11 months: automatic washers, -15%; conventional washers, -22%; dryers, -15%.

"Some easing" of Nov. general business activity from last summer's peaks is reported by Commerce Dept.'s Office of Business Economics in Dec. *Survey of Current Business*, calling declines modest, economy "currently functioning at high, near-record rates." Using 1947-49 as basic 100, Oct. TV-radio production was 282 vs. 312 in Oct. 1956; wholesale TV prices were 71.4 in Nov. vs. 69.9 in Nov. 1956, radio & phono, 93.2 vs. 91.1. TV production, including combinations, for Nov. was 562,600 vs. 680,000 in Nov. 1956; Nov. radio production preliminary total was 1,687,000 vs. 1,381,000.

Foreign TV-Radio Growth: Uneven expansion of TV in other countries is reflected in these recent reports—from State Dept., Commerce Dept., etc.:

(1) West German TV production this year is estimated at 850,000—exceeding early-in-year predictions.

(2) Argentine assembly of sets, including many imported components, is expected to total about 42,000 this year vs. 12,000 in 1946. There are at least 14 manufacturers, and demand is outrunning production. About 325,000 radios are produced annually.

(3) USSR is reported producing about 1,000,000 receivers this year, bringing total in use to more than 3,000,000. (Russian embassy in Canada recently bought 3 Admiral color sets for \$2760, plans to exhibit them in Moscow.)

(4) Philippines' 1958 TV production target is 2500 units vs. 1800 in 1957. Radio output for next year is projected to 35,000 vs. 23,000 this year. TV imports dropped from 768 in 1955 to 487 in 1956, radio from 17,944 to 5606. Most components are imported.

(5) Colombian TV market is said to be sharply curtailed because of peso devaluation, with some 10,000 of the 22,560 sets imported in 1956 in inventory. Domestic TV production started this year, Bogota firm assembling 200. Radio production this year is estimated at 80,000-140,000—down 25-30% from 1956.

(6) Syrian radio imports, mostly from Netherlands, rose from 34,340 in 1955 to 41,686 in 1956. Sets-in-use total about 300,000, served by 2 stations.

(7) Egypt cut radio imports drastically—from 118,935 in 1955 to 58,200 in 1956, 2400 in first half of 1957—to conserve foreign exchange. Netherlands is major source, and sets-in-use figure is put at 720,000.

EIA Radio Report: Shipment of radio sets to dealers totaled 6,830,249 through Oct., when production was 7,583,443, retail sales were 6,764,221—excluding auto. In first 10 months of 1956 shipments were 6,080,825, production 7,276,749, retail sales 5,990,718. Oct. shipments were 985,969 vs. 1,056,274 in Sept. & 754,005 in Oct. 1956. Here's EIA 10-mo. shipment report (county-by-county tables available to EIA members):

State	Total	State	Total
Alabama	80,616	Nevada	9,524
Arizona	32,898	New Hampshire	22,979
Arkansas	35,697	New Jersey	277,539
California	518,598	New Mexico	20,499
Colorado	45,852	New York	1,065,593
Connecticut	96,573	North Carolina	101,350
Delaware	12,329	North Dakota	16,312
District of Columbia	63,378	Ohio	394,527
Florida	155,291	Oklahoma	65,653
Georgia	125,344	Oregon	56,441
Idaho	15,747	Pennsylvania	531,717
Illinois	584,925	Rhode Island	40,432
Indiana	124,455	South Carolina	42,223
Iowa	76,739	South Dakota	16,029
Kansas	56,114	Tennessee	89,814
Kentucky	97,323	Texas	304,335
Louisiana	101,720	Utah	23,789
Maine	38,087	Vermont	15,275
Maryland	130,531	Virginia	105,326
Massachusetts	249,405	Washington	92,718
Michigan	293,249	West Virginia	52,579
Minnesota	105,978	Wisconsin	146,953
Mississippi	40,229	Wyoming	7,888
Missouri	175,204		
Montana	18,492		
Nebraska	39,058		
		GRAND TOTAL	6,830,249

Litton Industries' proposed acquisition of Aircraft Radio Corp. (Vol. 13:42, 51) has been endorsed by ARC management and 4 directors, while 2 other directors opposed on grounds they believe stock exchange would reduce preferred stockholders' equity. Proposal is to be submitted to Cal. Corporation Commission and if approved it will be voted on by ARC stockholders; Litton stockholders have already given approval.

DISTRIBUTOR NOTES: Graybar elects as directors: J. E. Carroll, Allegheny district mgr., and G. L. Call, central Pacific district mgr.; transfers C. E. Kirkpatrick to Chicago as central district mgr. from Erie district mgr. at Cleveland . . . Sylvania appoints The Shield Co. for Ft. Worth & Dallas, replacing Straus-Frank . . . Raymond Rosen, Philadelphia (RCA), names Jack Kelley, ex-Philo Distributors, to "special assignments."

Freight rate increase of 3% is asked for in petition by major railroads to Interstate Commerce Commission this week. Categories of goods affected include TV & radio sets, heavy broadcasting equipment—as well as other appliances and hard goods. (Furniture is in 5%-increase bracket.) With certain exceptions (between N.Y. & Philadelphia, for instance), increased rates will apply to all longer distance (Chicago to or from either coast, for example). Also requested are hikes in pickup and/or delivery of less-than-carload shipments, in-transit stopping for loading or unloading, COD service. All-commodity rates, in-line haul rates won't be changed. Hikes are sought to be effective Feb. 1. Oral argument will be heard Jan. 29.

Philco's improvement in 1957—to sales of more than \$360,000,000, per-share earnings of more than \$1 vs. 1956 net of less than 1¢ per share—is analyzed by company officials in Dec. 24 *Wall St. Journal* interview. Pres. James M. Skinner Jr. noted: (1) Low inventory in 1957 3rd quarter, "therefore we made money on every set," with similar results in radio-hi-fi. (2) "Significant profits" in tubes & transistors. "We've had a far better cost picture [and] we've done a fairly good job of inventory control." John M. Otter, merchandising exec. v.p., said TV has been "good for us since June," saw nothing to slow it up.

Hi-fi promotion gets double test in Chicago Jan. 2 when Sol Polk kicks off 6-week, 6-store, city-wide "Polk Bros. Spectacular Hi-Fi Show." Ten manufacturers who will pick up all or most of tab will learn whether single huge dealer can boost area-wide hi-fi business and whether heavy promotion can sell hi-fi "off season." Polk will use 850 billboards, advertise in entertainment sections of papers, mail tickets to half million customers, expand hi-fi depts. in all units, tie in 2 major jazz-circuit restaurants with "hi-fi cocktails" and a major ice cream maker with "hi-fi sundae."

TV set sales in Canada declined in 1957 to estimated 470,000 sets, according to J. Herbert Smith, recently elected pres. of Canadian GE, who expects 1958 to hold at about same level. He said that radio continued high, should hit 700,000 units this year due to low-cost portables in color, clock radios and transistor set demand; that Canadian appliance firms are increasingly concerned over U. S. exports across border, blaming situation on "mass overproduction in the U. S. together with the interpretation of what constitutes 'fair' market value."

Admiral filed sweeping denial and asks dismissal of FTC charges (Vol. 13:47) that company's advertising of TV sets leads public to believe picture tube sizes represent horizontal rather than diagonal measurements; that its ads do not make this clear; that public is deceived and there is unfair competition.

FTC consent order, approved this week, prohibits Sunset House Distributing Corp., 792 Sunset Blvd., Hollywood, Cal., from misrepresenting that its "Color Filter" plastic adapter will produce same effect as color TV (Vol. 13:27).

Great Britain's TV set licenses totaled 7,524,071 Oct. 31, an increase of 125,886 from Sept. 30. Radio-only was 7,153,541.

GE—Review & Preview: Spokesmen for 3 GE departments this week issued wrap-up statements on the 1957 year and predictions for 1958. Fact & opinion came from Syracuse & Owensboro on both home and industrial electronics:

(1) TV set inventories are excessive at 1957 year end, said Jack S. Beldon, TV receiver marketing mgr., but not as bad as last year. "GE [is in] better inventory position than the industry," he said. Industry TV sales in 1958 will be slightly behind this year. GE will go easy on color, seeing no great consumer rush for present sets, will continue work on own color techniques.

(2) Hi-fi will continue boom as component makers work on pickup cartridges for stereo records, said L. Berkley Davis, electronics components div. gen. mgr. With records already being produced in stereo, and compatibility—records or tape—a feature of most other stereo sound components, cartridge is major bottleneck in stereo record growth.

Unit sales of transistors, Davis predicted, will increase 75% to 48,000,000 worth \$105,000,000, with home entertainment taking 2/3 of units and 1/3 of dollars; transistor versions of home portable radios will double in 1958; transistor car radios will go up 75% as 3/4 of all sets use some transistors, though the all-transistor car radio won't be a substantial market until 1959. Transistors for TV will be rather small market due to costs. Total semiconductor market will be up 35% to \$200,000,000. Receiving tubes will increase 7% to \$420,000,000, as entertainment types hold even with this year and military & industrial types increase. Picture tubes will hit 13,700,000 in factory sales worth \$260,000,000, half for replacement.

Industrial & military CR tubes will use transparent phosphors more extensively and trend to higher resolution, post acceleration and deflection devices will be stronger.

(3) Closed-circuit TV will double 1957's \$6,000,000 business in 1958, according to Wm. J. Morlock, technical products dept. gen. mgr., as GE diversification aims at larger share of that business. Further diversification has led to stronger interest in scatter communications, high-frequency heating devices and slow-scan TV. Morlock, who had previously predicted televised phone calls within 5 years, now sees first practical step taken in 1958 with a military installation next spring. GE's work in scatter communications has increased its distance goal from present 200-250 mi. to 600-700. Although scatter system is mainly military, Morlock believes it to be first step in practical transoceanic commercial TV broadcasting.

Regional TV set sales from electrical assns.: Chicago—Distributor sales of black-&-white for Nov. were 24,267 vs. 30,811 last year . . . Kansas City—Nov. sales hit 7811 vs. 10,108; Nov. color sales were 223 for total to date of 2828 . . . Philadelphia—Distributors in Nov. sold 16,553 sets vs. 20,726 last year; for 11 months, set sales totaled 145,765 vs. 172,742 last year.

Tax status on rebuilding picture tubes has been clarified by IRS which holds that excise tax is due if tube is opened for recoating screen or replacing gun, exempt if tube is restored without opening tube. It also held that rebuilders' wholesale price must include amount allowed for used tube accepted in exchange.

Accent on sound in TV merchandising trend continues (Vol. 13:48) as Olympic adds "high fidelity TV with 3-D" in two 1958 drop-in consoles: 21-in. at \$309; 24-in. at \$279, both with new horizontal chassis and "3-D control" in 3-speaker system.

Electronic refrigerator is much further along in Japan than in either Russia or U. S., according to Dec. 23 *Electronic Week* review of Japanese electronic progress and exports to U. S. (Vol. 13:45). It reports that under Prof. Suga of Tokyo U, one company is on threshold of introduction of industrial model.

New magazine, capitalizing on popular interest in electronics, TV-radio-hi-fi, is bi-monthly *Electronics Illustrated*, edited by Charles Tepfer, ex-technical editor of *Popular Electronics*. First issue (May) is due on newsstands March 13 at 25¢.

Single RCA Victor 45rpm records have been increased from 89¢ to 98¢ effective Jan. 1. Move follows \$1 raise in Red Seal LP line from \$3.98 to \$4.98.

Sales aide for dealers and technicians is provided in 24-page booklet, *Profit Builders*, available from RCA electron tube div., Harrison, N. J.

New booster offered by Blonder-Tongue is designed to couple 1, 2, or 3 sets to same antenna.

EIA reports \$926,000,000 defense electronics spending in quarter ended Sept. 30 vs. \$637,000,000 in 1956 period. Breakdown for the 2 quarters: Aircraft, \$340,000,000 in 1957 to \$213,000,000 in 1956; missiles, \$273,000,000 & \$205,000,000; electronics and communications, \$24,000,000 & \$130,000,000; research & development, \$73,000,000 & \$65,000,000; ships-harbor craft, \$23,000,000 & \$17,000,000; miscellaneous, \$11,000,000 & \$5,000,000; combat vehicles, \$1,000,000 & \$2,000,000; support vehicles, \$1,000,000 & no 1956 figure.

GE communications products dept. opens regional offices at Richmond, Va. under H. L. Blom, St. Louis under M. S. Chapin, Minneapolis under W. G. Pree, and 23 district offices. Walter E. Sutter is promoted to mgr. of microwave equipment sales; Kent Worthen to mgr. of product planning-microwave; L. R. Sheeley, mgr. of sales, mobile equipment; R. L. Casselberry, mgr. of product planning, mobile, and marketing research.

Insul-8-Corp. sets up closed-circuit TV development and production div. at San Carlos, Cal. under gen. mgr. & chief engineer Bruce J. Scievers. It has 41 employes, plans expansion into production of additional electronic devices.

Thompson-Ramo-Wooldridge Products Inc., a subsidiary of Thompson Products Inc. and Ramo-Wooldridge Corp., has been formed to make industrial process control instruments—first an electronic computer for process control.

Zenith hearing aid div. names Bausch & Lomb Optical Co. as its distributor in foreign markets, under supervision of export mgr. S. W. Steensma.

Second National Conference on Automation Systems is scheduled for Jan. 22-24 at Arizona State College, Tempe, under EIA auspices.

Bound and Indexed

We will index and bind, between embossed hard book covers, a limited quantity of all 1957 issues of the Television Digest Weekly Newsletters, plus the semi-annual TV Factbooks with all Addenda, plus all Supplements and Special Reports. This volume will provide a handy and handsome permanent reference for your own or your company library. Orders will be taken until Jan. 7. Price: \$25 per volume.

Do You Know That . . .

Quite a few former FBI agents, most of them graduates of J. Edgar Hoover's famed academy at Quantico for training tough young men, usually athletes, for the exciting job of crime-hunting, and nearly all holders of law or accountancy degrees, are to be found in many TV-radio broadcasting and associated pursuits?

There's FCC Comr. Robert E. Lee, of course, and Jack E. Buckley, chief of the FCC common carrier N. Y. field office; also still in govt. service, with U. S. Information Agency, which operates Voice of America, are Adelbert R. Baker, Paul J. McNichol, Joseph C. Walsh.

Practicing law in Washington, specializing in TV-radio, are Edward P. Morgan, of Welch, Mott & Morgan, and Robert L. Heald, ex-NARTB chief counsel, now with Spearman & Roberson. Chief counsel of Music Corp. of America is Robert E. Bramson, and, on NBC legal staff, also in New York, there's Edward T. Burns. Also practicing law is Melvin H. Purvis, of Florence, S. C., famed for helping bring Dillinger to bay; he owns radio WOLS, Florence.

In broadcasting, generally in top administrative posts, are Norman B. Bagwell, WKY, Oklahoma City, where his former FBI colleague Hoyt T. Andres, then newly transferred from WSFA-TV, Montgomery, Ala., to manage WKY-TV, died last summer; Wade H. Alley, WHIO, Dayton; Joseph W. Evans, KFJZ-TV, Ft. Worth; Arthur E. Haley, WORL, Boston; James W. Coan & John G. Johnson, WTOB, Winston-Salem; Philippe V. Moore, WINZ, Miami; Lamont L. Thompson, WHCT, Hartford.

Among station reps with distinguished FBI records are Frank R. Headley, pres., H-R Television Inc.; Edward R. Kenefick, with George P. Hollingbery Co.; Theodore Van Erk, The Bolling Co. Inc. And at the agencies are J. Lewis Ames, Erwin Wasey, Ruthrauff & Ryan; Carl I. Cartwright, J. Walter Thompson; Wm. F. Geeslin, Young & Rubicam; Howard O. Anderson, Ted Bates & Co.

With Westinghouse stations headquarters in N. Y. is Paul C. O'Friel, and electing to become commentators are Ron V. Cochran, CBS, and Howard D. Smoot, Dallas free-lance. Robert M. Dore, TV-radio agent in N. Y., is also ex-FBI, as are Joseph Wohl, Republic Pictures; Blayne F. Matthews, Warner Bros.; Alfred B. Berry, RKO.

In other branches of communications and electronics fields are still more FBI "alumni"; we'll list them for you in a later column.

French TV & radio were blacked out over Christmas holiday by nationwide technicians' strike. Among shows cancelled were several specially prepared Yuletide programs.

New European headquarters of A. C. Nielsen Co. Ltd. has opened at Oxford, England. British market research firm, started in 1939, employs 900.

Add ad tax gimmicks: Virginia's 0.3% retail merchants sales tax would be extended to include TV, radio & newspaper advertising under new revenue-raising plan by Norfolk Mayor W. Fred Duckworth. Pointing out that media now get off "scot free" from licensing or sales levies assessed against other businesses, he wants state legislature to remove exemption when it meets in mid-Jan. Proposal doesn't follow pattern of special 6% taxes on all advertising enacted by Baltimore City Council and threatened in St. Louis (Vol. 13:45-51). But Duckworth's move will be fought by Advertising Federation of America, whose pres. & gen. mgr. C. James Proud told us this week: "We have to sympathize with him, but we have to oppose any tax on advertising on principle." General sales taxes now apply to advertising in half-dozen states and Hawaii.

TV-ASCAP 4-Year Pact: Beating Dec. 31 contract deadline, closing of negotiations for new TV licensing agreements between ASCAP and networks & stations seemed certain in N. Y. this week. CBS, NBC & ABC have accepted 4-year renewal terms (2.5% of time sales plus 110% of highest 30-min. monthly rate) offered by ASCAP. Polled by wire Dec. 24 by broadcasters' contract committee headed by Irving Rosenhaus of WATV, Newark-N. Y., 250 stations it represents were voting overwhelmingly to continue same ASCAP fees (2.05% of gross plus highest 15-min. monthly rate) another 4 years. ASCAP, which has been collecting around \$10,000,000 annually from TV, had conditioned renewal offer on acceptance by "substantial majority" of licensed stations. Radio-ASCAP licensing agreements run to Dec. 31, 1958.

Infrared TV: Air Force last week received patent for infrared TV camera, invented by David A. Huffman of Cambridge, Mass. on basis of his research at Ohio State U Research Foundation. Presumably, Air Force device would be companion to such infrared military devices as snooperscope and sniperscope, both of which use invisible infrared rays instead of light. Japanese scientists have been working for about a year with a TV system called "noctovision," developed for Broadcasting Corp. of Japan (NHK), which also uses infrared.

Commercial TV network competitive to the semi-commercial state-controlled chains has been authorized by West German Govt. New Freies Fernseh, with headquarters in Frankfurt, plans to start telecasting in about 18 months, though it hasn't yet decided on location of stations. New private outfit plans to take spots between shows, but no sponsorships as such. Present German networks devote small amount of time to commercials.

RCA awards 9 fellowships for advanced studies in engineering, physics, dramatic arts, bringing total awards to some 120 since started in 1947. This year's recipients will study at New York U, Columbia U, Cal. Institute of Technology, Cornell U, U of Ill., Princeton U, Rutgers U, Carnegie Institute of Technology, Yale U.

World's TV & radio stations are listed in 1958 edition of *World Radio Television Handbook*. Printed in English, new 12th edition may be ordered from Publisher-Editor O. Lund-Johansen, 1, Lindorffsalle, Hellerup, Denmark (\$2 by surface mail, \$4 airmail).

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